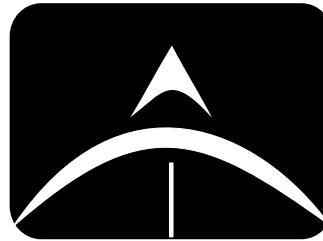


# ANNUAL REPORT 2013



**SHREE RAM**  
URBAN INFRASTRUCTURE LIMITED

# SHREE RAM URBAN INFRASTRUCTURE LIMITED

(CIN : L17110MH1935PLC002241)

ANNUAL REPORT FOR THE YEAR ENDED 31st DECEMBER, 2013

## CORPORATE INFORMATION

Board Of Directors	:	Mr. Shambhukumar S. Kasliwal - Chairman Mr. Vikas S. Kasliwal - Vice - Chairman & CEO Mr. S. K. Luharuka - Whole - Time Director Mr. Mukul S. Kasliwal - Director Mr. Vijay G. Kalantri - Director Dr. O. P. Chawla - Director Mr. Lalit Mohan - Director Mr. Mohan M. Jayakar - Director Dr. Poornima G. Advani - Director Mr. N. K. Sethi - Director
Auditors	:	M/s. HABIB & CO. Chartered Accountants 75, Mohamedali Road, Mumbai - 400 003.  M/s. KHANDELWAL JAIN & CO. Chartered Accountants 6B, Pil Court, 6th Floor, 111, M. K. Road, Mumbai - 400 020.
Sr. General Manager & Company Secretary	:	Ms. Manju B. Batham
Registrar & Transfer Agents	:	M/S. BIGSHARE SERVICES PVT. LTD. E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400 072. Tel. No.: 022-40430200 Fax No.: 022-28475207 E-mail : info@bigshareonline.com
Registered Office	:	Shree Ram Mills Premises Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013. Tel. No. : 022-61404900 Fax No. : 022-24928617  Website : www.shreeramurban.co.in

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# SHREE RAM URBAN INFRASTRUCTURE LIMITED

## NOTICE

**NOTICE** is hereby given that the 77th Annual General Meeting of Shree Ram Urban Infrastructure Limited will be held on Friday, the 27th June, 2014 at 11.00 AM at the 'Sunville', 9 Dr. Annie Besant Road, Worli, Mumbai – 400 018 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at December 31, 2013, Profit and Loss Account and Cash Flow Statement for the year ended December 31, 2013, the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. N. K. Sethi who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Lalit Mohan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Mohan Jayakar who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and 311 and read with Schedule XIII of the Companies Act and other applicable provisions, if any, of the Companies Act, 1956, Mr. S. K. Luharuka, Whole-Time Director of the Company be and is hereby re-appointed for a period of three years with effect from 1st January, 2014 on the terms and conditions as mentioned below."

#### Category A

Basic Salary	:	Rs. 1, 25,000/- per month.
Yearly increment on Basic Salary	:	@ 10% on Basic Salary

#### Category B

1) Provident Fund	:	Contribution to Provident Fund as per rules of the Company.
2) Gratuity	:	Gratuity payable at ½ month's salary for each completed year of service.
3) Medical Reimbursement	:	Expenses incurred for him and his family subject to a ceiling of one month's salary in a year.
4) Leave Travel Concession	:	For him & his family once in a year, subject to a ceiling one month salary in a year.
5) Bonus	:	One month's salary as an ex-gratia.

- 6) Residence : Reimbursement of electricity bill on actual basis.  
Electricity Bill
- 7) Residence : Reimbursement of actual telephone bill.  
Telephone Bill
- 8) Period of Appointment : 3 years
- 9) Car : Use of Company's Car.

**Minimum Remuneration**

In the event of Loss or inadequacy of profit in any financial year during the currency of tenure of Mr. S. K. Luharuka, the remuneration including the perquisites as aforesaid shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956.

Mr. S. K. Luharuka will not be entitled to sitting fees for the meetings of Board of Directors attended by him.

7. To consider and if thought fit, to pass with or without modifications, the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 314(1), Section 314 (1B) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the prior consent of the members of the Company, “Goldmount Advisors”, a sole Proprietary concern of Mr. Gaurav Kaul, a relative of Mr. S. S. Kasliwal, Chairman, and Mr. Vikas S. Kasliwal, Vice-Chairman & CEO, of the Company be and is hereby re-appointed to hold an office or place of profit as a Legal Adviser of the Company on the basis of retainership for a period of two years and 3 months with effect from 1st July, 2014 at a remuneration of Rs. 24, 00,000 per annum.

By Order of the Board of Directors  
For **Shree Ram Urban Infrastructure Limited**

**Manju B. Batham**  
**Sr. GM & Company Secretary**

**Place : Mumbai**  
**Date : 2nd June, 2014**

**Registered Office:**  
Shree Ram Mills Premises  
Ganpatrao Kadam Marg,  
Lower Parel,  
Mumbai – 400 013.

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. 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. Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the Special Business is annexed.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd June, 2014 to 27th June, 2014 (Both days inclusive).
4. Members/Proxy should bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
5. The Members are requested to lodge/notify the transfer deeds, communication for change of address, bank details, ECS details, wherever applicable, mandates (if any), for shares held in the Physical Mode with M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai-400 072.

The Shareholders holding shares in electronic form are requested to lodge the above details to their depository participants and not to the Company or to the Registrars and Share Transfer Agents of the Company.

6. All documents referred to in the notice or in the accompanying explanatory statement are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on all working days upto the date of Annual General Meeting.
7. As required under the Listing Agreement, the profile of the Director who is proposed to be re-appointed is furnished below:

**Item No: 2**

- |                           |                   |
|---------------------------|-------------------|
| i.) Name                  | : Mr. N. K. Sethi |
| ii.) Age                  | : 76 years        |
| iii.) Date of Appointment | : 14.05.2011      |
| iv.) Expertise            | : In Textile      |
| v.) No. of Shares held    | : NIL             |

Mr. N. K. Sethi is not holding Directorship in any other Public Limited Company

**Item No: 3**

- |                           |                   |
|---------------------------|-------------------|
| i.) Name                  | : Mr. Lalit Mohan |
| ii.) Age                  | : 75 years        |
| iii.) Date of Appointment | : 25.08.2005      |
| iv.) Expertise            | : Revenue Service |

v.) No. of Shares held : NIL

Dr. Lalit Mohan is not holding any Directorship in any other Public Limited Company.

**Item No: 4**

i.) Name : Mr. Mohan Jayakar

ii.) Age : 62 years

iii.) Date of Appointment : 18.03.2009

iv.) Expertise : Legal

v.) No. of Shares held : NIL

Dr. Mohan Jayakar is also holding Directorship in five other Public Limited Companies which are as follows.

1. Photogroup India Ltd.
2. Everest Kanto Cylinder Ltd.
3. Mysore Petrochemicals Ltd.
4. Talwalkars Better Value Fitness Ltd.
5. Ez Comm Trade Technologies Ltd.

## ANNEXURE TO NOTICE

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

## Item No. 6

Mr. S. K. Luharuka, Whole-Time Director of the Company is a Arts Graduate from Mumbai University and have been associated with Shree Ram Urban Infrastructure Limited and S. Kumars Group of Companies since last 27 years and has gained high amount of experience of working for various senior managerial positions; during his service he was also a Director on the Board of Indian Bank, a Public Sector bank for a period of 5 years. The Activities of the Company in Real Estate Development have considerably increased. The Company will be benefitted under his able guidance.

The Board and the remuneration Committee therefore felt that Shri S. K. Luharuka, be re-appointed as to Whole-Time Director for a period of three years with effect from 1st January 2014 and recommends the resolution as set out for your approval.

**Category A**

Basic Salary	:	Rs. 1,25,000 per month.
Yearly increment On Basic Salary	:	@ 10% on Basic Salary

**Category B**

- 1) Provident Fund : Contribution to Provident Fund as per rules of the Company.
- 2) Gratuity : Gratuity payable at ½ month's salary for each completed year of Service.
- 3) Medical Reimbursement : Expenses incurred for him and his family subject to a ceiling of one month's salary in a year
- 5) Leave Travel Concession : For him & his family once in a year, subject to a ceiling one month salary in a year.
- 6) Bonus : One month's salary as an ex-gratia.
- 7) Residence Electricity Bill : Reimbursement of electricity bill on actual basis.
- 8) Residence Telephone facility : Reimbursement of actual telephone bill.
- 9) Period of Appointment : 3 years
- 10) Car : Use of Company's Car.



**Minimum Remuneration**

In the event of loss or inadequacy of profit in any financial year during the currency of tenure of Mr. S. K. Luharuka, the remuneration including the perquisites as aforesaid shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956.

Mr. S. K. Luharuka will not be entitled to sitting fees for the meetings of Board of Directors attended by him.

The Board recommends this resolution for your approval.

None of the Directors of the Company are in any way concerned or interested in the said resolution except Mr. S. K. Luharuka.

**Item No. 7**

Mr. Gaurav Kaul a sole proprietor of M/s Goldmount Advisors, is a LLB and a MBA from George Washington University, USA. Mr. Kaul has rich experience of over 13 years as Legal Adviser and Strategic Advisor. He will be involved in the strategy formulation and legal matter of the Company. Mr. Kaul, with his vast experience, has developed a good understanding of the business of the Company.

M/s Goldmount Advisor's existing tenor of appointment is expiring on 24<sup>th</sup> March, 2014; it is proposed to re-appoint M/s Goldmount Advisors, a sole Proprietary Concern of Mr. Kaul, as the Legal Adviser for two years and three months with effect from 1<sup>st</sup> July, 2014 on the same remuneration i.e. 24, 00,000 per annum.

As per Section 314 (1) and Section 314 (1B) of the Companies Act, 1956, the consent of the members of the Company is required as Mr. Kaul, is a relative of Mr. S. S. Kasliwal, Chairman, and Mr. Vikas S. Kasliwal, Vice-Chairman & CEO of the Company.

The Board recommends this resolution for your approval.

None of the Directors of the Company are in any way, concerned or interested in the said resolution except Mr. S. S. Kasliwal and Mr. Vikas S. Kasliwal.

By Order of the Board of Directors  
For **Shree Ram Urban Infrastructure Limited**

**Manju B. Batham**  
**Sr. GM & Company Secretary**

**Place : Mumbai**  
**Date : 2nd June, 2014**

**Registered Office:**

Shree Ram Mills Premises  
Ganpatrao Kadam Marg,  
Lower Parel,  
Mumbai – 400 013.

## DIRECTORS' REPORT

**Dear Members,**

The Directors take great pleasure in presenting their 77th Annual Report on the business and operations of your Company along with the Audited Balance Sheet as at 31st December, 2013 and Profit and Loss Account and Cash Flow Statement for the year ended 31st December, 2013.

### FINANCIAL HIGHLIGHTS

Your Company incurred Loss of Rs. 12,70,84,213 (Rupees Twelve Crores Seventy Lacs Eighty Four Thousand Two Hundred Thirteen only) as compared to a Profit of Rs. 9,09,67,136 (Rupees Nine Crores Nine Lacs Sixty Seven Thousand One Hundred Thirty Six only) in the previous year. Highlights of the financial performance are as follows:

<b>Particulars</b>	<b>Financial Year ended December 31, 2013</b>	<b>(In Rupees) Financial Year ended December 31, 2012</b>
Profit/(Loss) before interest & Depreciation/impairment	<b>(8,44,77,640)</b>	10,37,78,803
Less: Interest	<b>1,42,60,788</b>	41,73,346
Less: Depreciation/Impairment	<b>4,60,692</b>	6,75,576
	<hr/>	<hr/>
Profit/(Loss) before tax	<b>(9,91,99,120)</b>	9,89,29,881
Provision for Tax / Deferred Tax	<b>2,78,85,093</b>	79,62,745
	<hr/>	<hr/>
Profit/(Loss) after tax	<b>12,70,84,213</b>	9,09,67,136
Add: Balance brought forward from previous year	<b>(4,98,20,702)</b>	(14,07,87,838)
	<hr/>	<hr/>
Amount available for appropriation	<b>(17,69,04,915)</b>	(4,98,20,702)
 <b>Appropriations :</b>		
Transfer to Reserve Fund / General Reserve	—	—
Dividend on Equity Shares	—	—
Corporate Dividend Tax	—	—
	<hr/>	<hr/>
Balance carried forward	<b>(17,69,04,915)</b>	(4,98,20,702)
	<hr/> <hr/>	<hr/> <hr/>

### DIVIDEND

Your Directors do not recommend any dividend due to losses incurred during the year.

### BUSINESS

The Company's project Palais Royale has attained a good standing in terms of technological innovations. However, implementation has been delayed owing to an adverse order passed by the Municipal Commissioner of Mumbai. The Company has gone in Writ Petition against the said order and is hopeful of getting legal redressal soon. Once the project is complete, it will firmly establish the Company in the field of real estate and urban infrastructure development.

**INSURANCE**

The building, site construction and electrical installation have been covered for all probable risks.

**SUBSIDIARIES**

SRM Sites Private Limited is a material, unlisted Indian Subsidiary Company.

Raghuveer Suburban Infrastructure Private Limited and Shree Ram Realinfra Ventures Private Limited are non-material, unlisted Indian Subsidiary Company.

The reports and accounts of the Subsidiary Companies are not annexed to this Report. The Board of Directors of the Company have approved and passed a resolution in this regard. A statement pursuant to Section 212 (8) of the Companies Act, 1956 is annexed.

**FIXED DEPOSITS**

During the year under review, the Company has not accepted any fixed deposit within the meaning of Section 58A of the Companies Act, 1956, and as such, no amount of principal or interest was outstanding as of the date of the Balance Sheet.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 read with the Articles of Association of the Company, Mr. N. K. Sethi, Mr. Lalit Mohan and Mr. Mohan Jayakar retire by rotation at the ensuing Annual General Meeting. Mr. N. K. Sethi, Mr. Lalit Mohan and Mr. Mohan Jayakar being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217 (2AA) of the Companies Act, 1956 the Directors hereby confirm that:

- i. In preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- ii. 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 for that period;
- iii. 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. The Directors have prepared the Annual Accounts on a 'going concern' basis.

**AUDITORS**

M/s Habib & Co. and M/s Khandelwal Jain & Co. are the present Statutory Auditors of the Company. They retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointed. The Board recommends their re-appointment.

**EXPLANATION TO THE QUALIFICATION IN AUDITOR'S REPORT**

The Directors submit that their explanation to the qualification made by the Auditors in their report for the year ended 31st December, 2013 which is already given in note no. 36 of Financial Statement is self-explanatory.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report as required under Clause 49 of the Listing Agreement with the Stock Exchange forms part of this Report.

## CORPORATE GOVERNANCE

The Company has taken appropriate steps and measures to comply with all the applicable provisions of Clause 49 and Section 292A of the Companies Act, 1956. A separate Report on Corporate Governance, along with a certificate of Practicing Company Secretary, is annexed herewith. A certificate from the Whole-Time Director and Senior President (Finance) & CFO of the Company confirming internal controls and checks pertaining to financial statements for the year ended 31st December, 2013 was placed before the Board of Directors and the Board has noted the same. A list of the committees of the Board and names of their members is given in the Report. The scope of each of these committees and other related information is detailed in the enclosed Corporate Governance Report.

## PARTICULARS OF EMPLOYEES

The Company does not have any employee whose particulars are required to be disclosed pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and under Section 217 (1)(e) of the said Act, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under Sub-Section (1)(e) of Section 217 of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo are furnished hereunder:

### A. CONSERVATION OF ENERGY:

Company is engaged in construction activities and sufficient care from energy conservation point of view has been taken while opting for construction materials, technology and methodology.

For example, use of waste pozzolanic material like flyash for manufacturing of concrete, use of curing compound to reduce consumption of potable water, use of modular form work which can be used for 100 repetitions and hence reducing Consumption of wood.

Form "A" below sets out the details of energy consumption:

### FORM "A"

#### POWER AND FUEL CONSUMPTION

		Current year 2013	Previous year 2012
<b>1. Electricity :</b>			
<b>(a) Purchased</b>			
Total amount	Kwh in lakhs	164.30	41.73
	Rs. in lakhs	153.43	315.65
	Rs./Unit	9.33	7.56

<b>(b) Own generation</b>			
Through diesel generator (LDO)	Kwh '000	—	—
Units per ltr. of diesel oil	Kwh	—	—
Cost / Unit	Rs.	—	—
<b>2. Coal :</b>			
Quantity	—	Not Applicable	Not Applicable
Total cost	—	Not Applicable	Not Applicable
Average rate	—	Not Applicable	Not Applicable
<b>3. Furnace Oil :</b>			
Quantity	K. Litres	Not Applicable	Not Applicable
Total amount	Rs. in lakhs	Not Applicable	Not Applicable
Average rate	Rs. K / Ltr.	Not Applicable	Not Applicable
<b>4. Others :</b>			
L.S.H.S.			
Quantity	M. Tonnes	Not Applicable	Not Applicable
Total cost	Rs. in lakhs	Not Applicable	Not Applicable
Average rate	Rs. / M. Tonnes	Not Applicable	Not Applicable
<b>B. TECHNOLOGY ABSORPTION :</b>			
Efforts made in technology absorption.		—	—

**FORM "B"****RESEARCH & DEVELOPMENT (R&D)**

## 1. Specific areas in which R &amp; D carried out by the Company:

The Company has engaged its R&D staff to economize production of high grade & high performance concrete. Company has successfully developed and utilized M80 grade self competing concrete by using non convention materials like Metakaolin etc. M200 self competing concrete has been produced at laboratory level and further trails on same being conducted to make sure it is worthiness to be part of actual structure.

2. Benefits derived as a result of the above R & D -	Not applicable
3. Future plan of action	Not applicable
4. Expenditure on R & D	(Rs. in lakhs)
(a) Capital	—
(b) Recurring	—
(c) Total	—
(d) Total R & D Expenditure as a Percentage of total turnover	—

**TECHNOLOGY ABSORPTION AND ADOPTION**

**Company has already adopted many of latest technologies available in field of building construction such as:**

Self climbing form work, concrete placer booms and self compacting concrete to meet challenges like noise pollution, extra labours are hired for vibration of concrete and which has also helped in saving electrical energy also.

Company has also taken care to ensure faster material handling; and hence deployed fastest available man and material hoists (almost 90-100 meters per minute speed).

Company has deployed clusters of cranes and has adopted best technology available for topless and Luffing Cranes. Company has adopted coupled splicing system for re-bars which has helped in consuming lesser steel.

Company is putting all the efforts to collect curing water and recycle the same. Company is also trying to collect flying cementitious material and make use of the same for non-structural walls.

Company is willing to keep on updating its technological data bank and use latest technology for comforts of product users and cost effectiveness.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Activities relating to exports, initiatives taken to increase exports, developments of new exports markets for product and services and export plants.

NIL

**Total foreign exchange used and earned  
Used (includes Advance given)**

Current Year  
Previous Year

Rs. 13,14,25,577  
Rs. 68,97,86,430

**Earned (includes Advance received)**

Current Year  
Previous Year

Rs. NIL  
Rs. NIL

**Acknowledgements**

Your Directors place on record their sincere appreciation for the dedication and commitment of the Employees at all levels and their significant contribution to your Company's growth. Your Company is grateful to the customers, vendors and all the other business associates for their support and encouragement.

Your Directors thank the banks, financial institutions, government departments and Shareholders and look forward to having the same support in all our future endeavors.

**For and on behalf of the Board,**

**Shambhukumar S. Kasliwal  
Chairman**

**Place : Mumbai**

**Date : 2nd June, 2014**

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY DEVELOPMENTS

The poor performance of the real estate markets across the Country has also affected the micro market of South Mumbai with a supply exceeding demand. More importantly, the general perception of policy and action paralysis both at the Central and the State have led to a 'wait and watch' policy by prospective buyers further impairing the market.

It is expected that with the forthcoming elections in the Center, as well as in the State, the economic situation will improve and over the next 2/3 years, the South Mumbai market will resume its growth trajectory.

### OPPORTUNITIES AND THREATS

#### OPPORTUNITIES:

Housing and urban infrastructure development is a priority agenda item of all governments. Al though at the moment all sectors are quiet, it is expected that with better governance the market will take off and lots of opportunities will be presented to the Company.

#### THREATS:

The global economic scenario continues to be fragile, and the downturn may be prolonged subjecting the Company to sever economic stringency.

### ENVIRONMENTAL IMPACT

'Palais Royale' is the first residential tower in the world to have obtained the LEEDS Platinum rating and should have a very positive impact on the environment.

### RESEARCH & DEVELOPMENT

Work continues on improvement of concretes as well as advancements in cladding.

### RISKS & CONCERNS

The inherent risks of regulatory uncertainties and governance issues in the real estate sector continues to plague all companies in this field. There are concerns that newer regimes in the government tend to revise and modify existing sanctions in an arbitrary manner adding to the uncertainties prevailing in the sector.

### INTERNAL CONTROL SYSTEM

The Company is well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable Laws and regulations. The internal control is supplemented by an extensive programme of internal and external audits and periodic review by the management. The system is designed to adequately ensure that financial and other records are reliable for presenting financial information and other data and maintaining accountability of assets.

## HUMAN RESOURCES

Your Company firmly believes that success of the Company comes from good human resources. Employees are considered as important assets and key to its success. The Company has been constantly reviewing its HR policies and practices to keep abreast with the market changes and has embarked upon several initiatives to focus on creating a positive work environment that provides employees with ample growth and development opportunities as well as ensuring high levels of motivation and engagement.

## CONSERVATION OF ENERGY

The Company has been taking steps to conserve energy and to promote the use of non-conventional energy in its ongoing project. It has installed trial windmill as well as solar heating equipment for these purposes.

## FINANCIAL PERFORMANCE:

### FINANCIAL RESULTS:

This is summarized as follows:

(Rs. in crores)

	Year 2013	Year 2012	Change
Turnover	174.48	235.20	(60.72)
Profit/(loss) before interest, tax and depreciation	3.82	10.38	(6.56)
Net profit/loss	8.08	9.10	(1.02)

## INFORMATION TECHNOLOGY

The Company is using latest information technology in its engineering as well as project implementation systems, including 3D technology.

## CAUTIONARY STATEMENT

Some of the statements in this Report of the Company's objectives, projections, estimates and expectations may be 'forward looking statements'. Actual results might differ substantially or materially from those expressed or implied. Such will be dependent on any downtrend in industry, significant changes in political and economic environment in India and abroad, tax laws, import duties, litigation and labour relations.



## 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 31st December, 2013 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:

The Board of Directors guides, directs and oversees the management and protects long term interests of Shareholders, employees and the society at large. The Board also ensures compliance of the applicable provisions and code of ethical standards wherever the Company and its subsidiaries are present.

#### 2.1 COMPOSITION OF THE BOARD OF DIRECTORS (as on 31st December, 2013)

Name of the Director	Position	Relationship with other Directors	Executive/Non-Executive/Independent
Mr. S. S. Kasliwal	Chairman	Father of Mr. Vikas S. Kasliwal and Mr. Mukul S. Kasliwal	Promoter, Non-Executive
Mr. Vikas S. Kasliwal	Vice-Chairman & CEO	Son of Mr. S. S. Kasliwal and Brother of Mr. Mukul S. Kasliwal	Promoter, Executive
Mr. S. K. Luharuka	Whole -Time Director	None	Executive
Mr. Mukul S. Kasliwal	Director	Son of Mr. S. S. Kasliwal and Brother of Mr. Vikas S. Kasliwal	Non-Executive
Mr. Vijay G. Kalantri	Director	None	Non-Executive-Independent
Dr. O. P. Chawla	Director	None	Non-Executive-Independent
Mr. Lalit Mohan	Director	None	Non-Executive-Independent
Mr. Mohan M. Jayakar	Director	None	Non-Executive-Independent
Dr. Poornima G. Advani	Director	None	Non-Executive-Independent
Mr. N. K. Sethi	Director	None	Non-Executive-Independent
<b>Composition :</b>	<b>Independent - 60%</b>		<b>Non-Executive - 80%</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. Vikas S. Kasliwal, Vice – Chairman & CEO and Mr. S. K. Luharuka, Whole-Time Director.

Mr. N. K. Sethi, Mr. Lalit Mohan and Mr. Mohan Jayakar, retire by rotation at the ensuing Annual General Meeting.

Mr. N. K. Sethi, Mr. Lalit Mohan and Mr. Mohan Jayakar being eligible, offer themselves for re -appointment. The Board recommends their re-appointment.

## 2.2 Remuneration to Non-Executive Directors (as on 31st December, 2013)

Name of Director	Sitting Fees & Others (Rs.)
Mr. S. S. Kasliwal	25,000
Mr. Mukul S. Kasliwal	0
Mr. Vijay G. Kalantri	20,000
Dr. O. P. Chawla	25,000
Mr. Lalit Mohan	25,000
Mr. Mohan M. Jayakar	10,000
Dr. Poornima G. Advani	10,000
Mr. N. K. Sethi	15,000
<b>Total</b>	<b>1,30,000</b>

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

## 2.3 Managerial Remuneration: (as on 31st December, 2013)

Name of the Director	Designation	Date of Appointment/ Re-Appointment	Tenure	Salary (Rs.)	Provident Fund (Rs.)	Ex-gratia & others (Rs.)	Total (Rs.)
Mr. Vikas S. Kasliwal	Vice-Chairman & CEO	01.08.2012	3 yrs	21,00,000	2,45,508	4,11,965	27,57,473
Mr. S. K. Luharuka	Whole-Time Director	01.01.2014	3 yrs	14,52,000	1,74,240	4,99,644	21,25,884
<b>Total</b>				<b>35,52,000</b>	<b>4,19,748</b>	<b>9,11,609</b>	<b>48,83,357</b>

**2.4 Shareholding of the Directors :**

Shareholding of the Directors as on 31st December, 2013:

<b>Name of the Director</b>	<b>No. of Equity Shares held</b>	<b>% Holding</b>
Mr. S. S. Kasliwal	50,000	0.12
Mr. Vikas S. Kasliwal	4,48,000	1.09
Mr. Mukul S. Kasliwal	50,000	0.12
Mr. S. K. Luharuka	120	*0.00
Mr. Vijay G. Kalantri	0	0
Dr. O. P. Chawla	0	0
Mr. Lalit Mohan	0	0
Mr. Mohan M. Jayakar	0	0
Dr. Poornima G. Advani	0	0
Mr. N. K. Sethi	0	0
<b>Total</b>	<b>5,48,120</b>	<b>1.33</b>

\*being less than 0.01%.

**2.5 Attendance of Directors at the Board Meetings and at the Seventy Sixth Annual General Meeting:**

<b>Name of Director</b>	<b>Number of Board Meetings held during the year 2013</b>	<b>Number of Board Meetings attended during the year 2013</b>	<b>Attendance at the Seventy Sixth Annual General Meeting</b>
Mr. S. S. Kasliwal	5	5	Present
Mr. Vikas S. Kasliwal	5	5	Present
Mr. Mukul S. Kasliwal	5	NIL	Absent
Mr. S. K. Luharuka	5	5	Present
Mr. Vijay G. Kalantri	5	4	Absent
Dr. O. P. Chawla	5	5	Present
Mr. Lalit Mohan	5	5	Present
Mr. Mohan M. Jayakar	5	2	Absent
Dr. Poornima G. Advani	5	2	Absent
Mr. N. K. Sethi	5	3	Present

**2.6 DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS OF DIRECTORS IN OTHER COMPANIES**  
(As on 31st December, 2013)

Name of the Director	No. of Directorships in other companies	No. of Committee Memberships in other companies	
		Chairman	Member
Mr. S. S. Kasliwal	4	NIL	NIL
Mr. Vikas S. Kasliwal	1	NIL	NIL
Mr. Mukul S. Kasliwal	13	4	4
Mr. S. K. Luharuka	1	NIL	NIL
Mr. Vijay G. Kalantri	13	NIL	4
Dr. O. P. Chawla	1	NIL	1
Mr. Lalit Mohan	NIL	NIL	NIL
Mr. Mohan M. Jayakar	5	1	2
Dr. Poornima G. Advani	NIL	NIL	NIL
Mr. N. K. Sethi	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 and Share Transfer Committee of Public Limited Companies, whether listed or not.

**2.7 NUMBER, DAY, DATE AND VENUE OF THE BOARD MEETINGS HELD IN THE YEAR 2013**

Sr. No.	Day	Date	Venue
1	Wednesday	27th February, 2013	Registered office
2	Wednesday	8th May, 2013	Registered office
3	Wednesday	14th August, 2013	Registered office
4	Tuesday	22nd October, 2013	Registered office
5	Monday	11th November, 2013	Registered office

**Five** Board meetings were held during the year 2013 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:

At the Board Meeting held on 19<sup>th</sup> July, 2010, the Board of Directors has approved the Code of Conduct applicable to the Directors and the Senior Management personnel.

All the Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration to this effect signed by the Whole - Time Director of the Company forms part of this Report.

## 3. AUDIT COMMITTEE:

### 3.1. CONSTITUTION OF AUDIT COMMITTEE:

All the members of Audit Committee are Non-Executive and Independent Directors. The present Chairman of the Audit Committee is Dr. O. P. Chawla. The other members of the Audit Committee are Mr. Lalit Mohan and Mr. Mohan M. Jayakar.

Ms. Manju B. Batham, Sr. General Manager *cum* Company Secretary & Compliance Officer had acted as the Secretary to the Committee.

### 3.2. MEETINGS OF AUDIT COMMITTEE:

During the year ended 31st December, 2013, Four Audit Committee Meetings were held on 26.02.2013, 07.05.2013, 13.08.2013 and 11.11.2013. The attendance of each Audit Committee' member is given hereunder:-

Name of the Director	Designation	Number of Meetings held during the year 2013	Number of Meetings attended during the year 2013
Dr. O. P. Chawla	Chairman	4	4
Mr. Lalit Mohan	Member	4	4
Mr. Mohan M. Jayakar	Member	4	2

### 3.3. ATTEENDEES:

The Whole-Time Director, the Senior President (Finance) & CFO, 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 findings;
  - 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 statement of uses/application of funds raised through an issue (Public Issue, Rights Issue, Preferential Issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer document/Prospectus/Notice and the report submitted by the monitoring Agency monitoring the utilization of proceeds of the Public or Rights Issue, and making appropriate recommendations to the Board to take up step in this matter.
- 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 nonpayment 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 and Independent Directors. The present Chairman of the Remuneration Committee is Mr. Vijay G. Kalantri. The other members of the Remuneration Committee are Dr. O. P. Chawla and Mr. Mohan M. Jayakar.

**4.2. MEETING OF REMUNERATION COMMITTEE:**

During the year ended 31st December, 2013, no Remuneration Committee meeting has been held on 11.11.2013.

**The attendance of Remuneration Committee Members is given here under**

Name of the Director	Designation	Number of Meetings held during the year 2013	Number of Meetings attended during the year 2013
Mr. Vijay G. Kalantri	Chairman	1	1
Dr. O. P. Chawla	Member	1	1
Mr. Mohan M. Jayakar	Member	1	NIL

**4.3. Remuneration Policy:**

While deciding on remuneration for Directors, the Board and Remuneration Committee considers the performance of the Company, the current trends in the industry, the qualification of the appointee, his experience, past performance and other relevant factors. This information is used to review the Company's remuneration policies.

**4.4. 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. SHAREHOLDERS' / INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE:****5.1. CONSTITUTION OF THE SHAREHOLDERS'/INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE:**

The present Chairman of the Shareholders' / Investor Grievances and Share Transfer Committee is Mr. Lalit Mohan. The other members of the Shareholders' / Investor Grievances and Share Transfer Committee are Mr. S. K. Luharuka and Mr. Mohan M. Jayakar.

**5.2. MEETINGS OF SHAREHOLDERS' / INVESTOR GRIEVANCES AND SHARE TRANSFER COMMITTEE:**

During the year ended 31<sup>st</sup> December, 2013, Six Shareholder'/Investors Grievances and Share Transfer Committee meetings were held. The attendance of each Shareholders' / Investors Grievances and Share Transfer Committee members is given hereunder:-

Name of the Director	Designation	Number of Meetings held during the year 2013	Number of Meetings attended during the year 2013
Mr. Lalit Mohan	Chairman	5	5
Mr. S. K. Luharuka	Member	5	5
Mr. Mohan M. Jayakar	Member	5	5

**5.3. THE TERMS OF REFERENCE OF THE SHAREHOLDERS' / INVESTORS' GRIEVANCES AND SHARE TRANSFER COMMITTEE:**

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:**

Ms. Manju B. Batham is the Company Secretary & Compliance Officer of the Company.

**5.5. SHAREHOLDERS COMPLAINTS:**

During the financial year ended 31<sup>st</sup> December, 2013, the Company received four complaints from the Shareholders and resolved all complaints. No complaint is pending at the end of the year.

A group of Investors has filed a Company Petition No.45/397-398/CLB/MB/2009 with CLB which is pending.

**6. GENERAL BODY MEETINGS:****LOCATION AND TIME OF GENERAL MEETINGS HELD IN LAST 3 YEARS:**

YEAR	AGM/EOGM	DATE	TIME	VENUE	SPECIAL RESOLUTIONS
2010	AGM	28.06.2011	11.00 a.m.	'Sunville', 9, Annie Besant Road, Worli, Mumbai - 400 018.	NIL
2011	AGM	21.04.2012	11.00 a.m.	'Sunville', 9, Annie Besant Road, Worli, Mumbai - 400 018	Re-Classification of Authorised share capital Alteration of clause No. V of the Memorandum of Association by inserting of new Para as clause No. V Alteration of Article 3 of Articles of Association by inserting new Para as article3
2012	AGM	20.04.2013	11.00 a.m.	'Sunville', 9, Annie Besant Road, Worli, Mumbai - 400 018	Alteration of Article 2 of Articles of Association by replacing the existing Article.



**7. SUBSIDIARIES:**

SRM Sites Private Limited a Subsidiary Company, is a material unlisted Indian Subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed Holding Company together with its subsidiaries in the immediately preceding accounting year as defined under Clause 49 of the Listing Agreements.

Raghuveer Suburban Infrastructure Private Limited and Shree Ram Realinfra Ventures Private Limited is non material, unlisted Indian Subsidiary.

The Company monitors the performance of its Subsidiaries as per requirements of Clause 49 of the Listing Agreement by the following means:

The minutes of the Board Meetings of Subsidiary Companies are placed at the Board Meetings of the Holding Company.

**8. DISCLOSURES:**

- A) Disclosure of Related Party Transactions:** The Related Party transactions are reviewed in quarterly meetings of the Audit Committee. These are stated under Note No. -----32 forming part of the accounts for the year ended 31<sup>st</sup> December, 2013.
- B) Disclosure of Accounting Treatment:** The Company has followed the Guidelines of Accounting Standards laid down by the Institute of the Chartered Accountants of India (ICAI) in preparation of its Financial Statements.
- C) Board Disclosures – Risk Management:** The Board periodically reviews Risk assessment and minimization procedure through properly defined frame work.
- D) Remuneration of Directors:** Remuneration of Directors is stated under Note No. 24 forming part of the accounts for the year ended 31<sup>st</sup> December, 2013.
- E) Management Discussion and Analysis:** Management Discussion and Analysis forms part of the Annual Report. It is incorporated in the Annual Report.
- F) General Shareholders Information:** This information is given under Para 11 of this report.

**9. 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 Journal in English & Nav Shakti in Marathi) as per the Guidelines issued from time to time.

**10. CERTIFICATION BY WHOLE-TIME DIRECTOR AND SENIOR PRESIDENT (FINANCE) & CFO:**

Mr. S. K. Luharuka, Whole - Time Director and Mr. N. K. Modani, Senior President (Finance) & CFO, have 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 1<sup>st</sup> March, 2014 in which the Accounts for the Financial Year ended 31<sup>st</sup> December, 2013 were considered and approved by the Board of Directors.

**11. GENERAL SHAREHOLDERS INFORMATION:****11.1 SEVENTY SEVENTH ANNUAL GENERAL MEETING — DAY, DATE, TIME AND VENUE**

<b>Day</b>	<b>Friday</b>
<b>Date</b>	<b>27th June, 2014</b>
<b>Time</b>	<b>11.00 A.M.</b>
<b>Venue</b>	<b>'Sunville', 9 Dr. Annie Besant Road, Worli, Mumbai – 400 018.</b>

**11.2 FINANCIAL YEAR:**

Financial Year of the Company is 1st January to 31st December.

**11.3 DATES OF BOOK CLOSURE (BOTH DAYS INCLUSIVE):**

From : 23rd June, 2014

To : 27th June, 2014

**11.4 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 2013-14.

**11.5 STOCK CODE:**

<b>Scrip Code:</b>	<b>ISIN No.:</b>
Equity : 503205	Equity : INE164H01011

**BSE PRICE DATA**

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

Months	High (Rs.)	Low (Rs.)
January 2013	164.35	127.60
February 2013	141.50	112.60
March 2013	123.00	100.50
April 2013	113.90	90.00
May 2013	100.00	81.00
June 2013	89.90	76.05
July 2013	90.00	83.20
August 2013	93.40	71.05
September 2013	94.65	78.00
October 2013	99.15	81.10
November 2013	104.90	80.00
December 2013	99.90	77.50

**11.6 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

**11.7 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.

**11.8 Distribution of Shareholding (as on 31st December, 2013):**

No. of Equity Shares held	Shareholders Nos.	% of Shareholders	No. of Shares held	% of Shareholding
1 – 500	5304	90.43	509479	1.24
501 – 1000	231	3.94	180478	0.44
1001 – 2000	131	2.23	198854	0.48
2001 – 3000	48	0.82	124816	0.30
3001 – 4000	27	0.46	96797	0.24
4001 – 5000	23	0.39	106839	0.26
5001 - 10000	34	0.58	251609	0.61
10001 - 9999999	67	1.14	39665668	96.43
<b>Total</b>	<b>5865</b>	<b>100</b>	<b>41134540</b>	<b>100</b>

**11.9 Shareholding pattern (as on 31st December, 2013):**

<b>Category</b>	<b>No. of Shares held</b>	<b>% of Shareholding</b>
<b>Promoter's Holding</b>		
Promoters		
- Indian Promoters	22,34,800	5.43
- Foreign Promoters	NIL	-
Persons acting in Concerts	2,68,35,125	65.24
<b>Sub – Total</b>	<b>2,90,69,925</b>	<b>70.67</b>
<b>Non-Promoters Holding</b>		
Institutional Investors	NIL	-
Mutual Funds and UTI	NIL	-
Banks, Financial Institution, Insurance Companies, Central/State Govt. Institution/Non Govt. Institution	20,940	0.05
Foreign Institutional Investors (FIIs)	20,87,756	5.08
<b>Sub – Total</b>	<b>21,08,696</b>	<b>5.13</b>
<b>Others</b>		
Corporate Bodies	71,52,648	17.39
Indian Public	27,81,646	6.76
NRIs/OCB	21,305	0.05
Any others (please specify) Trust		
Clearing Members	320	0.00
<b>Sub – Total</b>	<b>99,55,919</b>	<b>24.20</b>
<b>Grand Total</b>	<b>4,11,34,540</b>	<b>100</b>

**11.10 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 99.67% of total Equity Shares of the Company are held in dematerialized form with NSDL & CDSL.

**11.11 PLANT LOCATIONS AND ADDRESS FOR CORRESPONDENCE:**

The current project of the Company is "Palais Royale" at the registered office of the Company, i.e. Shree Ram Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400 013.

**11.12 INSIDER TRADING CODE:**

The Company had adopted the Employee Share Dealing Code in terms of the SEBI (Prohibition of Insider Trading) Regulations, 1992. This code is applicable to all Directors and Designated Employees. The code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information.

The Company regularly monitors the transactions in terms of the Employee Share dealing Code undertaken by the employees of the Company. The Company also informs the Stock Exchange periodically about the transaction(s) undertaken by the designated employees and their Share holdings as per the regulations.

**For and on behalf of the Board,**

**Shambhukumar S. Kasliwal  
Chairman**

**Place : Mumbai**

**Date : 1st March, 2014**

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

All the Directors and Senior Management personnel have, respectively, affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors.

For **Shree Ram Urban Infrastructure Limited**

**S. K. LUHARUKA**  
**Whole - Time Director**

**Place : Mumbai**  
**Date : 1st March, 2014**

**CERTIFICATION BY WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY**

We, **S. K. Luharuka**, Whole -Time Director and **N. K. Modani**, Senior President (Finance) & CFO, certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended December 31, 2013 and that to the best of our knowledge and belief:
  - these statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - these statements together present true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies; and
4. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year 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 financial reporting.

**S. K. LUHARUKA**  
Whole-Time Director

**N. K. MODANI**  
Senior President (Finance) & CFO

Place : Mumbai  
Date : 1st March, 2014

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
Shree Ram Urban Infrastructure Limited

We have examined the Compliance of conditions of Corporate Governance by Shree Ram Urban Infrastructure Ltd. (THE COMPANY) for the year ended on 31st December 2013, and certain information till the date of notice as stipulated by Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance with the conditions of the Certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing agreement.

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

**Place : Mumbai**  
**Date : 1st March, 2014**

**Virendra Bhatt**  
*Company Secretary*  
A.C.S.-1157/CP-124



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# **SHREE RAM URBAN INFRASTRUCTURE LIMITED**

## **FINANCIAL SECTION**

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## **INDEPENDENT AUDITORS' REPORT**

**TO,  
THE MEMBERS OF SHREE RAM URBAN INFRASTRUCTURE LIMITED**

### **Report on Financial Statements**

We have audited the accompanying financial statements of **SHREE RAM URBAN INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at December 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statement**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Basis for Qualified Opinion**

*As mentioned in note no. 36 the Company has not ascertained the financial impact of the order of Municipal Commissioner which had directed the Company to submit modified plans of its ongoing project. The Company has filed a Writ Petition against the aforesaid order in the Hon. Bombay High Court. The Company is also contesting a Special Leave Petition filed by a NGO in the Hon. Supreme Court in the same matter. Based on legal opinion obtained by the Company, it is confident of a favourable outcome and has accordingly prepared its accounts on a going concern basis. Consequently, we are unable to comment upon the financial impact of the same on the financial statements.*

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at December 31, 2013;
- b) in the case of Statement of Profit and Loss, 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.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
  - e) On the basis of written representations received from the directors as on December 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For KHANDELWAL JAIN & Co.**  
**Chartered Accountants**  
**Firm Registration No. 105049W**

**(NARENDRA JAIN)**  
**Partner**  
**Membership No. 048725**

Place : Mumbai  
Date : 1st March, 2014

**For HABIB & Co.**  
**Chartered Accountants**  
**Firm Registration No. 103479W**

**(D. P. SHROFF)**  
**Partner**  
**Membership No. 045417**

Place : Mumbai  
Date : 1st March, 2014

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of Shree Ram Urban Infrastructure Limited ("the Company") for the year ended December 31, 2013)**

- i) a) The Company has maintained proper records showing particulars including quantitative details and location of fixed assets.
- b) The Company has physically verified the fixed assets in accordance with a programme of verification which in our opinion provides for physical verification of all fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
- c) During the year, the Company has not disposed off any substantial part of fixed assets.
- ii) a) The management has conducted physical verification of the inventory at reasonable intervals. In our opinion, the frequency of physical verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of the inventory and no material discrepancies were noticed on physical verification of inventory as compared to the book records.
- iii) a) The Company has not granted loans to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of sub-clause (b) to (d) of clause (iii) of the paragraph 4 of the order are not applicable.
- b) The Company had taken unsecured loan and debenture application money from six companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2,82,11,49,000/- and the year-end balance of loans taken from such companies was Rs. 2,80,53,49,000/-.
- c) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions on which these unsecured loans and debenture application money have been taken are not prima facie prejudicial to the interest of the Company.
- d) According to the information and explanations given to us, repayments of the principal and interest have been regularly made as stipulated.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to the purchase of inventory, fixed assets and for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding value of Rupees five lakhs in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules made thereunder.
- vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by Central Government of India, regarding the maintenance of cost records under clause (d) of subsection (1) of Section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix) In respect of statutory dues:
- a) *According to the information and explanations give to us, undisputed statutory dues including 'Tax Deducted at Source', 'Interest on Tax deducted at source', 'Service Tax', 'Property Tax', 'Maharashtra Value Added Tax (MVAT)', 'Interest on MVAT', 'Custom Warehouse Rent' and 'Interest on Custom Duty' have not been regularly deposited with the appropriate authorities and there have been delays in many cases.*
- b) *According to the information and explanations given to us, undisputed statutory dues remaining unpaid for a period of more than six months from the date they became payable are as given below:*

<b>Name of the Statue</b>	<b>Nature of the Dues</b>	<b>Amount (In Rs.)</b>	<b>Period to which the amount relates</b>
<i>Income Tax Act, 1961</i>	<i>Tax Deducted at Source</i>	<i>1,07,000</i>	<i>April 2013</i>
	<i>Interest on late deposit of Tax Deducted at Source</i>	<i>30,72,815</i>	<i>December 2012 to June 2013</i>
<i>Maharashtra Value Added Tax Act, 2002</i>	<i>Maharashtra Value Added Tax (Including Interest)</i>	<i>2,00,57,960</i>	<i>October 2010 to June 2013</i>
<i>Mumbai Municipal Corporation Act, 1888</i>	<i>Property Tax</i>	<i>4,73,10,395</i>	<i>April 2008 to March 2013</i>
<i>Custom Act, 1962</i>	<i>Interest on Custom Duty</i>	<i>2,50,037</i>	<i>May 2013 to June 2013</i>
	<i>Custom Warehouse Rent</i>	<i>2,31,072</i>	<i>March 2013 to June 2013</i>

- c) According to the information and explanations given to us, and the records examined by us, dues in respect of income tax, excise duty and custom duty as at 31st December, 2013 that have not been deposited with the appropriate authority on account of any disputes and the forum where the dispute is pending are as under:-

Sr. No.	Name of the Statute	Nature of the Dues	Period to which the amount relates	Amount (Rs.)	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	April 2002 to March 2003	1,32,11,576	Bombay High Court
			April 2003 to March 2004	1,00,62,829	Bombay High Court
			April 2003 to March 2004	78,87,855	Commissioner of Income Tax (Appeal)
			April 2003 to March 2004	21,47,021	Bombay High Court
			April 2004 to March 2005	8,74,93,855	Bombay High Court
			April 2006 to March 2007	5,29,944	Income Tax Appellate Tribunal
			April 2006 to March 2007	78,16,396	Commissioner of Income Tax (Appeal)
			April 2008 to March 2009	11,36,531	Income Tax Appellate Tribunal
2	Income Tax Act, 1961	Demand against short deduction of tax at source and interest thereon	April 1997 to March 1998	10,45,000	Commissioner of Income Tax (Appeal)
			April 1999 to March 2000	56,64,844	Commissioner of Income Tax (Appeal)
			April 2000 to March 2001	1,66,319	Company is in process of filling appeal to Income Tax Appellate Tribunal
			April 2001 to March 2002	1,30,815	Company is in process of filling appeal to Income Tax Appellate Tribunal
			April 2008 to March 2009	87,78,230	Commissioner of Income Tax (Appeal)
			April 2009 to March 2010	10,64,630	Commissioner of Income Tax (Appeal)
3	Central Excise Act, 1944	Excise Duty	October 2000	3,39,250	Customs, Excise and Service Tax Appellate Tribunal
4	Customs Act, 1962	Custom Duty	July 2008	6,98,250	Customs, Excise and Service Tax Appellate Tribunal



- x) The accumulated losses at the end of the financial year are less than fifty per cent of its net worth. The Company has incurred cash losses during the financial year covered by our audit but has not incurred cash losses in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution or bank.
- xii) Based on the information and explanations given to us, the Company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a Chit Fund Company or nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 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) In our opinion, the term loans raised during the year have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to us and on an examination of the Balance Sheet of the Company, we report that, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- xviii) During the year, the Company has not made preferential allotment of equity shares to the parties and Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) According to the information and explanations given to us, during the year covered by our audit report, the Company has received application money towards 27,000 Secured Redeemable Non Convertible Debentures ("Debentures") of face value Rs.1,00,000/- each aggregating to Rs.2,70,00,00,000/- on a private placement basis. The Company is in process of allotment and creation of security for the said debentures.
- xx) During the year covered by our Audit Report the Company has not raised any money by public issues.
- xxi) To the best of our knowledge and belief and 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 our audit.

**For KHANDELWAL JAIN & Co.**  
**Chartered Accountants**  
**Firm Registration No. 105049W**

**For HABIB & Co.**  
**Chartered Accountants**  
**Firm Registration No. 103479W**

**(NARENDRA JAIN)**  
**Partner**  
**Membership No. 048725**

**(D. P. SHROFF)**  
**Partner**  
**Membership No. 045417**

Place : Mumbai  
 Date : 1st March, 2014

Place : Mumbai  
 Date : 1st March, 2014

# **SHREE RAM URBAN INFRASTRUCTURE LIMITED**

## **FINANCIAL STATEMENTS & NOTES**

## BALANCE SHEET AS AT 31ST DECEMBER, 2013

(Amount in Rupees)

A	Notes	As at 31-December-2013	As at 31-December-2012
<b>A EQUITY AND LIABILITIES :</b>			
<b>1. Shareholders' funds</b>			
a) Share capital	2	41,13,45,400	41,13,45,400
b) Reserves and surplus	3	2,50,03,99,442	2,62,74,83,655
		<u>2,91,17,44,842</u>	<u>3,03,88,29,055</u>
<b>2. Non-current liabilities</b>			
a) Long term borrowings	4	64,01,99,161	-
b) Deferred tax liabilities (net)	5	-	-
c) Other long term liabilities	6	3,13,71,26,297	43,71,26,297
d) Long term provisions	7	25,58,398	24,52,976
		<u>3,77,98,83,856</u>	<u>43,95,79,273</u>
<b>3. Current liabilities</b>			
a) Short term borrowings	8	4,58,39,08,448	6,42,46,25,924
b) Trade payables	9	3,32,93,66,089	3,24,71,79,603
c) Other current liabilities	10	5,06,05,25,302	5,37,01,88,143
d) Short term provisions	7	12,70,741	13,53,482
		<u>12,97,50,70,580</u>	<u>15,04,33,47,152</u>
<b>TOTAL</b>		<u>19,66,66,99,278</u>	<u>18,52,17,55,480</u>
<b>B ASSETS :</b>			
<b>1. Non-current assets</b>			
a) Fixed assets	11		
(i) Tangible assets		1,56,25,67,009	1,68,98,04,232
(ii) Intangible assets		27,366	81,636
b) Non-current investments	12	1,18,23,96,255	78,70,51,454
c) Long term loans and advances	13	3,74,39,808	45,51,23,755
d) Other non-current assets	14	11,54,009	10,60,334
		<u>2,78,35,84,447</u>	<u>2,93,31,21,411</u>
<b>2. Current assets</b>			
a) Inventories	15	12,17,42,47,335	11,11,74,82,736
b) Trade receivables	16	19,80,01,203	22,12,84,228
c) Cash and bank balances	17	4,61,20,024	6,23,14,950
d) Short term loans and advances	13	3,38,95,80,256	3,44,46,72,159
e) Other current assets	18	1,07,51,66,013	74,28,79,996
		<u>16,88,31,14,831</u>	<u>15,58,86,34,069</u>
<b>TOTAL</b>		<u>19,66,66,99,278</u>	<u>18,52,17,55,480</u>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the Financial Statements  
As per our report of even date As per our report of even date

For **Khandelwal Jain & Co.**  
Chartered Accountants  
Firm Regn. No.: 105049W

For **Habib & Co.**  
Chartered Accountants  
Firm Regn. No.: 103479W

For and on behalf of the Board

**S. S. Kasliwal**  
(Chairman)

**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)

**Narendra Jain**  
(Partner)  
Membership No. 048725

**D. P. Shroff**  
(Partner)  
Membership No.045417

**S. K. Luharuka**  
(Whole Time Director)

**Manju B. Batham**  
(Sr. GM & Company Secretary)

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2013

				(Amount in Rupees)		
				Year ended	Year ended	
				31-December-2013	31-December-2012	
A	INCOME	Notes				
	Revenue from operations	19	1,74,47,63,341		2,35,20,48,712	
	Other Income	20	14,53,779		1,43,65,552	
	<b>Total Revenue</b>		<b>1,74,62,17,120</b>		<b>2,36,64,14,264</b>	
	<b>B EXPENDITURE</b>					
	Cost of Constructions (Real Estate Dev.)	21	13,55,12,22,015	13,05,27,23,334		
	Less : Carried to Inventories		11,81,94,15,830	1,73,18,06,185	10,82,96,93,882	2,22,30,29,452
	Employee benefit expenses	22	29,73,675		32,46,240	
	Finance costs	23	1,42,60,788		41,73,346	
	Depreciation and amortisation expense	11	4,60,692		6,75,576	
	Other expenses	24	5,57,84,120		3,63,33,407	
	<b>Total expenses</b>		<b>1,80,52,85,460</b>		<b>2,26,74,58,021</b>	
	<b>Profit/(Loss) before Tax and Prior Period Items</b>		<b>(5,90,68,340)</b>		9,89,56,243	
	Less: Prior Period Items	25	(4,01,30,780)		(26,362)	
	<b>Profit / (Loss) before Tax</b>		<b>(9,91,99,120)</b>		9,89,29,881	
	Less: Tax expenses					
	(a) Current tax		-		1,98,89,178	
	(b) Income tax for earlier years		1,69,56,248		-	
	(c) MAT Credit entitlement		-		(1,19,26,433)	
	(d) MAT Credit entitlement written off		1,09,28,845		-	
	(e) Deferred Tax		-		-	
			<b>2,78,85,093</b>		79,62,745	
	<b>Profit/(Loss) for the year</b>		<b>(12,70,84,213)</b>		9,09,67,136	
	<b>Earning Per Share (EPS)</b>	33				
	Basic		(3.09)		2.21	
	Diluted		(3.09)		2.21	

## Summary of significant accounting policies 1

The accompanying notes are an integral part of the Financial Statements

As per our report of even date As per our report of even date

For **Khandelwal Jain & Co.**  
Chartered Accountants  
Firm Regn. No.: 105049W

For **Habib & Co.**  
Chartered Accountants  
Firm Regn. No.: 103479W

For and on behalf of the Board

**S. S. Kasliwal**  
(Chairman)

**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)

**Narendra Jain**  
(Partner)  
Membership No. 048725

**D. P. Shroff**  
(Partner)  
Membership No.045417

**S. K. Luharuka**  
(Whole Time Director)

**Manju B. Batham**  
(Sr. GM & Company Secretary)

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2013

(Amount in Rupees)

Particulars	31-Dec-2013	31-Dec-2012
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit /(Loss) before Tax	(9,91,99,120)	9,89,29,881
Adjustments for :		
Depreciation#	6,57,40,942	5,88,75,248
Bad debts written off	-	2,59,617
Finance Costs#	94,52,20,629	60,79,66,429
Interest Received#	(88,28,132)	(56,24,797)
Loss on sale / write off of assets#	88,63,969	79,06,389
Provision for Wealth Tax	75,424	62,360
Liabilities / provisions no longer required written back (net)#	1,00,194	(1,19,91,265)
<b>Operating profit before Working Capital Changes</b>	<b>91,19,73,906</b>	<b>75,63,83,863</b>
Adjustments for :		
Trade and other receivables	(25,40,66,712)	99,65,47,858
Inventories	(24,12,793)	(1,88,43,85,069)
Trade payables and other liabilities	(14,63,76,409)	1,37,96,30,667
<b>Cash generated from Operations</b>	<b>50,91,17,992</b>	<b>1,24,81,77,319</b>
Direct Taxes Paid / (Net of Refund)	(46,25,749)	(4,81,96,616)
<b>NET CASH FROM / (USED IN) OPERATING ACTIVITIES :</b>	<b>TOTAL (A)</b>	<b>50,44,92,243</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES:</b>		
Purchases of fixed assets (including capital work-in-progress)	(17,55,260)	(5,31,99,379)
Sale of fixed assets	83,64,218	5,33,334
Purchase of Investments	(9,85,838)	(25,06,39,184)
Interest received	1,43,35,856	61,71,238
Advance against Investments	-	(39,43,58,963)
Investment in Fixed deposit with Bank	(4,69,422)	1,09,16,546
<b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>TOTAL (B)</b>	<b>1,94,89,554</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Finance Costs	(2,04,07,92,164)	(1,09,22,18,926)
Proceeds from secured short term borrowings (Net of repayment)	(1,87,26,67,476)	41,99,93,419
Proceeds from unsecured short term borrowings (Net of repayment)	3,19,50,000	2,00,00,000
Proceeds from Long term borrowings	64,09,57,170	-
Receipt of Debenture application money	2,70,00,00,000	-
<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>TOTAL (C)</b>	<b>(54,05,52,470)</b>
<b>Net Increase/ (decrease) in Cash &amp; Cash Equivalents</b>	<b>TOTAL (A+B+C)</b>	<b>(1,65,70,673)</b>
Cash and cash equivalents - Opening Balance	5,77,48,724	19,05,69,937
Cash and cash equivalents - Closing Balance	4,11,78,051	5,77,48,724

# Consist of amount included in "cost of constructions", which is charged to Statement of Profit and Loss during the year.

**Notes:**

- The above statment has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as notified by the Companies (Accounting Standards) Rules, 2006.
- Previous year's figures have been regrouped and reclassified, wherever necessary.

As per our report of even date

As per our report of even date

For **Khandelwal Jain & Co.**Chartered Accountants  
Firm Regn. No.: 105049WFor **Habib & Co.**Chartered Accountants  
Firm Regn. No.: 103479W

For and on behalf of the Board

**S. S. Kasliwal**  
(Chairman)**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)**Narendra Jain**  
(Partner)

Membership No. 048725

**D. P. Shroff**  
(Partner)

Membership No.045417

**S. K. Luharuka**  
(Whole Time Director)**Manju B. Batham**  
(Sr. GM & Company Secretary)

Place : Mumbai

Dated : 1st March, 2014

Place : Mumbai

Dated : 1st March, 2014

Place : Mumbai

Dated : 1st March, 2014

**Company Profile:-**

Shree Ram Urban Infrastructure Limited (“The Company”) is a Company incorporated under the Companies Act, 1956 and having its registered office at Shree Ram Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013. The Company is in the business of real estate and listed on the Bombay Stock Exchange, Mumbai.

**1. SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31st DECEMBER, 2013 :****a) Basis of Preparation of Financial Statements :**

The Financial statements are prepared under historical cost convention, on accrual basis, in accordance with the Generally Accepted Accounting Principles in India and comply with Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government (which continues to be applicable in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013) and the provisions of the Companies Act, 1956, (the ‘Act’) to the extent applicable.

The Company is engaged in the business of developing real estate and is currently developing the project Palais Royale for which operating cycle is around 9 years.

**b) Use of Estimates :**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported accounts of revenues and expenses for the years presented. Although these estimates are based upon management’s knowledge of current event and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

**c) Revenue Recognition****(i) Policy in respect of Real Estate Sales :**

The Company follows Accounting Standard AS-9 ‘Revenue Recognition’ as notified under the Companies (Accounting Standards) Rules, 2006 read along with the Guidance Note on ‘Recognition of Revenue by the Real Estate Developers’ issued by the Institute of Chartered Accountants of India. Revenue in respect of real estate sales is recognized when the Company has transferred to the buyer all significant risks and rewards of ownership, i.e., when the buyer has entered into an agreement for sale which is duly registered and according to which the buyer has a legal right to sell or transfer his interest in the property, without any material condition and in respect of unregistered agreement / letter of allotment when the substantial consideration has been received. Where the Company is obliged to perform substantial acts after the transfer of all significant risk and rewards of ownership, the revenue is recognized on proportionate basis as the acts are performed, by applying percentage of completion method in the manner explained in Accounting Standard AS-7 ‘Construction Contracts’ as notified under the Companies (Accounting Standards) Rules, 2006. Further, Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including cost of land as against the total estimated cost of the project under execution subject to such actual costs being 30% or more of the total estimated cost. Estimated project cost includes cost of land / development rights, borrowing costs, overheads, estimated construction and development cost of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is

recognized in the period in which such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, loss is recognized immediately.

**(ii) Others :**

Interest income is recognized on time proportion basis except interest due from customers which is recognised on realisation basis.

Dividend income is recognized when the Company's right to receive dividend is established.

**d) Unbilled Receivables :**

Unbilled receivables disclosed under Note 18 - "Other Current Assets" represents revenue recognized based on Percentage of completion method, as per Revenue Recognition Policy in respect of Real Estate Sales, over and above the amount due as per the payment plans agreed with the customers.

**e) Fixed Assets :**

All fixed assets are stated at cost of acquisition, less accumulated depreciation except leasehold land, and intangible assets which are stated at cost less amounts amortised. Cost includes purchase price and all other attributable costs of bringing the assets to its working condition for intended use. Financing costs relating to borrowed funds attributable to acquisition, which takes substantial period of time to get ready for its intended use are also included, for the period till such asset is put to use.

**f) Depreciation / Amortisation :**

- i) Depreciation on fixed assets (other than Fire Fighting Equipment at Avadh Division) is provided on Straight Line Method (SLM) at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except for depreciation on Shuttering & Scaffolding which are being depreciated on SLM at 16.67% p.a. based on useful life determined by the Management.
- ii) Depreciation on Fire Fighting Equipment at Avadh Division is provided on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- iii) The depreciation has not been charged on Fixed Assets whose written down value had reached below 5% of its cost.
- iv) Asset costing Rs.5,000 or less individually is fully depreciated in the year of purchase.
- v) Leasehold land is amortised over the period of the lease.
- vi) Software are being amortised over the estimated useful life of 3 years.
- vii) In case of impairment loss, if any, depreciation on it is provided on the revised carrying amount for their remaining useful life.

**g) Impairment of Assets :**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If recoverable amount of such asset is less than the carrying amount, then the carrying amount is reduced to its recoverable amount and the difference arising therefrom is treated as impairment loss and is charged to statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**h) Borrowing Cost :**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of that asset upto the date the assets are ready / put to use. Other Borrowing costs are recognized as an expense in the year in which they are incurred.

**i) Investments :**

Long term Investments are stated at cost. However, provision is made for diminution in value, other than temporary, on individual basis.

**j) Inventories :**

Materials, Stores and Spares, tools and consumables are valued at cost or net realizable value, whichever is lower on the basis of 'First In First Out' (FIFO) method.

Construction work-in-progress is valued at lower of cost and net realizable value. Construction work in progress includes cost of land, materials, services, depreciation, interest on borrowing and other incidental cost incurred in relation to project.

**k) Cost of Constructions (Real Estate Development) :**

Cost of construction includes cost of land, materials, services, depreciation, interest on borrowing and other incidental cost incurred in relation to project.

**l) Employee Benefits :****i) Defined Contribution Plan**

Company's contribution to Provident Fund is deposited with the Employees Provident Fund Organization (EPFO). The Company's monthly contribution towards Provident Fund is accounted for on accrual basis.

**ii) Defined Benefit Plan**

Liability on account of 'Gratuity' is accounted for on the basis of Actuarial Valuation at the end of each year.

**iii) Other Long Term**

Liability on account of 'leave encashment' is made on the basis of Actuarial Valuation at the end of the year.

**iv) Other Short Term**

Other Short term Employee Benefits are charged to revenue in the year in which the related services are rendered.

**m) Share Issue Expenses:**

Share Issue Expenses are adjusted against Share Premium to the extent balance available in the share premium account.

**n) Taxation:**

i) Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.

ii) Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced up to the balance sheet date. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the statement of profit and loss of the respective year of change.



- iii) Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is reasonable certainty of its realization.

**o) Foreign Currency Transactions :**

- i) The transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction.
- ii) Current assets and current liabilities in foreign currency outstanding at the Balance Sheet date are translated at the exchange rates prevailing on the date of balance sheet.

The resulting exchange difference, if any, is charged to the statement of profit and loss.

**p) Earnings Per Share (EPS) :**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**q) Provisions :**

Provision is recognized when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

**r) Lease :**

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

Assets given under operating lease are included in fixed assets. Lease income is recognized in the statement of profit and loss on as straight line basis over the lease term. Costs including depreciation are recognized as expense in the statement of profit and loss.

**s) Contingent Liabilities :**

The Company makes a provision when there is present obligation as a result of past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- (i) Possible obligation, the existence of which will be confirmed by the occurrence / non-occurrence of one or more uncertain events, not fully within the control of the company.
- (ii) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
- (iii) Present obligation where a reliable estimate cannot be made.

**t) Other Accounting Policies :**

These are consistent with the generally accepted accounting practices.

(Amount in Rupees)

2 Share Capital	31-Dec-2013	31-Dec-2012
<b>Authorised:</b>		
9,82,50,000 (Previous year: 9,82,50,000) Equity Shares of Rs. 10 each.	<b>98,25,00,000</b>	98,25,00,000
17,50,000 (Previous year: 17,50,000) Unclassified Shares of Rs. 10 each.	<b>1,75,00,000</b>	1,75,00,000
	<b>1,00,00,00,000</b>	1,00,00,00,000
<b>Issued, Subscribed and Paid up:</b>		
4,11,34,540 (Previous year: 4,11,34,540) Equity Shares of Rs. 10 each, fully paid	<b>41,13,45,400</b>	41,13,45,400
<b>Total</b>	<b>41,13,45,400</b>	41,13,45,400

**Note:**

During the previous year ended 31st December, 2012, the Company had reclassified the Authorised Capital to 9,82,50,000 equity shares of Rs. 10 each from 9,57,11,120 equity shares of Rs. 10 each, 1,36,877 - 11% Redeemable Cumulative Preference shares of Rs. 100 each and 1,17,011 - 0% Redeemable Preference Shares of Rs. 100 each.

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Equity shares	31-Dec-2013		31-Dec-2012	
	Nos.	In Rs.	Nos.	In Rs.
At the beginning of the year	<b>4,11,34,540</b>	<b>41,13,45,400</b>	4,11,34,540	41,13,45,400
<b>Outstanding at the end of the year</b>	<b>4,11,34,540</b>	<b>41,13,45,400</b>	4,11,34,540	41,13,45,400

**b) Terms/rights attached to equity shares:**

- i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the outstanding equity shares held by the shareholders.
- ii) 75,40,400 and 1,29,59,600 equity shares allotted on 15th June 2011 and 29th July 2011 respectively on preferential basis pursuant to exercise of equity warrants are subject to lock-in for a period of three years for the promoters group i.e. 1,60,84,678 equity shares and for the period of one year for other allottees i.e. 44,15,322 equity shares.

**c) Details of shareholders holding more than 5% shares in the Company:**

	31-Dec-2013		31-Dec-2012	
	No. of Shares (Rs. 10 each)	% of holding in the class	No. of Shares (Rs. 10 each)	% of holding in the class
<b>Equity shares:</b>				
Akhilesh Developers Private Limited	<b>37,97,830</b>	<b>9.23%</b>	90,71,713	22.05%
Akhilesh Investfin Private Limited	<b>52,73,883</b>	<b>12.82%</b>	-	-
Mandakini Hospitalty Private Limited	-	-	50,84,678	12.36%
Mandakini Investfin Private Limited	<b>50,84,678</b>	<b>12.36%</b>	-	-
Yashaswini Leisure Private Limited	-	-	55,00,000	13.37%

Yashaswini Investments Company Private Limited	55,00,000	13.37%	-	-
Hanumesh Realtors Private Limited	-	-	61,50,848	14.95%
Hanumesh Investment Private Limited	61,50,848	14.95%	-	-
Adhir Barter Private Limited	22,15,322	5.39%	22,15,322	5.39%
Hakmans Financial Services and Securities Private Limited	22,00,000	5.35%	22,00,000	5.35%

d) **Demerger of Promoter Companies:**

i) **Akhilesh Developers Private Limited**

Pursuant to scheme of arrangement of demerger between Akhilesh Developers Private Limited and Akhilesh Investfin Private Limited, Akhilesh Developers Private Limited has executed the transfer for 52,73,883 shares on 18.02.2013 and Akhilesh Investfin Private Limited has acquired the shares.

ii) **Mandakini Hospitality Private Limited**

Pursuant to scheme of arrangement of demerger between Mandakini Hospitality Private Limited and Mandakini Investfin Private Limited, Mandakini Hospitality Private Limited has executed the transfer for 50,84,678 shares on 18.02.2013 and Mandakini Investfin Private Limited has acquired the shares.

iii) **Yashaswini Leisure Private Limited**

Pursuant to scheme of arrangement of demerger between Yashaswini Leisure Private Limited and Yashaswini Investments Company Private Limited, Yashaswini Leisure Private Limited has executed the transfer for 55,00,000 shares on 18.02.2013 and Yashaswini Investments Company Private Limited has acquired the shares.

iv) **Hanumesh Realtors Private Limited**

Pursuant to scheme of arrangement of demerger between Hanumesh Realtors Private Limited and Hanumesh Investments Private Limited, Hanumesh Realtors Private Limited has executed the transfer for 61,50,848 shares on 18.02.2013 and Hanumesh Investments Private Limited has acquired the shares.

(Amount in Rupees)

3. Reserves and Surplus	31-Dec-2013	31-Dec-2012
<b>a) Capital Reserve</b>		
Balance as per last financial statements	1,49,500	1,49,500
<b>b) Securities premium account</b>		
Balance as per last financial statements	2,66,21,30,000	2,66,21,30,000
<b>c) Other Reserves (Workers Welfare and Benevolent Reserve)</b>		
Balance as per last financial statements	24,857	24,857
<b>d) General Reserve</b>		
Balance as per last financial statements	1,50,00,000	1,50,00,000
<b>e) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Balance as per last financial statements	(4,98,20,702)	(14,07,87,838)
Add: Profit / (Loss) for the year	(12,70,84,213)	9,09,67,136
	(17,69,04,915)	(4,98,20,702)
Less: Appropriation: Transferred to General Reserve	-	-
Closing balance	(17,69,04,915)	(4,98,20,702)
<b>Total</b>	<b>2,50,03,99,442</b>	<b>2,62,74,83,655</b>

	Non current		Current	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
<b>4. Long Term Borrowings</b>				
<b><u>Secured Term Loans</u></b>				
<u>Project loan</u>				
- from NBFCs	64,00,00,000	-	-	-
<u>Vehicle loans</u>				
- from NBFCs	1,99,161	-	7,58,009	-
<b>Total</b>	<b>64,01,99,161</b>	<b>-</b>	<b>7,58,009</b>	<b>-</b>
<b>The above amount includes</b>				
Secured borrowings	64,01,99,161	-	7,58,009	-
Unsecured borrowings	-	-	-	-
Amount disclosed under the head 'Other Current Liability' (Refer Note 10)	-	-	(7,58,009)	-
	<b>64,01,99,161</b>	<b>-</b>	<b>-</b>	<b>-</b>

**i Term loans from NBFCs**

**a) Project loan**

The project loan taken from NBFC of Rs. 64,00,00,000 is secured by extension of first charge against registered mortgage of Plot Nos. 5B and 6 situated at Shree Ram Mills Premises, Lower Parel Div., Mumbai together with building and structures thereon, both present and future viz. "Palais Royale" and further secured by first and exclusive charge on all the receivables /cash flows arising from the sale of the aforesaid project of developed area as well as pre-sold in favor of the Lender and personal guarantee of one of the Director. The tenure of loan is 60 months from the date of disbursement and is repayable in 12 quarterly installments of Rs. 5,33,33,333 commencing from March 2016, whereas interest is payable monthly.

The rate of interest is linked to lender's PLR minus 490 basis points (currently applicable rate of interest is 18.10% per annum).

Loan repayable within one year is Rs. NIL (Previous year: Rs. NIL).

**b) Vehicle loans**

Vehicle Loans (Secured) taken from NBFCs amounting to Rs.9,57,170 are secured against hypothecation of assets financed. These loans are repayable in 29 to 30 monthly installments from the balance sheet date and carries interest @ 11.17% per annum. Loan repayable within one year is Rs. 3,57,966 (Previous year: Rs. NIL).

5. Deferred Tax Liabilities (Net)	(Amount in Rupees)	
	31-Dec-2013	31-Dec-2012
<b>Deferred tax liability</b>		
Related to Fixed Assets	77,38,467	-
<b>Total deferred tax liability</b>	<u>77,38,467</u>	<u>-</u>
<b>Deferred tax assets</b>		
Related to Fixed Assets	-	21,62,310
Other disallowances under Income Tax Act	5,25,233	40,840
Unabsorbed depreciation / Business loss	72,13,234	1,52,63,030
<b>Total deferred tax assets</b>	<u>77,38,467</u>	<u>1,74,66,180</u>
<b>Total deferred tax liability / (Assets)</b>	<u>-</u>	<u>(1,74,66,180)</u>
<b>Deferred Tax Liabilities/ (Assets) recognized in Balance Sheet</b>	<u>- *</u>	<u>- **</u>

**Note:**

\* In the absence of virtual certainty, deferred tax assets on account of unabsorbed depreciation and business loss has been recognised to the extent it can be realised against reversal of deferred tax liability.

\*\* As a matter of prudence, the Company has not recognised deferred tax asset being timing differences on account of unabsorbed depreciation, carried forward losses and depreciation on fixed assets and others as per Accounting Standard (AS)-22 "Accounting for Taxes on Income", as notified by Companies (Accounting Standards) Rules, 2006.

**6. Other Long - Term Liabilities**Deposit - Unsecured

- From Related party	13,71,26,297	13,71,26,297
Advances against development right (Refer Note - 27)	30,00,00,000	30,00,00,000
Debenture Application Money pending allotment - from Related Party	2,70,00,00,000	-
<b>Total</b>	<u>3,13,71,26,297</u>	<u>43,71,26,297</u>

Unsecured deposit from related party include :

Landmarc leisure Corporation Limited	13,71,26,297	13,71,26,297
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Debenture Application Money Pending allotment from related party includes -

Akhilesh Developers Private Limited	50,00,00,000	
Aura Relators Private Limited	43,00,00,000	
Hanumesh Realtors Private Limited	60,00,00,000	-
Mandakini Hospitality Private Limited	65,00,00,000	-
Yashaswini Leisure Private Limited	52,00,00,000	-
	<u>2,70,00,00,000</u>	<u>-</u>

**Note :**

- i) During the year, the Company has received Rs. 2,70,00,00,000 from five Companies towards application for 27,000 'Secured Redeemable Non Convertible Debentures' (Debentures) of face value of Rs. 1,00,000 each. The debentures will be issued on private placement basis. The subscription amount is utilised by the Company towards its business requirements.

- ii) The Debentures shall be secured against second ranking mortgage of Plot Nos. 5B and 6 situated at Shree Ram Mills Premises, Lower Parel Div., Mumbai together with building and structures thereon, both present and future viz. "Palais Royale" and further secured by first and exclusive charge on all the receivables /cash flows arising from the sale of the aforesaid project of developed area as well as pre-sold in favor of the Lender.
- iii) The Debentures carries interest @ 20.20 % per annum payable on monthly basis and interest is payable from date of receipt of the money and Debentures (in parts or in full) will be redeemed between 18 to 60 months from the date of Allotment.

(Amount in Rupees)

7. Provisions	Long Term		Short Term	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
<b>Provision for employee benefits:</b>				
- Leave salary	6,79,797	7,16,875	2,95,746	2,75,831
- Gratuity benefits	18,78,601	17,36,101	9,03,415	10,15,855
<b>Others</b>				
Wealth tax provision	-	-	71,580	61,796
<b>Total</b>	<b>25,58,398</b>	<b>24,52,976</b>	<b>12,70,741</b>	<b>13,53,482</b>

#### 8. Short - Term Borrowings

##### Secured Term Loans

##### Project loan

- from NBFCs 3,85,00,00,000 5,50,00,00,000

##### Equipment loans

- from NBFCs 62,42,23,904 84,29,61,994

##### Vehicle loans

- from Banks 13,52,098 32,32,713

- from NBFCs 29,83,446 50,32,217

**4,47,85,59,448 6,35,12,26,924**

##### Unsecured loans

Inter-corporate loans from related parties\* 10,53,49,000 7,33,99,000

**10,53,49,000 7,33,99,000**

**Total 4,58,39,08,448 6,42,46,25,924**

##### **\*Inter-corporate loans from related parties**

Akhilesh Developers Private Limited 2,33,09,000 2,33,09,000

Hanumesh Realtors Private Limited 1,00,90,000 1,00,90,000

Mandakini Hospitality Private Limited 1,00,00,000 1,00,00,000

Vidhi Holdings Private Limited 5,19,50,000 2,00,00,000

Yashaswini Leisure Private Limited 1,00,00,000 1,00,00,000

**Total 10,53,49,000 7,33,99,000**

**i) Term loan from NBFCs****a) Project Loan**

The Project loan taken from NBFC of Rs. 3,85,00,00,000 (Previous year : Rs. 5,50,00,00,000) is secured by first charge against registered mortgage of Plot Nos. 5B and 6 situated at Shree Ram Mills Premises, Lower Parel Div., Mumbai together with building and structure thereon, both present and future viz. "Palais Royale" and further secured by first and exclusive charge on all the receivables / cash flows arising from the sale of the aforesaid project of developed area as well as pre-sold in favor of the Lender and personal guarantee of one of the Director. The loan of Rs. 82,50,00,000 is repayable by 30-June-14, Rs. 82,50,00,000 is repayable by 31-Dec-14, Rs. 1,10,00,00,000 is repayable by 30-June-15 and Rs. 1,10,00,00,000 is repayable by 31-Dec15. The rate of interest is linked to Lender's PLR minus 490 basis points (currently applicable rate of interest is 18.10% per annum).

Loan repayable within one year is Rs. 1,65,00,00,000 (Previous year : Rs. 1,65,00,00,000).

**b) Equipment Loan**

Equipment loans (Secured) taken from NBFCs amounting to Rs.62,42,23,904 (Previous year: Rs. 84,29,61,994) are secured against hypothecation of assets financed, pledge of 36,20,830 shares (Previous year : 32,47,830 shares) of the Company held by promoters and personal guarantee of one of the director. These loans are repayable in 8 to 25 monthly installments from the balance sheet date and carries interest in the range of 12.00% to 18.50% per annum. Loans repayable within one year is Rs. 44,38,28,294 (Previous year: Rs. 33,07,21,982).

**c) Vehicle loans**

Vehicle Loans (Secured) taken from NBFCs amounting to Rs.29,83,445 (Previous year: Rs. 50,32,217) are secured against hypothecation of assets financed i.e., Motor Cars. These loans are repayable in 7 to 21 monthly installments from the balance sheet date and carries interest in the range of 12.00% to 12.63% per annum. Loans repayable within one year is Rs. 21,35,538 (Previous year: Rs. 20,48,773).

**ii Term Loan from Banks****Vehicle loans**

Vehicle loans (Secured) taken from banks amounting to Rs.13,52,098 (Previous year: Rs. 32,32,713) are secured against hypothecation of assets financed and personal guarantee of one of the director. These loans are repayable in 2 to 11 monthly installments from the balance sheet date and carries interest in the range of 11.75% to 12.25% per annum. Loans repayable within one year is Rs. 13,52,098 (Previous year: Rs. 18,63,163).

**iii Unsecured loans**

The loans taken from related parties are unsecured. These loans are interest free and repayable on demand.

(Amount in Rupees)

**9. Trade Payables\*****31-Dec-2013**

31-Dec-2012

Acceptances

**6,74,24,713**

4,33,85,342

Other than acceptances

**3,26,19,41,376**

3,20,37,94,261

(\* There are no Micro, Small and Medium Enterprises, to whom the Company owes dues on account of principal amount together with interest as at the balance sheet date. This has been determined to the extent such parties have been identified on the basis of information available with the Company)

**Total****3,32,93,66,089****3,24,71,79,603****10. Other Current Liabilities**Current maturities of long-term debt

Vehicle loans from Bank - Secured (Refer Note - 4)

**7,58,009**

-

Payable for purchase of fixed assets

**1,67,18,766**

30,07,640

Interest accrued but not due on borrowings

**2,92,29,223**

16,61,33,571

Statutory dues

**16,23,46,225**

5,87,17,804

Advances from customers against sale flats

**4,58,73,31,173**

4,98,32,95,950

**Other payables:**

Interest accrued on trade payables

**12,71,88,809**

8,39,66,037

Liabilities for expenses

**4,90,88,238**

3,53,76,149

Advances received for sale of material

**7,18,55,411**

2,18,55,411

Other liabilities

**1,60,09,448**

1,78,35,581

**Total****5,06,05,25,302****5,37,01,88,143**



## Note 11 - Fixed Assets

(Amount in Rupees)

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01-Jan-2013	As at 31-Dec-2013	Deductions/ Adjustments during the year	For the Year	As at 01-Jan-2013	As at 31-Dec-2013	Deductions/ Adjustments during the year	As at 31-Dec-2013	As at 31-Dec-2012	
		Additions/Adjustments during the year									
		Acquisition	Borrowing Cost								
I	<b>Tangible Assets</b>										
1	Textile Division										
1	Land-Leasehold	5625	-	-	5625	3,000	200	-	3,200	2,425	2,625
2	Land- Freehold	1,08,20,68,875	-	-	1,08,20,68,875	-	-	-	-	1,08,20,68,875	1,08,20,68,875
3	Buildings & Residential	3,15,620	-	-	3,15,620	1,01,460	5,145	-	1,06,605	2,09,015	2,14,160
4	Building Leasehold Land	4,46,215	-	-	4,46,215	2,99,102	7,273	-	3,06,375	1,39,840	1,47,113
5	Roads	2,42,000	-	-	2,42,000	25,864	3,945	-	29,809	2,12,191	2,16,137
6	Fire Fighting Equipments	2,11,975	-	-	2,11,975	207,692	432	-	2,08,124	3,851	4,283
7	Computers & Peripherals	5,95,951	-	-	5,95,951	4,93,089	16,921	-	5,10,010	85,941	1,02,862
8	Office Equipments	1,40,006	-	-	1,40,006	41,153	6,965	-	48,118	91,888	98,853
9	Motor Car	42,05,243	-	-	42,05,243	5,17,757	3,99,499	-	9,17,256	32,87,987	36,87,486
10	Air Conditioner	4,27,620	-	-	4,27,620	1,28,157	20,312	-	1,48,469	2,79,151	2,99,463
11	Furniture & Fixture	9,788	-	-	9,788	9,788	-	-	9,788	-	-
12	Plant & Machinery	29,30,541	-	-	29,30,541	27,84,014	-	-	27,84,014	1,46,527	1,46,527
	<b>Total (A)</b>	<b>1,09,15,99,459</b>	<b>-</b>	<b>-</b>	<b>1,09,15,99,459</b>	<b>46,11,079</b>	<b>4,60,692</b>	<b>-</b>	<b>50,71,768</b>	<b>1,08,65,27,691</b>	<b>1,08,69,88,384</b>
	<b>Previous Year (A)</b>	<b>1,10,11,08,132</b>	<b>7,75,697</b>	<b>-</b>	<b>1,02,84,370</b>	<b>65,81,296</b>	<b>6,75,576</b>	<b>26,45,796</b>	<b>46,11,076</b>	<b>1,08,69,88,384</b>	<b>1,09,45,26,836</b>
	<b>Real Estate Dev.Division</b>										
13	Computer & Printer	57,19,621	-	-	57,19,621	35,83,858	7,37,779	-	43,21,637	13,97,984	21,35,763
14	Air Conditioner	20,77,386	-	-	20,77,386	3,83,086	98,678	-	4,81,714	15,95,672	16,94,350
15	Plant & Machinery	34,24,99,076	1,21,20,301	2,02,93,186	33,43,26,191	4,97,99,578	1,67,65,334	45,84,733	6,19,80,179	27,23,46,012	29,26,99,498
16	Heavy Earth Moving Machinery	1,62,69,049	-	-	1,62,69,049	63,32,061	18,40,030	-	81,72,091	80,96,958	99,36,988
17	Motor Buses & Lorries	6,65,520	-	-	6,65,520	3,53,254	75,270	-	4,28,524	2,36,996	3,12,266
18	Office Equipment	38,30,984	-	3,55,243	34,75,741	11,29,183	1,59,259	1,89,210	10,99,232	23,76,509	27,01,801
19	Laboratory Equipment	40,30,615	-	-	40,30,615	8,68,254	1,78,950	-	10,47,204	29,83,411	31,62,361
20	Temporary Structure	1,47,83,782	-	-	1,47,83,782	28,62,206	9,35,816	-	37,98,022	1,09,85,760	1,19,21,576
21	Furniture & Fixture	1,43,94,507	-	-	1,43,94,507	48,29,832	8,77,540	-	57,07,372	86,87,135	95,64,675
22	Office Building	92,93,134	-	-	92,93,134	7,62,332	1,51,478	-	9,13,810	83,79,324	85,30,802
23	Motor Car	1,64,79,022	15,27,485	29,30,434	1,50,76,073	27,92,429	15,26,732	13,78,023	29,41,138	1,21,34,933	1,36,96,593
24	Electrical Fittings	43,82,012	-	-	43,82,012	10,12,488	2,08,146	-	12,20,634	31,61,378	33,69,524
25	Shuttering & Scaffolding	59,66,54,286	-	-	59,66,54,286	35,35,54,637	9,94,42,405	-	45,29,97,042	14,36,57,244	24,30,99,650
	<b>Total (B)</b>	<b>1,03,10,78,994</b>	<b>1,36,47,786</b>	<b>2,35,78,863</b>	<b>1,02,11,47,917</b>	<b>42,82,63,148</b>	<b>12,29,97,417</b>	<b>61,51,966</b>	<b>54,51,08,599</b>	<b>47,60,39,318</b>	<b>60,28,15,848</b>
	<b>Previous Year (B)</b>	<b>94,46,70,732</b>	<b>8,57,45,151</b>	<b>18,31,867</b>	<b>1,03,10,78,994</b>	<b>30,80,05,534</b>	<b>12,09,07,260</b>	<b>6,49,647</b>	<b>42,82,63,148</b>	<b>60,28,15,848</b>	<b>63,66,65,198</b>
II	<b>Intangible Assets</b>										
	Real Estate Dev.Division										
26	Intangible Assets (Software)	16,22,067	12,600	-	16,34,667	15,40,431	66,870	-	16,07,301	27,366	81,636
	<b>Total (C)</b>	<b>16,22,067</b>	<b>12,600</b>	<b>-</b>	<b>16,34,667</b>	<b>15,40,431</b>	<b>66,870</b>	<b>-</b>	<b>16,07,301</b>	<b>27,366</b>	<b>81,636</b>
	<b>Previous Year (C)</b>	<b>15,93,192</b>	<b>28,875</b>	<b>-</b>	<b>16,22,067</b>	<b>12,20,956</b>	<b>3,19,475</b>	<b>-</b>	<b>15,40,431</b>	<b>81,636</b>	<b>3,72,236</b>
	<b>Total (A+B+C)</b>	<b>2,12,43,00,520</b>	<b>1,36,60,386</b>	<b>2,35,78,863</b>	<b>2,11,43,82,043</b>	<b>43,44,14,655</b>	<b>12,35,24,979</b>	<b>61,51,966</b>	<b>55,17,87,668</b>	<b>1,56,25,94,375</b>	<b>1,68,98,85,868</b>
	<b>Previous Year (A+B+C)</b>	<b>2,04,73,72,056</b>	<b>8,65,49,723</b>	<b>1,21,16,237</b>	<b>2,12,43,00,520</b>	<b>31,58,07,786</b>	<b>12,19,02,311</b>	<b>32,95,443</b>	<b>43,44,14,655</b>	<b>1,68,98,85,668</b>	<b>1,73,15,64,270</b>
	<b>Capital Work in Progress (Including Capital Adv.)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: During the year, the company has reviewed its fixed assets for impairment loss as required by Accounting Standards 28:- "Impairment of Assets". In the opinion of management no provision for impairment loss is consider necessary.

		(Amount in Rupees)	
		31-Dec-2013	31-Dec-2012
<b>12. Non - Current Investments</b>			
<b>A Trade Investments - Quoted</b>			
<b>Investment in equity shares</b>			
1,704 (Previous year: 1,704) Equity Shares of Rs.100 each of Mafatlal Engineering Industries Limited		1,72,601	1,72,601
Less: Provision for diminution in value		<u>1,72,601</u>	<u>1,72,601</u>
		-	-
10 (Previous year: 10) Equity Shares of Rs.1000 each of Engineering Raw Materials Cons. Corp Limited		10,000	10,000
Less: Provision for diminution in value		<u>10,000</u>	<u>10,000</u>
		-	-
<b>B Trade Investments - Unquoted</b>			
<b>i) Investment in equity - at cost</b>			
<b>a) In subsidiaries</b>			
10,000 (Previous year: 10,000) Equity share of Rs. 10 each of Shree Ram Realinfra Ventures Private Limited, fully paid.		1,00,000	1,00,000
10,000 (Previous year: 10,000) Equity share of Rs. 10 each of SRM Sites Private Limited, fully paid.		1,00,000	1,00,000
10,000 (Previous year: 10,000) Equity share of Rs. 10 each of Raghuvveer Suburban Infrastructure Private Limited, fully paid.		<u>1,00,000</u>	<u>1,00,000</u>
		<u>3,00,000</u>	<u>3,00,000</u>
<b>b) In other</b>			
9,90,000 (Previous year: 9,90,000) Equity share of Rs. 10 each of Raghuvveer Urban Constructions Company Private Limited, fully paid.		99,00,000	99,00,000
<b>ii) Investment in Preference shares - at cost *</b>			
<b>In subsidiary</b>			
<b>Investment in Compulsorily Convertible Preference Shares (CCPS) - at cost</b>			
1,66,666 (Previous year: 1,18,437) Compulsorily Convertible Preference Shares of Rs. 10 each of SRM Sites Private Limited, fully paid		1,17,21,96,255	77,68,51,454
<b>C Non-trade Investments</b>			
<b>"A" Government Securities - Quoted</b>			
3% Government Loan 1986 (Deposited with Central Excise as Security - Matured but not realised)		3,521	3,521
5% Loan 2000 (Deposited with Central Excise as Security)		<u>1,000</u>	<u>1,000</u>
		4,521	4,521
Less: Provision for diminution in value		<u>4,521</u>	<u>4,521</u>
		-	-
<b>D Other Investments</b>			
Contribution towards Proposed East India Cotton Association Society in an earlier year (Towards Share Application, Allotment letter not yet received)		4,000	4,000
Less: Provision for diminution in value		<u>4,000</u>	<u>4,000</u>
		-	-
		-	-
	<b>Total</b>	<u><u>1,18,23,96,255</u></u>	<u><u>78,70,51,454</u></u>
	Aggregate book value - Quoted	-	-
	Unquoted	1,18,23,96,255	78,70,51,454
	Aggregate Market value - Quoted	-	-

Shares held as investment by the Company have been classified as long term investment. Provision for the diminution in the value of investment has been made in the accounts where the management is of the view that such diminution is other than temporary in nature.

\* 1,66,666 Compulsorily Convertible Preference Shares (CCPSs) shall be converted into equivalent number of Equity Shares of Rs. 10 each of SRM Sites Private Limited, a subsidiary of the Company, at the end of five years from the date of issue of CCPSs.

13. Loans and Advances	(Amount in Rupees)			
	Non current		Current	
(Unsecured considered good unless otherwise stated)	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
Advance against Investment	-	39,43,58,963	-	-
Security deposits	-	-	1,77,86,036	1,81,82,095
Loans and advances to related parties	-	-	76,00,05,171	79,34,02,586
Advances recoverable in cash or kind	-	-	2,59,27,08,359	2,61,16,17,517
<b>Others</b>				
Loans to Employees / officers	-	-	8,40,000	15,80,000
Advance income tax (net of provision)	3,74,39,808	4,85,54,752	-	-
MAT credit entitlement	-	1,22,10,040	-	-
<u>Receivable from government authorities</u>				
-Considered good	-	-	83,74,821	1,27,10,167
-Considered doubtful	6,45,287	6,45,287	-	-
Prepaid expenses	-	-	98,65,869	71,79,794
Others (doubtful)	-	-	2,25,000	2,25,000
	<b>3,80,85,095</b>	6,14,10,079	<b>1,93,05,690</b>	2,16,94,961
Less: Provision for doubtful loans and advances	<b>645,287</b>	6,45,287	<b>2,25,000</b>	2,25,000
	<b>3,74,39,808</b>	6,07,64,792	<b>1,90,80,690</b>	2,14,69,961
<b>Total</b>	<b>3,74,39,808</b>	45,51,23,755	<b>3,38,95,80,256</b>	3,44,46,72,159
<b>Loans and advances to related parties includes:</b>				
Raghuveer Urban Construction Company Private Limited	-	-	75,84,23,032	79,34,02,586
Landmarc Leisure Corporation Limited	-	-	15,82,139	-
	-	-	<b>76,00,05,171</b>	79,34,02,586
<b>14. Other Non - Current Assets</b>				
Fixed deposit with bank*			11,54,009	10,60,334
[Including Interest accrued Rs.1,54,009 (Previous year : Rs. 60,334)]				
		<b>Total</b>	<b>11,54,009</b>	10,60,334

**Note:**

\*Fixed deposit of Rs. 11,54,009 (Previous year: 10,60,334) pledged with the bank for issuing bank guarantees.

	<b>(Amount in Rupees)</b>	
	<b>31-Dec-2013</b>	<b>31-Dec-2012</b>
<b>15. Inventories</b>		
(At lower of cost and realisable value: as taken, valued and certified by management)		
Raw materials (Including material of Rs. 15,77,11,694 lying in bonded warehouse (Previous year: Rs. Nil)	<b>34,77,10,214</b>	27,86,52,752
Raw materials (scrap)	<b>1,55,607</b>	19,96,434
Construction work-in-progress (Project)	<b>11,81,94,15,830</b>	10,82,96,93,882
Stores and spares	<b>69,65,684</b>	71,39,668
<b>Total</b>	<b><u>12,17,42,47,335</u></b>	<b><u>11,11,74,82,736</u></b>
<b>16. Trade Receivables</b>		
(Unsecured considered good unless otherwise stated)		
<u>Debts outstanding for a period exceeding six months from the date they were due for payment</u>		
Unsecured, considered good*	<b>18,03,42,564</b>	6,12,47,017
Doubtful	<b>57,02,918</b>	57,02,918
	<b>18,60,45,482</b>	6,69,49,935
Less: Provision for doubtful debts	<b>57,02,918</b>	57,02,918
	<b>18,03,42,564</b>	6,12,47,017
Others	<b>1,76,58,639</b>	16,00,37,211
<b>Total</b>	<b><u>19,80,01,203</u></b>	<b><u>22,12,84,228</u></b>
<b>*Note: Trade receivables include debts due from related parties:</b>		
S Kumars Online Ltd	<b>22,500</b>	22,500
Akhilesh Developers Private Limited	<b>29,96,680</b>	33,11,200
Mandakini Hospitality Private Limited	<b>29,96,680</b>	33,11,200
Yashaswini Leisure Private Limited	<b>29,96,680</b>	33,11,200
Hanumesh Realtors Private Limited	<b>29,96,680</b>	33,11,200
Aura Realtors Private Limited	<b>1,40,36,250</b>	1,39,33,035
<b>17. Cash and Bank Balances</b>		
<b><u>Cash and cash equivalents</u></b>		
(a) Cash on hand	<b>1,05,84,024</b>	1,06,96,168
<u>(b) Balances with banks</u>		
- In current accounts	<b>3,05,94,027</b>	3,65,45,210
(c) Deposit with original maturity of less than three months [Including Interest accrued Rs. NIL (Previous year : Rs. 7,346)]	<b>-</b>	1,05,07,346
	<b>4,11,78,051</b>	5,77,48,724
<b><u>Other bank balances</u></b>		
(i) Deposits with original maturity of more than three months but less than twelve months. [Including Interest accrued Rs. 72,379 (Previous year : Rs. 40,933)]	<b>35,36,303</b>	25,72,283
(ii) Deposits with original maturity of more than twelve months [Including Interest accrued Rs. NIL (Previous year : Rs. 27,130)]	<b>-</b>	6,51,434
(iii) Balances held as margin money or security against borrowings, guarantees and other commitments held under lien for custom and excise demand.* [Including Interest accrued Rs. 8,836 (Previous year : Rs. 6,719)]	<b>14,05,670</b>	13,42,509
	<b>49,41,973</b>	45,66,226
<b>Total</b>	<b><u>4,61,20,024</u></b>	<b><u>6,23,14,950</u></b>
<b>Note:</b>		
* Deposits of Rs. 14,05,670 (Previous Year: Rs. 13,42,509), have an original maturity of more than three months but less than twelve months.		
<b>18. Other Current Assets</b>		
Unbilled revenue	<b>1,07,46,77,840</b>	74,26,54,748
Interest accrued on deposits	<b>3,23,173</b>	2,25,248
Receivables on sale of fixed assets	<b>1,58,000</b>	-
Other receivables	<b>7,000</b>	-
<b>Total</b>	<b><u>1,07,51,66,013</u></b>	<b><u>74,28,79,996</u></b>

	(Amount in Rupees)	
	31-Dec-2013	31-Dec-2012
<b>19. Revenue from Operations</b>		
<b>Operating revenue:</b>		
<u>Sale of Products</u>		
Sales of flats - ongoing project	1,74,47,63,341	2,35,20,48,712
<b>(A)</b>	<u>1,74,47,63,341</u>	<u>2,35,20,48,712</u>
<b>Other operating revenue:</b>		
Sale of construction material	2,16,69,262	-
Scrap sales	9,82,157	20,23,065
	<u>2,26,51,419</u>	<u>20,23,065</u>
Less: Transferred to cost of construction (Refer Note - 21)	2,26,51,419	20,23,065
<b>(B)</b>	<u>-</u>	<u>-</u>
<b>Total (A + B)</b>	<u><u>1,74,47,63,341</u></u>	<u><u>2,35,20,48,712</u></u>
<b>20. Other Income</b>		
<b>Interest income</b>		
(a) from Bank:		
- On fixed deposits	5,30,253	53,50,727
- On other balances	50,725	51,013
(b) Interest on I. T. Refund	4,27,049	-
(c) Interest received on delayed receipt of dues	1,31,81,302	-
(d) Other interest	2,44,452	1,53,627
<b>Other non operating income</b>		
Rent (net)	1,29,888	1,66,135
Insurance claim	-	11,200
Liabilities/provisions no longer required written back (net) (Refer Note-34)	-	1,20,14,267
Foreign exchange gain	2,68,128	-
Miscellaneous income	2,64,995	12,75,587
	<u>1,50,96,792</u>	<u>1,90,22,556</u>
Less: Transferred to cost of construction (Refer Note - 21)	1,36,43,013	46,57,004
<b>Total</b>	<u><u>14,53,779</u></u>	<u><u>1,43,65,552</u></u>

	(Amount in Rupees)			
21. Cost of Constructions (Real Estate Development)	31-Dec-2013		31-Dec-2012	
Opening balance	10,82,96,93,882		8,43,01,30,383	
Add:				
<b>Material Consumed</b>				
Opening stock	28,06,49,186		7,92,37,458	
Add : Purchase of materials	18,87,70,806		89,78,50,708	
Less : Closing stock of Scrap Material	1,55,607		19,96,434	
Less : Closing stock (Including Material of Rs. 15,77,11,694 lying in bonded warehouse)	34,77,10,214		27,86,52,752	
Less : Cost of material sold	<u>2,74,10,606</u>	9,41,43,565	-	69,64,38,980
Cost of construction material sold		<u>2,74,10,606</u>		
<b>Stores and Spares Consumed</b>				
Opening stock	71,39,668		90,66,732	
Add : Purchase of stores, spares and tools	22,86,958		72,65,882	
Less : Closing stock	<u>69,65,684</u>	24,60,942	<u>71,39,668</u>	91,92,946
Contractual, Sub-Contract with material and other charges	46,46,37,552		2,13,71,74,245	
Power and fuel expenses	1,54,66,005		3,12,76,009	
Land Dev./cleaning charges	3,50,000		3,52,50,000	
Water charges	23,49,433		1,22,96,706	
Premium charges- BMC	-		20,58,68,209	
Employee benefits expenses	1,49,02,737		1,61,64,849	
Administration and other expenses	8,01,87,638		10,93,82,726	
Finance and Interest expenses	1,93,28,49,800		1,25,50,01,616	
Depreciation and amortisation expense	<u>12,30,64,287</u>	<u>2,63,38,07,452</u>	<u>12,12,26,735</u>	<u>3,92,36,41,095</u>
		<u>13,58,75,16,447</u>		<u>13,05,94,03,403</u>
Less: Interest on FDR	1,93,583		46,31,537	
Insurance claim received	-		11,200	
Sundry balance written off (net)	-		14,267	
Foreign exchange gain (net)	2,68,128		-	
Sale of construction material	2,16,69,262		-	
Interest received on delayed receipt of dues	1,31,81,302		-	
Scrap sales	<u>9,82,157</u>	<u>3,62,94,432</u>	<u>20,23,065</u>	<u>66,80,069</u>
		<u>13,55,12,22,015</u>		<u>13,05,27,23,334</u>
Less : Balance carried to Inventories (Refer Note - 15)		<u>11,81,94,15,830</u>		<u>10,82,96,93,882</u>
Transferred to Statement of Profit and Loss		<u><u>1,73,18,06,185</u></u>		<u><u>2,22,30,29,452</u></u>

(Amount in Rupees)

**Details of Material Consumed**

31-Dec-2013 31-Dec-2012

**Raw Material**

Steel	2,56,49,337	46,34,85,334
Cement	26,76,702	10,23,88,168
Marble	20,18,394	4,89,56,173
Electrical Items	3,36,03,467	4,46,30,513
Others	3,01,95,665	3,69,78,792
<b>Total</b>	<b>9,41,43,565</b>	<b>69,64,38,980</b>

**Stores and Spares:**

Nuts/Bolts Item	-	21,05,540
Others	24,60,942	70,87,406
<b>Total</b>	<b>24,60,942</b>	<b>91,92,946</b>

**Details of Inventory****Raw Material**

Electrical Items	17,08,62,121	19,99,05,987
Steel	33,94,664	5,13,09,462
Marble	1,95,87,538	1,12,86,769
Fire fighting system & Others	15,07,96,840	-
Others	30,69,051	1,61,50,534
<b>Total</b>	<b>34,77,10,214</b>	<b>27,86,52,752</b>

**Stores and Spares**

Transformer	60,68,020	60,68,020
Others	8,97,664	10,71,648
<b>Total</b>	<b>69,65,684</b>	<b>71,39,668</b>

**22. Employee Benefits Expense**

Salaries and wages	1,56,41,323	1,65,27,550
Contributions to provident and other funds	13,05,175	12,97,990
Gratuity	2,24,310	7,62,885
Staff welfare Expenses	7,05,604	8,22,664
	<b>1,78,76,412</b>	<b>1,94,11,089</b>
Less: Transferred to cost of construction (Refer Note - 21)	<b>1,49,02,737</b>	<b>1,61,64,849</b>
<b>Total</b>	<b>29,73,675</b>	<b>32,46,240</b>

**23. Finance Costs****Interest**

- on Term loan	1,59,73,51,936	1,14,72,93,296
- on Debenture application money	11,03,57,943	-
- on others	7,82,58,706	8,67,51,812
Loan and other processing charges	16,10,65,630	2,47,01,560
Bank charges	76,373	4,28,293
	<b>1,94,71,10,588</b>	<b>1,25,91,74,961</b>
Less: Transferred to cost of construction (Refer Note - 21)	<b>1,93,28,49,800</b>	<b>1,25,50,01,616</b>
<b>Total</b>	<b>1,42,60,788</b>	<b>41,73,346</b>

(Amount in Rupees)

<b>24. Other Expenses</b>	<b>31-Dec-2013</b>	<b>31-Dec-2012</b>
Power and fuel expenses	1,55,771	3,15,369
Rent	8,48,520	80,136
Repairs and maintenance - Buildings	66,679	15,28,686
Repairs and maintenance - Machinery	61,732	13,37,994
Repairs and maintenance - Others	12,36,632	8,73,811
Insurance	79,03,867	97,69,275
Rates and taxes	1,42,78,041	71,00,983
Telephone and communication expenses	10,27,505	13,40,331
Travelling and conveyance	1,19,61,415	1,38,49,703
Printing and stationery	13,96,810	22,54,745
Sales commission	35,56,141	25,95,703
Business promotion	64,18,116	60,01,791
Donations and contributions	4,17,000	96,000
Legal and professional	6,20,39,123	7,05,31,633
Auditors Remuneration	19,33,761	19,12,666
Bad trade and other receivables, loans and advances written off	-	2,59,617
Foreign exchange gain/(loss)	-	1,91,460
Loss on fixed assets sold / scrapped / written off	89,04,679	82,87,460
Security expenses	45,56,108	69,18,616
Miscellaneous expenses	55,45,246	71,15,651
Sundry Balance Written off (Net) (Refer Note - 34)	3,42,944	-
Office expenses	6,92,188	12,09,452
Motor car expenses	26,29,480	21,45,051
	<b>13,59,71,758</b>	<b>14,57,16,133</b>
Less: Transferred to cost of construction (Refer Note - 21)	<b>8,01,87,638</b>	<b>10,93,82,726</b>
<b>Total</b>	<b>5,57,84,120</b>	<b>3,63,33,407</b>
<b>Payments to Auditors</b>		
<u>Payments to the auditors comprises:</u>		
As auditors - statutory audit	17,97,760	17,15,381
For other services	1,12,360	1,80,455
Reimbursement of expenses	23,641	16,830
	<b>19,33,761</b>	<b>19,12,666</b>
Less: Transferred to cost of construction (Refer Note - 21)	-	66,550
<b>Total</b>	<b>19,33,761</b>	<b>18,46,116</b>
<b>25. Prior Period Items</b>		
<b>Expenses</b>		
i) Staff Welfare Expenses	-	26,362
ii) Legal & Professional charges	32,570	-
iii) Property Tax	4,00,98,210	-
<b>Total</b>	<b>4,01,30,780</b>	<b>26,362</b>



## 26. Contingent Liabilities and Commitments:

## A) Contingent Liabilities:

(Amount in Rupees)

Sr. No.	Particulars	31-Dec-2013	31-Dec-2012
a)	Claims against the Company not acknowledged as debts	9,50,99,770	6,02,98,513
b)	Labour Matters:		
	i) Pending in court in respect of claims for Retrenchment Compensation etc.	12,99,448	15,98,886
	ii) Pending court cases - 5 (Previous year: 7) in respect of claims for Back Wages etc. filed by ex-employees of the Company for which the amount of Contingent Liability is unascertainable.		
c)	Income Tax Matters:		
	i) Disputed demand of Income Tax for assessment year 2003-04, where the department is in appeal.	23,24,613	23,24,613
	ii) Disputed demand of Income Tax for assessment year 2003-04, where the Company has filed application for rectification.	1,08,86,963	1,08,86,963
	iii) Disputed demand of Income Tax for assessment year 2004-05, where the department is in appeal.	1,22,09,858	1,22,09,858
	iv) Disputed demand of Income Tax for assessment year 2004-05, where the Company is in appeal.	1,29,46,164	1,29,46,164
	v) Disputed demand of Income Tax for assessment year 2005-06, where the department is in appeal.	8,74,93,855	8,74,93,855
	vi) Disputed demand of Income Tax for assessment year 2007-08, where the Company is in appeal.	1,21,75,306	43,58,910
	vii) Disputed demand of Income Tax for assessment year 2009-10, where the Company is in appeal.	90,49,260	90,49,260
	viii) Income tax demand for short deduction of tax at source and interest thereon for various assessment years, where the Company is in appeal.	1,82,06,838	2,98,52,478
d)	i) Property Tax disputed with BMC where the Company is in appeal.	2,64,58,176	2,09,64,798
	ii) Property Tax disputed with BMC.	-	4,43,81,754
	iii) Property Tax disputed with BMC where the Company has filed Complaint.	35,79,248	26,34,934
e)	Excise Duty demand [Bank guarantee provided for the same]	3,39,250	3,39,250
f)	Customs Duty demand [Bank guarantee provided for the same]	6,98,250	6,98,250
g)	Bank guarantee	10,00,000	10,00,000
h)	Dividend in respect of 1,36,877 -11% Redeemable Cumulative Preference Shares of Face Value of Rs. 100 each.	1,22,30,116	1,22,30,116
i)	Interest liability on VAT	85,94,137	-
j)	Interest liability on service tax amounting to Rs. 1,32,56,970 ( Previous year : Rs. 1,34,29,366) has not been provided for, as the matter is pending before the Hon. Supreme Court on writ petition filed by the Maharashtra Chamber Housing Industry (MCHI) to which the Company is a member, challenging levy of service tax on real estate business.		
k)	Pending court cases - 5 (Previous year: 4) in respect of other matters against the Company for which the amount of Contingent Liability is unascertainable.		

**B) Capital and Other Commitments**

(Amount in Rupees)

Particulars	31-Dec-2013	31-Dec-2012
<b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for:	-	2,32,03,406
Other Commitments	<b>7,04,27,85,422</b>	5,17,05,88,216

27. Arbitration proceedings have been underway since 2005 with Kalpataru Properties Private Ltd. (KPPL) in respect of development rights of Plot 5A admeasuring 20,955.4 sq.mtrs of the Company's Worli Estate, against which it has received Rs. 30,00,00,000. The Bombay High Court had passed a status quo order on about 23,500 sq. mtrs. of the said estate. Subsequently, KPPL had filed a claim of compensation for Rs. 15,28,93,00,000 along with interest as an alternative to their original claim for specific performance. The Company has received legal advice that the said claim for compensation is not tenable, and the chances of it being held against the Company are highly remote. As regards the Company's own counter-claim of Rs. 26,77,32,00,000 against KPPL, the Arbitral Tribunal has held that claim of Rs. 7,60,36,00,000 is under their jurisdiction under the present Arbitration proceeding and for the balance amount of Rs. 19,16,96,00,000, alternative remedies will have to be sought. The Company is in discussion with its legal advisors on the most optimum course to follow for the said balance claim.
28. In the opinion of the Management, no item of current assets has a value on realization in the ordinary course of business, which is less than the amount of value at which it is stated in the balance sheet. The provision for all known and determined liability is adequate and not in the excess of the amount reasonably required.
29. No significant events which could affect the financial position as on 31st December, 2013, to a material extent have been occurred, after the balance sheet date till the signing of report.

**30. Segment Reporting**

The Company operates in single segment i.e. Real Estate and therefore, Segment Reporting as per Accounting Standard 17 - "Segment Reporting" notified under the Companies (Accounting Standard) Rules, 2006 is not applicable.

**31. Employee Benefits**

Disclosure under Accounting Standard - 15 "Employee Benefits" (Revised 2005) notified by Companies (Accounting Standards) Rules, 2006.

**Defined Contribution Plan**

The Company's contribution to provident fund is deposited with the Employees Provident Fund Organization (EPFO). During the year, the Company has recognized Rs. 13,05,175 (Previous year: Rs. 12,97,990) towards provident fund.

**Defined Benefit Plan****Gratuity**

The gratuity liability arises on retirement, premature withdrawal, resignation and death of an employee. The gratuity liability is calculated on the basis of actuarial valuation as per projected unit credit method.

**Other Long Term Benefit****Leave Encashment Plan**

The earned leave liability arises as and when services are performed by an employee. The said liability is calculated on the basis of actuarial valuation as per projected unit credit method.

## i) Changes in Defined Benefit Obligation

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Liability at the beginning of the year	27,51,956	19,89,071	9,92,707	6,91,415
Current service cost	3,09,840	2,41,806	1,99,922	1,58,767
Past service cost	-	-	-	-
Interest cost	2,27,039	1,74,044	81,898	60,499
Benefits paid	(1,94,250)	-	(5,47,157)	(3,68,888)
Actuarial gain / (loss) on obligation	(3,12,569)	3,47,035	2,48,173	4,50,913
<b>Liability at the end of the year</b>	<b>27,82,016</b>	<b>27,51,956</b>	<b>9,75,543</b>	<b>9,92,706</b>

ii) The fair value of plan assets is NIL since, retirement benefit plans are wholly unfunded.

iii) Amount recognized in Balance Sheet

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Liability at the end of the year	27,82,016	27,51,956	9,75,543	9,92,706
Amount recognized in balance sheet	27,82,016	27,51,956	9,75,543	9,92,706

## iv) Expenses recognized in Statement of Profit and Loss

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Current service cost	3,09,840	2,41,806	1,99,922	1,58,767
Past service cost	-	-	-	-
Interest cost	2,27,039	1,74,044	81,898	60,499
Adjustments for increase in opening provision	-	-	-	-
Expenses transfer to reserves	-	-	-	-
Actuarial (gain) / loss	(3,12,569)	3,47,035	2,48,173	4,50,913
<b>Total Expenses</b>	<b>2,24,310</b>	<b>7,62,885</b>	<b>5,29,993</b>	<b>6,70,179</b>
Expenses charged to Statement of Profit and Loss	56,267	92,014	78,475	84,333
Expenses charged to Construction Cost	1,68,043	6,70,871	4,51,518	5,85,846
<b>Total Expenses</b>	<b>2,24,310</b>	<b>7,62,885</b>	<b>5,29,993</b>	<b>6,70,179</b>

## v) Balance Sheet Reconciliation

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Opening net liability	27,51,956	19,89,071	9,92,707	6,91,415
Expenses as above	2,24,310	7,62,885	5,29,993	6,70,179
Adjustment for increase in opening provision for retirement benefits	-	-	-	-
Benefits paid	(194,250)	-	(5,47,157)	(3,68,888)
<b>Amount recognized in the balance sheet</b>	<b>27,82,016</b>	<b>27,51,956</b>	<b>9,75,543</b>	<b>9,92,706</b>

## VI) Principal Actuarial Assumptions

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Discount Rate	9.50%	8.25%	9.50%	8.25%
Future Salary Increases	5.00%	5.00%	5.00%	5.00%
Attrition Rate	2.00%	2.00%	2.00%	2.00%

The discount rate is based upon the bench mark rate available on Government Securities having maturity equal to the tenure of benefits.

The estimate of salary growth rate considered in actuarial valuation takes into account inflation, seniority and other relevant factors on long term basis.

**32. Related Party Disclosures:**

In compliance with Accounting Standard 18 - "Related Party Disclosures" notified by Companies (Accounting Standards) Rules, 2006, the required disclosures are given in the table below:

## a) Name of the Related Party and Nature of Related Party Relationship:

Name of the Related Party	Nature of Related Party Relationship
a) SRM Sites Private Limited b) Raghuvver Suburban Infrastructure Private Limited c) Shree Ram Realinfra Ventures Private Limited	Subsidiary
Akhilesh Developers Private Limited	Enterprise that directly or indirectly through one or more intermediaries, control, or are controlled by or are under common control with the reporting enterprise.
a) Landmarc Leisure Corporation Limited b) S Kumars Online Limited c) Vidhi Holdings Private Limited d) Akhilesh Developers Private Limited	Enterprises over which key management personnel and their relatives exercise significant influence where the Company has entered into transactions during the year

e) Hanumesh Realtors Private Limited f) Mandakini Hospitality Private Limited g) Yashaswini Leisure Private Limited h) S.K.M. Real Infra Limited (Formerly known as SKM Fabrics (Andheri) Limited) i) Aura Realtors Private Limited j) Goldmount Advisors k) Vasundhara Hospitality Private Limited l) Raghuvver Urban Construction Company Private Limited	
a) Mr. Vikas S. Kasliwal - Vice-Chairman & CEO b) Mr. S. K. Luharuka - Whole Time Director	Key Management Personnel

b) Details of transactions between the Company and related parties and the status of outstanding balances as on 31st December, 2013

<b>Nature of transactions</b>	<b>31-Dec-2013</b>	<b>31-Dec-2012</b>
<b><u>Contract for material and other charges</u></b>		
Raghuvver Urban Constructions Company Private Limited	<b>48,20,23,743</b>	1,11,62,21,304
SRM Sites Private Limited	-	1,00,35,71,430
<b>Total</b>	<b>48,20,23,743</b>	<b>2,11,97,92,734</b>
<b><u>Purchase of Material</u></b>		
Raghuvver Urban Constructions Company Private Limited	-	7,57,73,015
<b>Total</b>	-	<b>7,57,73,015</b>
<b><u>Land Development / Cleaning Charges</u></b>		
Raghuvver Urban Constructions Company Private Limited	<b>3,50,000</b>	3,52,50,000
<b>Total</b>	<b>3,50,000</b>	<b>3,52,50,000</b>
<b><u>Expenses Incurred by subsidiary on Company's behalf</u></b>		
Raghuvver Suburban Infrastructure Private Limited	-	7,50,65,000
<b>Total</b>	-	<b>7,50,65,000</b>
<b><u>Revenue recognized on sale of flat on percentage completion basis</u></b>		
Hanumesh Realtors Private Limited	<b>52,27,200</b>	74,14,468
Mandakini Hospitality Private Limited	<b>52,27,200</b>	74,14,468
Yashaswini Leisure Private Limited	<b>52,27,200</b>	74,14,468
Akhilesh Developers Private Limited	<b>52,27,200</b>	74,14,468
Aura Realtors Private Limited	<b>2,35,97,672</b>	3,34,71,876
<b>Total</b>	<b>4,45,06,472</b>	<b>6,31,29,748</b>
<b><u>Consultancy charges paid / (reversed)</u></b>		
Goldmount Advisors	<b>24,00,000</b>	24,00,000
Vasundhara Hospitality Private Limited	<b>6,11,111</b>	1,22,222
<b>Total</b>	<b>30,11,111</b>	<b>25,22,222</b>
<b><u>Expenses incurred on behalf of subsidiary (recoverable from subsidiary)</u></b>		
SRM Sites Private Limited	-	7,00,000
<b>Total</b>	-	<b>7,00,000</b>

<b><u>Loan given</u></b>		
Raghuveer Suburban Infrastructure Private Limited	44,51,87,826	-
<b>Total</b>	<b>44,51,87,826</b>	<b>-</b>
<b><u>Loan given received back</u></b>		
Raghuveer Suburban Infrastructure Private Limited	44,51,87,826	-
<b>Total</b>	<b>44,51,87,826</b>	<b>-</b>
<b><u>Excess upfront charges paid</u></b>		
Akhilesh Developers Private Limited	13,70,075	-
Hanumesh Realtors Private Limited	16,76,219	-
Mandakini Hospitality Private Limited	19,72,789	-
Yashaswini Leisure Private Limited	14,24,492	-
Aura Realtors Private Limited	11,83,648	-
<b>Total</b>	<b>76,27,223</b>	<b>-</b>
<b><u>Excess upfront charges recovered</u></b>		
Akhilesh Developers Private Limited	13,70,075	-
Hanumesh Realtors Private Limited	16,76,219	-
Mandakini Hospitality Private Limited	19,72,789	-
Yashaswini Leisure Private Limited	14,24,492	-
Aura Realtors Private Limited	11,83,648	-
<b>Total</b>	<b>76,27,223</b>	<b>-</b>
<b><u>Receipts against expenses incurred on behalf of subsidiary (By SRUIL)</u></b>		
SRM Sites Private Limited	-	8,10,300
<b>Total</b>	<b>-</b>	<b>8,10,300</b>
<b><u>Debenture Application money received</u></b>		
Akhilesh Developers Private Limited	50,11,00,000	-
Hanumesh Realtors Private Limited	60,11,00,000	-
Mandakini Hospitality Private Limited	65,11,00,000	-
Yashaswini Leisure Private Limited	52,11,00,000	-
Aura Realtors Private Limited	43,11,00,000	-
<b>Total</b>	<b>2,70,55,00,000</b>	<b>-</b>
<b><u>Debenture Application money refunded</u></b>		
Akhilesh Developers Private Limited	11,00,000	-
Hanumesh Realtors Private Limited	11,00,000	-
Mandakini Hospitality Private Limited	11,00,000	-
Yashaswini Leisure Private Limited	11,00,000	-
Aura Realtors Private Limited	11,00,000	-
<b>Total</b>	<b>55,00,000</b>	<b>-</b>
<b><u>Loans taken</u></b>		
Vidhi Holdings Private Limited	5,97,50,000	3,00,00,000
Raghuveer Suburban Infrastructure Private Limited	26,98,21,087	51,95,00,000
<b>Total</b>	<b>32,95,71,087</b>	<b>54,95,00,000</b>

<b><u>Repayment of Loans taken</u></b>		
Vidhi Holdings Private Limited	2,78,00,000	1,00,00,000
Raghuveer Suburban Infrastructure Private Limited	26,98,21,087	51,95,00,000
<b>Total</b>	<b>29,76,21,087</b>	<b>52,95,00,000</b>
<b><u>Expenses incurred for making documentary film-"Palais Royale"</u></b>		
Landmarc Leisure Corporation Limited	6,36,584	25,30,727
<b>Total</b>	<b>6,36,584</b>	<b>25,30,727</b>
<b><u>Reimbursement of Expenses</u></b>		
Raghuveer Urban Constructions Company Private Limited	1,82,05,170	1,89,08,941
Landmarc Leisure Corporation Limited	3,72,500	24,86,950
<b>Total</b>	<b>1,85,77,670</b>	<b>2,13,95,891</b>
<b><u>Repayment of Deposits</u></b>		
S Kumars Online Limited	-	73,00,000
<b>Total</b>	<b>-</b>	<b>73,00,000</b>
<b><u>Advances given / (received back) for Material / Contract Charges / services</u></b>		
Raghuveer Urban Constructions Company Private Limited	(3,49,79,554)	(1,18,99,26,882)
Landmarc Leisure Corporation Limited	18,90,000	-
<b>Total</b>	<b>(3,30,89,554)</b>	<b>(1,18,99,26,882)</b>
<b><u>Interest paid</u></b>		
Akhilesh Developers Private Limited	1,95,43,296	-
Hanumesh Realtors Private Limited	2,34,59,034	-
Mandakini Hospitality Private Limited	3,02,28,904	-
Yashaswini Leisure Private Limited	2,03,25,235	-
Aura Realtors Private Limited	1,68,01,474	-
<b>Total</b>	<b>11,03,57,943</b>	<b>-</b>
<b><u>Loan Processing/UFC Charges paid ( Reimbursement )</u></b>		
Akhilesh Developers Private Limited	2,89,09,310	-
Hanumesh Realtors Private Limited	3,44,71,110	-
Mandakini Hospitality Private Limited	3,72,52,010	-
Yashaswini Leisure Private Limited	3,00,21,670	-
Aura Realtors Private Limited	2,50,16,050	-
<b>Total</b>	<b>15,56,70,150</b>	<b>-</b>
<b><u>Key Mangement Personnel</u></b>		
<b><u>Managerial Remuneration</u></b>		
- Mr. Vikas S. Kasliwal - Vice-Chairman & CEO	27,57,473	26,54,383
- Mr. S. K. Luharuka - Whole Time Director	21,25,884	22,06,185
<b>Total</b>	<b>48,83,357</b>	<b>48,60,568</b>
<b><u>Outstanding balances as on 31st December, 2013</u></b>		
<b><u>Trade Receivables</u></b>		
S Kumars Online Limited	22,500	22,500
Akhilesh Developers Private Limited	29,96,680	33,11,200
Mandakini Hospitality Private Limited	29,96,680	33,11,200
Yashaswini Leisure Private Limited	29,96,680	33,11,200

Hanumesh Realtors Private Limited	29,96,680	33,11,200
Aura Realtors Private Limited	1,40,36,250	1,39,33,035
<b>Total</b>	<b>2,60,45,470</b>	<b>2,72,00,335</b>
<b><u>Investments held in Equity Shares of:</u></b>		
SRM Sites Private Limited	1,00,000	1,00,000
Raghuveer Suburban Infrastructure Private Limited	1,00,000	1,00,000
Shree Ram Realinfra Ventures Private Limited	1,00,000	1,00,000
Raghuveer Urban Constructions Company Private Limited	99,00,000	99,00,000
<b>Total</b>	<b>1,02,00,000</b>	<b>1,02,00,000</b>
<b><u>Investment in Compulsorily Convertible Preference Shares (CCPS) of:</u></b>		
SRM Sites Private Limited	1,17,21,96,255	77,68,51,454
<b>Total</b>	<b>1,17,21,96,255</b>	<b>77,68,51,454</b>
<b><u>Debenture Application money received</u></b>		
Akhilesh Developers Private Limited	50,00,00,000	-
Hanumesh Realtors Private Limited	60,00,00,000	-
Mandakini Hospitality Private Limited	65,00,00,000	-
Yashaswini Leisure Private Limited	52,00,00,000	-
Aura Realtors Private Limited	43,00,00,000	-
<b>Total</b>	<b>2,70,00,00,000</b>	<b>-</b>
<b><u>Loans taken</u></b>		
Akhilesh Developers Private Limited	2,33,09,000	2,33,09,000
Hanumesh Realtors Private Limited	1,00,90,000	1,00,90,000
Mandakini Hospitality Private Limited	1,00,00,000	1,00,00,000
Yashaswini Leisure Private Limited	1,00,00,000	1,00,00,000
Vidhi Holdings Private Limited	5,19,50,000	2,00,00,000
<b>Total</b>	<b>10,53,49,000</b>	<b>7,33,99,000</b>
<b><u>Advance received against Flat</u></b>		
Akhilesh Developers Private Limited	3,14,39,200	3,66,66,400
Hanumesh Realtors Private Limited	3,14,39,200	3,66,66,400
Mandakini Hospitality Private Limited	3,14,39,200	3,66,66,400
Yashaswini Leisure Private Limited	3,14,39,200	3,66,66,400
Aura Realtors Private Limited	14,19,29,124	16,55,26,796
<b>Total</b>	<b>26,76,85,924</b>	<b>31,21,92,396</b>
<b><u>Advances given for materials / contract charges</u></b>		
Raghuveer Urban Constructions Company Private Limited	75,84,23,032	79,34,02,586
Landmarc Leisure Corporation Limited	15,82,139	-
<b>Total</b>	<b>76,00,05,171</b>	<b>79,34,02,586</b>
<b><u>Deposit Received</u></b>		
Landmarc Leisure Corporation Limited	13,71,26,297	13,71,26,297
<b>Total</b>	<b>13,71,26,297</b>	<b>13,71,26,297</b>
<b><u>Trade Payables / Liability for expenses</u></b>		
SRM Sites Private Limited	2,58,81,02,944	2,58,81,02,944
Goldmount Advisors	12,79,838	9,19,838
Landmarc Leisure Corporation Limited	-	43,777
<b>Total</b>	<b>2,58,93,82,782</b>	<b>2,58,90,66,559</b>



**33. Computation of Earnings Per Share (EPS):**

Particulars	31-Dec-2013	31-Dec-2012
Profit / (Loss) after Taxation (Rs.)	<b>(12,70,84,213)</b>	9,09,67,136
Weighted Average number of equity shares	<b>4,11,34,540</b>	4,11,34,540
Face Value per Equity Shares (Rs.)	<b>10</b>	10
Basic Earnings Per Share (EPS) (Rs.)	<b>(3.09)</b>	2.21
Diluted Earnings Per Share (EPS) (Rs.)	<b>(3.09)</b>	2.21

The Company does not have any potential dilutive equity shares. Consequently, the basic and diluted earnings per share remains the same.

- 34.** "Sundry debit balances written off (net)" amounting to Rs. 3,42,943 are net of 'sundry credit balances written back amounting to Rs. 68,607 (Previous year: 'Sundry Credit balances written back (net)' amounting to Rs. 1,20,14,267 are net of 'sundry debit balances written off' amounting to Rs. 606).
- 35.** The Company had received notices in financial year ended 31st December 2011 arising out of inspection u/s. 209A of the Companies Act, 1956 carried out by the Deputy Registrar of Companies pointing out certain irregularities / contraventions of the Companies Act, 1956. In response, the Company had provided all necessary explanations / documentary evidences. In order to avoid long drawn litigation, Company without accepting any of the irregularities / contraventions, had filed application for compounding of offences under section 621A of the Companies Act, 1956. The said applications are pending for hearing. In opinion of the Company, liability in this regard is estimated at Rs. 22,60,000 which was provided in the books of accounts in the year ended 31st December 2011.
- 36.** The Hon. Bombay High Court has passed the order on 13.05.2013 disposing off the Public Interest Litigation (PIL), filed against the Municipal Corporation of Greater Mumbai (MCGM) and the Company which alleged that various building permissions granted by MCGM to the Company for the project including sanction of Public Parking Lot (PPL) are not in accordance with "Development Control Regulations" (DCR). Aggrieved by the said order, the petitioner NGO has filed Special Leave Petition before the Hon. Supreme Court which is pending. The Hon'ble Bombay High Court has, inter alia, held that the PPL cannot be held illegal and the Company cannot be deprived from claiming incentive FSI and directed the Municipal Commissioner (MC) to review the points raised by the MCGM in their affidavit. The MC has passed an order on 12.09.2013 holding that only part of PPL will be eligible for grant of incentive FSI and refuge area in excess of 4% of the built up area, structural columns, etc. shall be counted in FSI and accordingly directed the Company to submit modified plans. Against the said order of the MC, the Company has filed a Writ Petition before Hon. Bombay High Court and the matter is pending.

As various interlinked & revised FSI computations would be required to be computed on the final outcome of the case, it is not possible to ascertain the financial impact at this stage and hence no effect has been considered in these financial statements. Based on legal advise obtained from experts, management is of the view that, the Company has a very strong case and the financial impact if any, is not likely to be material. Accordingly, the accounts have been prepared on a going concern basis.

- 37.** The Company has extended mortgage of its property at Plot Nos. 5B and 6 situated at Shree Ram Mills Premises, Lower Parel Div., Mumbai viz. "Palais Royale" and also is secured by first and exclusive charge on all the receivables of the aforesaid project and personal guarantee of one of the Director for loan availed of Rs. 1,26,00,00,000 (Previous year: Rs. 1,11,00,00,000) by its wholly owned subsidiary company 'Raghuvveer Suburban Infrastructure Private Limited' from others.
- 38.** Some of the balances of deposits, loans and advances, trade receivables, trade payables and other long / short term liabilities are subject to confirmation from the respective parties and consequential reconciliation / adjustments arising therefrom, if any. The management however does not expect any material variation.

## 39. C.I.F. Value of Imports, Expenditures and Earning in Foreign Currencies

Particulars		31-Dec-2013	31-Dec-2012
a)	C.I.F.: i) Capital goods	-	39,47,415
	ii) Material	12,62,54,256	4,98,28,539
	iii) Stores and Spare Parts	-	15,24,750
b)	Advance received in foreign currencies	-	-
c)	Expenditure / Remittances in foreign currencies		
	i) Consultancy charges paid	9,16,725	30,02,111
	ii) Other Matters	42,54,596	51,23,356

## 40. Details of consumption of imported and indigenous items.

## a) Raw Material Consumed

Particulars	31-Dec-2013		31-Dec-2012	
	Value	Percentage	Value	Percentage
Imported	1,46,22,197	15.53%	4,35,63,249	6.26%
Indigenous	7,95,21,368	84.47%	65,28,75,731	93.74%
<b>Total</b>	<b>9,41,43,565</b>	<b>100.00%</b>	<b>69,64,38,980</b>	<b>100.00%</b>

## b) Stores and Spares Consumed

Particulars	31-Dec-2013		31-Dec-2012	
	Value	Percentage	Value	Percentage
Imported	-	-	21,05,540	22.90%
Indigenous	24,60,942	100.00%	70,87,406	77.10%
<b>Total</b>	<b>24,60,942</b>	<b>100.00%</b>	<b>91,92,946</b>	<b>100.00%</b>

## 41. Figures of the previous year have been re-grouped, re-classified and re-arranged, wherever necessary.

As per our report of even date

As per our report of even date

For **Khandelwal Jain & Co.**Chartered Accountants  
Firm Regn. No.: 105049WFor **Habib & Co.**Chartered Accountants  
Firm Regn. No.: 103479W

For and on behalf of the Board

**S. S. Kasliwal**  
(Chairman)**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)**Narendra Jain**(Partner)  
Membership No. 048725**D. P. Shroff**(Partner)  
Membership No.045417**S. K. Luharuka**

(Whole Time Director)

**Manju B. Batham**

(Sr. GM &amp; Company Secretary)

Place : Mumbai

Dated : 1st March, 2014

Place : Mumbai

Dated : 1st March, 2014

Place : Mumbai

Dated : 1st March, 2014

## STATEMENT IN ACCORDANCE WITH PROVISIONS OF SECTION 212 OF THE COMPANIES ACT, 1956

(Amount in Rupees)

Name of the Subsidiary	SRM Sites Private Limited	Raghuveer Suburban Infrastructure Private Limited	Shree Ram Realinfra Ventures Private Limited
1. The extent of holding Company's interest in the subsidiary at the end of the financial year 31.12.2013			
- No. of Shares	10,000 (Nos.)	10,000 (Nos.)	10,000 (Nos.)
- Paid up value of Shares	Rs. 10	Rs. 10	Rs. 10
- Percentage of Holding Company's of the subsidiary	94.79%	100%	100%
(Shares in the Subsidiary Company were registered in the name of the Company and their nominees as indicated)			
2. The net aggregate amount of the Profit/(loss) of the subsidiary company not dealt with in the Company's accounts so far as it concerns the members of the holding Company			
- For the financial year ended 31.12.2013	(3,21,17,290)	(16,71,415)	(12,443)
- For all the previous financial years of the Subsidiary since it became the Company's Subsidiary	(2,00,41,139)	(3,69,465)	(1,40,145)
3. The net aggregate amount of the profit/(loss) of the subsidiary Company so far as its profits are dealt with in the holding Company's accounts:			
- The the financial year ended 31.12.2013	NIL	NIL	NIL
- For all the previous financial year of the Subsidiary since it became the Company's Subsidiary	NIL	NIL	NIL

For and on behalf of the Board

**S.S. Kasliwal**  
(Chairman)

**Vikas S. Kasliwal**  
(Vice -Chairman & CEO)

**S. K. Luharuka**  
Whole Time Director

**Manju B. Batham**  
(Sr. GM & Company Secretary)

Place : Mumbai

Dated : 1st March, 2014

# **SHREE RAM URBAN INFRASTRUCTURE LIMITED**

## **CONSOLIDATED FINANCIAL STATEMENTS & NOTES**

(Kept Intentionally Blank)

## **INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

**TO**

**THE BOARD OF DIRECTORS OF SHREE RAM URBAN INFRASTRUCTURE LIMITED**

### **Report on Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **SHREE RAM URBAN INFRASTRUCTURE LIMITED** (the "Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at December 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

**Basis for Qualified Opinion**

- (i) As mentioned in Note No.29 (a) one of the subsidiary, SRM Sites Private Limited (SRM), has not recognised revenue amounting to Rs.12,21,21,072/- on construction work in progress, since the work completed is below the prescribed level of completion. The auditors of the SRM have qualified their report for the said non-recognition of revenue. As a result of this, the consolidated profit for the year is higher by Rs.64,17,655/-, Liabilities towards Minority Interest is lower by Rs.63,63,688/- and provision for tax is lower by Rs.53,967/-.
- (ii) As mentioned in note no. 39 the Company has not ascertained the financial impact of the order of Municipal Commissioner which had directed the Company to submit modified plans of its ongoing project. The Company has filed a Writ Petition against the aforesaid order in the Hon. Bombay High Court. The Company is also contesting a Special Leave Petition filed by a NGO in the Hon. Supreme Court in the same matter. Based on legal opinion obtained by the Company, it is confident of a favourable outcome and has accordingly prepared its accounts on a going concern basis. Consequently, we are unable to comment upon the financial impact of the same on the financial statements.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on financial statements of subsidiaries as noted below, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph*, the attached Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at December 31, 2013;
- in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

**Other Matters**

We did not audit financial statements of three subsidiaries whose individual financial statements reflect total assets of Rs. 4,31,59,22,905/- as at December 31, 2013, total revenue of Rs. 72,064/- and net cash inflow amounting to Rs. 86,04,874/- for the year ended on that date, as considered in the consolidated financial statements. These individual financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the reports of those respective auditors.

Our opinion is not qualified in respect of other matters.

For **KHANDELWAL JAIN & Co.**  
Chartered Accountants  
Firm's Registration No. 105049W

For **HABIB & Co.**  
Chartered Accountants  
Firm's Registration No. 103479W

**(NARENDRA JAIN)**  
Partner  
Membership No. 048725

**(D. P. SHROFF)**  
Partner  
Membership No. 045417

Place : Mumbai  
Date : 1st March, 2014

Place : Mumbai  
Date : 1st March, 2014

(Kept Intentionally Blank)



## CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER, 2013

(Amount in Rupees)

		Notes	As at 31-December-2013	As at 31-December-2012
<b>A. EQUITY AND LIABILITIES :</b>				
<b>1. Shareholders' Funds</b>				
a) Share Capital		2.1	41,13,45,400	41,13,45,400
b) Reserves and Surplus		3	5,27,84,69,163	5,43,93,54,524
			<u>5,68,98,14,563</u>	<u>5,85,06,99,923</u>
<b>2. Minority Interest (Refer Note - 36)</b>				
			15,29,18,314	15,46,84,764
<b>3. Compulsorily Convertible Preference Shares (issued by Subsidiary Company)</b>				
		2.2	34,26,520	39,08,810
<b>4. Non-current liabilities</b>				
a) Long term borrowings		4	64,01,99,161	-
b) Deferred tax liabilities (net)		5	-	-
c) Other long term liabilities		6	3,13,71,26,297	43,71,26,297
d) Long term provisions		7	25,58,398	24,52,976
			<u>3,77,98,83,856</u>	<u>43,95,79,273</u>
<b>5. Current liabilities</b>				
a) Short term borrowings		8	5,84,39,08,448	7,53,46,25,924
b) Trade payables		9	80,25,88,585	66,77,54,471
c) Other current liabilities		10	5,06,61,69,308	5,40,94,77,866
d) Short term provisions		7	12,70,741	13,53,482
			<u>11,71,39,37,082</u>	<u>13,61,32,11,743</u>
<b>TOTAL</b>			<u><u>21,33,99,80,335</u></u>	<u><u>20,06,20,84,514</u></u>
<b>B. ASSETS :</b>				
<b>1. Non-current assets</b>				
a) Fixed assets		11		
(i) Tangible assets			1,56,25,67,009	1,68,98,04,232
(ii) Intangible assets			27,366	81,636
(iii) Capital work-in-progress			-	-
b) Goodwill on Consolidation (Refer Note-37)			1,17,05,75,784	77,57,13,274
c) Non-current investments		12	99,00,000	99,00,000
d) Long term loans and advances		13	5,42,08,970	50,56,12,782
e) Other non-current assets		14	11,54,009	10,60,334
			<u>2,79,84,33,138</u>	<u>2,98,21,72,258</u>
<b>2. Current assets</b>				
a) Inventories		15	12,79,19,14,767	11,32,64,87,325
b) Trade receivables		16	19,80,01,203	22,12,84,228
c) Cash and bank balances		17	5,52,14,356	6,53,04,409
d) Short term loans and advances		13	4,42,12,50,858	4,72,39,32,627
e) Other current assets		18	1,07,51,66,013	74,29,03,667
			<u>18,54,15,47,197</u>	<u>17,07,99,12,256</u>
<b>TOTAL</b>			<u><u>21,33,99,80,335</u></u>	<u><u>20,06,20,84,514</u></u>

Summary of significant accounting policies 1

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date As per our report of even date

For **Khandelwal Jain & Co.**  
Chartered Accountants  
Firm Regn. No.: 105049W

For **Habib & Co.**  
Chartered Accountants  
Firm Regn. No.: 103479W

For and on behalf of the Board

**S. S. Kasliwal**  
(Chairman)

**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)

**Narendra Jain**  
(Partner)  
Membership No. 048725

**D. P. Shroff**  
(Partner)  
Membership No.045417

**S. K. Luharuka**  
(Whole Time Director)

**Manju B. Batham**  
(Sr. GM & Company Secretary)

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 2013**  
(Amount in Rupees)

	Notes	Year ended 31-December-2013	Year ended 31-December-2012
<b>A. INCOME :</b>			
Revenue from operations	19	1,74,47,63,341	2,35,20,48,712
Other Income	20	15,25,843	1,43,98,331
<b>Total revenue</b>		<b>1,74,62,89,184</b>	<b>2,36,64,47,043</b>
<b>B. EXPENSES :</b>			
Cost of Constructions (Real Estate Dev.)	21	14,16,88,89,447	13,26,17,27,923
Less : Carried to Inventories		1,73,18,06,185	2,22,30,29,452
Employee benefit expenses	22	29,73,675	32,46,240
Finance costs	23	1,56,80,440	41,90,795
Depreciation and amortisation expenses	11	4,60,692	6,75,576
Other expenses	24	5,62,74,131	3,74,70,483
<b>Total expenses</b>		<b>1,80,71,95,123</b>	<b>2,26,86,12,546</b>
<b>Profit / (Loss) before Tax and Prior Period Items</b>		<b>(6,09,05,939)</b>	<b>9,78,34,497</b>
Less: Prior Period Items	25	(4,01,30,780)	(26,362)
<b>Profit / (Loss) before Tax Less: Tax expenses</b>		<b>(10,10,36,719)</b>	<b>9,78,08,135</b>
(a) Current tax		45,30,000	2,22,19,178
(b) Income tax for earlier years		4,61,56,248	76,42,619
(c) MAT Credit entitlement		-	(1,19,26,433)
(d) MAT Credit entitlement written off		1,09,28,845	-
(e) Deferred Tax		-	-
<b>Profit / (Loss) after tax before minority interest</b>		<b>6,16,15,093</b>	<b>1,79,35,364</b>
Less: Minority interest's share in loss of subsidiary		(16,26,51,812)	7,98,72,771
		(17,66,451)	(5,64,915)
<b>Profit / (Loss) for the year</b>		<b>(16,08,85,361)</b>	<b>8,04,37,686</b>
<b>Earning Per Share (EPS)</b>	<b>34</b>		
Basic		(3.91)	1.96
Diluted		(3.91)	1.96

Summary of significant accounting policies **1**

The accompanying notes are an integral part of the Consolidated Financial Statements

As per our report of even date As per our report of even date

For **Khandelwal Jain & Co.**  
Chartered Accountants  
Firm Regn. No.: 105049W

For **Habib & Co.**  
Chartered Accountants  
Firm Regn. No.: 103479W

**For and on behalf of the Board**

**S. S. Kasliwal**  
(Chairman)

**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)

**Narendra Jain**  
(Partner)  
Membership No. 048725

**D. P. Shroff**  
(Partner)  
Membership No.045417

**S. K. Luharuka**  
(Whole Time Director)

**Manju B. Batham**  
(Sr. GM & Company Secretary)

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2013

(Amount in Rupees)

Particulars	31-Dec-2013	31-Dec-2012
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit /(Loss) before Tax	(10,10,36,719)	9,78,08,135
Adjustments for :		
Depreciation#	6,57,40,942	5,88,75,248
Bad debts written off	-	2,59,617
Finance Costs#	94,66,40,281	60,79,83,878
Interest Received#	(89,00,196)	(56,24,797)
Loss on sale / write off of assets#	88,63,969	79,06,389
Provision for Wealth Tax	75,424	62,360
Liabilities / provisions no longer required written back (net)#	1,00,194	(1,20,24,044)
<b>Operating profit before Working Capital Changes</b>	<b>91,14,83,895</b>	<b>75,52,46,786</b>
Adjustments for :		
Trade and other receivables	(64,76,849)	34,44,14,901
Inventories	(9,54,52,948)	(1,88,58,14,750)
Trade payables and other liabilities	(9,59,80,081)	40,45,66,056
<b>Cash generated from Operations</b>	<b>(71,35,74,017)</b>	<b>(38,15,87,007)</b>
Direct Taxes Paid (Net of Refund)	(46,35,884)	(7,67,36,261)
<b>NET CASH FROM / (USED IN) OPERATING ACTIVITIES : TOTAL (A)</b>	<b>70,89,38,133</b>	<b>(45,83,23,268)</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES:</b>		
Purchases of fixed assets (including capital work-in-progress)	(17,55,260)	(5,31,99,379)
Sale of fixed assets	83,64,218	5,33,334
Purchase of Investment	(9,85,838)	(25,06,39,184)
Interest received	1,45,87,032	1,52,88,393
Advance against Investments	-	(39,43,58,963)
Investment in Fixed deposit with Bank	20,30,578	65,94,16,547
<b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES TOTAL (B)</b>	<b>2,20,40,730</b>	<b>(2,29,59,252)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Finance Costs	(2,38,93,84,357)	(1,20,06,76,657)
Proceeds from secured short term borrowings (Net of repayment)	(1,72,26,67,476)	1,17,99,93,420
Proceeds from unsecured short term borrowings (Net of repayment)	3,19,50,000	2,00,00,000
Proceeds from Long term borrowings	64,09,57,170	-
Receipt of Debenture application money	2,70,00,00,000	-
Repayment of Loan taken	-	-
Share issue expenses	-	(10,53,050)
Proceeds from Compulsorily Convertible Preference Shares (including Security Premium)	-	34,99,99,971
Repayment of preference shares	-	-
<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES TOTAL (C)</b>	<b>(73,91,44,663)</b>	<b>34,82,63,683</b>
<b>Net Increase/ (decrease) in Cash &amp; Cash Equivalents TOTAL (A+B+C)</b>	<b>(79,65,800)</b>	<b>(13,30,18,840)</b>
Cash and cash equivalents - Opening Balance	5,82,38,183	19,12,57,023
Cash and cash equivalents - Closing Balance	5,02,72,383	5,82,38,183

# Consist of amount included in "cost of constructions", which is charged to Statement of Profit and Loss during the year.

**Notes:**

- The above statement has been prepared by the indirect method as set out in the Accounting Standard 3 on Cash Flow Statement as notified by the Companies (Accounting Standards) Rules, 2006.
- Previous year's figures have been regrouped and reclassified, wherever necessary.

As per our report of even date

As per our report of even date

For **Khandelwal Jain & Co.**For **Habib & Co.**

For and on behalf of the Board

Chartered Accountants  
Firm Regn. No.: 105049WChartered Accountants  
Firm Regn. No.: 103479W**S. S. Kasliwal**  
(Chairman)**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)**Narendra Jain**  
(Partner)  
Membership No. 048725**D. P. Shroff**  
(Partner)  
Membership No.045417**S. K. Luharuka**  
(Whole Time Director)**Manju B. Batham**  
(Sr. GM & Company Secretary)Place : Mumbai  
Dated : 1st March, 2014Place : Mumbai  
Dated : 1st March, 2014Place : Mumbai  
Dated : 1st March, 2014

## 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2013

### A Basis of Consolidation:

The consolidated financial statements relates to Shree Ram Urban Infrastructure Limited ('the Company' or 'the parent Company'), its subsidiary company 'collectively referred to as the Group'.

#### a) Basis of Accounting

The consolidated financial statements of the Company and its subsidiary are prepared under the historical cost convention and in accordance with the provisions of the Companies Act, 1956 (to the extent applicable), the Companies Act, 2013 (to the extent notified) and Accounting Standard 21 'Consolidated Financial Statements (CFS)' as notified under the Companies (Accounting Standards) Rules, 2006.

#### b) Principles of Consolidation

The Consolidated Financial Statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary company have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and transactions resulting in unrealized profits or losses.
- ii) The CFS have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- iii) The excess of the cost to the company of its investment in subsidiary company over the company's portion of equity of the subsidiary as at the date on which investment in subsidiary is made, is recognized in the financial statement as Goodwill. The excess of Company's share of equity and reserve of the subsidiary Company over the cost of acquisition is treated as Capital Reserve.
- iv) Minority Interests in the CFS is identified and recognized after taking into consideration:
  - The amount of equity attributable to minority's at the date on which investments in a subsidiary is made.
  - The minority's share of movements in equity since the date parent subsidiary relationships came into existence.

c) The particulars of subsidiary companies and the percentage of ownership interest therein of the company as on 31st December, 2013 are as under:

Name of the Companies	w. e. f.	Country of Incorporation	Percentage of holding as at 31st Dec, 2013	Reporting Date
SRM Sites Private Limited	24th August, 2009	India	94.79%	31st December, 2013
Shree Ram Reallnfra Ventures Private Limited	24th February, 2010	India	100%	31st December, 2013
Raghuveer Suburban Infrastructure Private Limited	14th January, 2010	India	100%	31st December, 2013

**B Basis of preparation of financial statements:**

The Financial statements are prepared under historical cost convention, on accrual basis, in accordance with the Generally Accepted Accounting Principles in India and comply with Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government (which continues to be applicable in terms of General circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013) and the provisions of the Companies Act, 1956, (the 'Act') to the extent applicable.

The Company is engaged in the business of developing real estate and is currently developing the project Palais Royale for which operating cycle is around 9 years.

**C Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported accounts of revenues and expenses for the years presented. Although these estimates are based upon management's knowledge of current event and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

**D Revenue Recognition:****i) Policy in respect of Real Estate Sales:**

The Company follows Accounting Standard AS-9 'Revenue Recognition' as notified under the Companies (Accounting Standards) Rules, 2006 read alongwith the Guidance Note on 'Recognition of Revenue by the Real Estate Developers' issued by the Institute of Chartered Accountants of India. Revenue in respect of real estate sales is recognized when the Company has transferred to the buyer all significant risks and rewards of ownership, i.e., when the buyer has entered into an agreement for sale which is duly registered and according to which the buyer has a legal right to sell or transfer his interest in the property, without any material condition and in respect of unregistered agreement / letter of allotment when the substantial consideration has been received. Where the Company is obliged to perform substantial acts after the transfer of all significant risk and rewards of ownership, the revenue is recognized on proportionate basis as the acts are performed, by applying percentage of completion method in the manner explained in Accounting Standard AS-7 'Construction Contracts' as notified under the Companies (Accounting Standards) Rules, 2006. Further, Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including cost of land as against the total estimated cost of the project under execution subject to such actual costs being 30% or more of the total estimated cost. Estimated project cost includes cost of land / development rights, borrowing costs, overheads, estimated construction and development cost of such properties. The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognised in the period in which such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, loss is recognized immediately.

**ii) Policy in respect of Construction Contracts:**

Contract revenue is recognized by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated cost. Further, Revenue is recognized on the basis of percentage of actual cost incurred as against the total estimated cost subject to such actual costs being 30% or more of the total estimated cost.

**iii) Others:**

Interest income is recognized on time proportion basis except interest due from customers which is recognised on realisation basis.

Dividend income is recognized when the Company's right to receive dividend is established.

**E Unbilled Receivables:**

Unbilled receivables disclosed under Note 18 - "Other Current Assets" represents revenue recognized based on Percentage of completion method, as per Revenue Recognition Policy in respect of Real Estate Sales, over and above the amount due as per the payment plans agreed with the customers.

**F Fixed Assets:**

All fixed assets are stated at cost of acquisition, less accumulated depreciation except leasehold land, and intangible assets which are stated at cost less amounts amortised. Cost includes purchase price and all other attributable costs of bringing the assets to its working condition for intended use. Financing costs relating to borrowed funds attributable to acquisition, which takes substantial period of time to get ready for its intended use are also included, for the period till such asset is put to use.

**G Depreciation / Amortisation:**

- i) Depreciation on fixed assets (other than Fire Fighting Equipment at Avadh Division) is provided on Straight Line Method (SLM) at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except for depreciation on Shuttering and Scaffolding which are being depreciated on SLM at 16.67% p.a. based on useful life determined by the Management.
- ii) Depreciation on Fire Fighting Equipment at Avadh Division is provided on written down value method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- iii) The depreciation has not been charged on Fixed Assets whose written down value had reached below 5% of its cost.
- iv) Asset costing Rs. 5000 or less individually is fully depreciated in the year of purchase.
- v) Leasehold land is amortised over the period of the lease.
- vi) Software are being amortised over the estimated useful life of 3 years.
- vii) In case of impairment loss, if any, depreciation on it is provided on the revised carrying amount for their remaining useful life.

**H Impairment of Assets:**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If recoverable amount of such asset is less than the carrying amount, then the carrying amount is reduced to its recoverable amount and the difference arising therefrom is treated as impairment loss and is charged to statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**I Borrowing Cost:**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of that asset upto the date the assets are ready / put to use. Other

Borrowing costs are recognized as an expense in the year in which they are incurred.

**J Investments:**

Long term Investments are stated at cost. However, provision is made for diminution in value, other than temporary, on individual basis.

**K Inventories:**

Materials, Stores and Spares, tools and consumables are valued at cost or net realizable value, whichever is lower on the basis of 'First In First Out' (FIFO) method.

Construction work-in-progress is valued at lower of cost and net realizable value. Construction work in progress includes cost of land, materials, services, depreciation, interest on borrowing and other incidental cost incurred in relation to project.

**L Cost of Constructions (Real Estate Development):**

Cost of construction includes cost of land, materials, services, depreciation, interest on borrowing, and other incidental cost incurred in relation to project.

**M Employee Benefits:****i) Defined Contribution Plan**

Company's contribution to Provident Fund is deposited with the employees Provident Fund Organization (EPFO). The Company's monthly contribution towards Provident Fund is accounted for on accrual basis.

**ii) Defined Benefit Plan**

Liability on account of 'Gratuity' is accounted for on the basis of Actuarial Valuation at the end of each year.

**iii) Other Long term**

Liability on account of 'leave encashment' is made on the basis of Actuarial Valuation at the end of the year.

**iv) Other Short Term**

Other Short term Employee Benefits are charged to revenue in the year in which the related services are rendered.

**N Share Issue Expenses:**

Share Issue Expenses are adjusted against Share Premium to the extent balance available in the share premium account.

**O Taxation:**

- i) Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.
- ii) Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced up to the balance sheet date. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the statement of profit and loss of the respective year of change.
- iii) Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognized only if there is a virtual certainty of its realization supported by

convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is reasonable certainty of its realization.

**P Foreign Currency Transactions:**

- i) The transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction.
- ii) Current assets and current liabilities in Foreign currency outstanding at the balance sheet date are translated at the exchange rates prevailing on the date of balance sheet.

The resulting Exchange Difference, if any, is charged to the statement of profit and loss.

**Q Earnings Per Share ('EPS'):**

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

**R Provisions:**

Provision is recognized when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

**S Lease:**

Lease arrangements where the risk and rewards incident to ownership of asset substantially vest with the lessor are recognized as operating lease. Lease rent under operating leases are charged to the statement of Profit and Loss on a straight line basis over the lease term.

Assets given under operating lease are included in fixed assets. Lease income is recognized in the statement of profit and loss on as straight line basis over the lease term. Costs including depreciation are recognized as expense in the statement of profit and loss.

**T Contingent Liabilities:**

The company makes a provision when there is present obligation as a result of past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- i) Possible obligation, the existence of which will be confirmed by the occurrence / non-occurrence of one or more uncertain events, not fully within the control of the company.
- ii) Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
- iii) Present obligation where a reliable estimate cannot be made.

**U Other accounting Policies:**

These are consistent with the generally accepted accounting practices.



(Amount in Rupees)

2.1 Share Capital	31-Dec-2013	31-Dec-2012
<b>Authorised:</b>		
9,82,50,000 (Previous year: 9,82,50,000) Equity Shares of Rs. 10 each.	<b>98,25,00,000</b>	98,25,00,000
17,50,000 (Previous year: 17,50,000) Unclassified Shares of Rs. 10 each.	<b>1,75,00,000</b>	1,75,00,000
5,50,000 (Previous year: 5,50,000) Compulsorily Convertible Pref. (CCP) Shares of Rs. 10 each	<b>55,00,000</b>	55,00,000
	<b>1,00,55,00,000</b>	1,00,55,00,000
<b>Issued, Subscribed and Paid up:</b>		
4,11,34,540 (Previous year: 4,11,34,540) Equity Shares of Rs.10 each, fully paid	<b>41,13,45,400</b>	41,13,45,400
<b>Total</b>	<b>41,13,45,400</b>	41,13,45,400

**Note:**

During the previous year ended 31st December, 2012, the Company had reclassified the Authorised capital to 9,82,50,000 equity shares of Rs.10 each from 9,57,11,120 equity shares of Rs. 10 each, 1,36,877 - 11% Redeemable Cumulative Preference shares of Rs. 100 each and 1,17,011 - 0% Redeemable Preference Shares of Rs. 100 each.

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Equity shares	31-Dec-2013		31-Dec-2012	
	Nos.	In Rs.	Nos.	In Rs.
At the beginning of the year	4,11,34,540	41,13,45,400	4,11,34,540	41,13,45,400
<b>Outstanding at the end of the year</b>	<b>4,11,34,540</b>	<b>41,13,45,400</b>	4,11,34,540	41,13,45,400

**b) Terms/rights attached to equity shares:**

- i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the outstanding equity shares held by the shareholders.
- ii) 75,40,400 and 1,29,59,600 equity shares allotted on 15th June 2011 and 29th July 2011 respectively on preferential basis pursuant to exercise of equity warrants are subject to lock-in for a period of three years for the promoters group i.e. 1,60,84,678 equity shares and for the period of one year for other allottees i.e. 44,15,322 equity shares.

**c) Details of shareholders holding more than 5% shares in the Company:**

	31-Dec-2013		31-Dec-2012	
	No. of Shares (Rs. 10 each)	% of holding in the class	No. of Shares (Rs. 10 each)	% of holding in the class
<b>Equity shares:</b>				
Akhilesh Developers Private Limited	37,97,830	9.23%	90,71,713	22.05%
Akhilesh Investfin Private Limited	52,73,883	12.82%	-	-
Mandakini Hospitality Private Limited	-	-	50,84,678	12.36%
Mandakini Investfin Private Limited	50,84,678	12.36%	-	-
Yashaswini Leisure Private Limited	-	-	55,00,000	13.37%
Yashaswini Investments Company Private Limited	55,00,000	13.37%	-	-
Hanumesh Realtors Private Limited	-	-	61,50,848	14.95%
Hanumesh Investment Private Limited	61,50,848	14.95%	-	-
Adhir Barter Private Limited	22,15,322	5.39%	22,15,322	5.39%
Hakmans Financial Services & Securities Private Limited	22,00,000	5.35%	22,00,000	5.35%

**d) Demerger of Promoter Companies:****i) Akhilesh Developers Private Limited**

Pursuant to scheme of arrangement of demerger between Akhilesh Developers Private Limited and Akhilesh Investfin Private Limited, Akhilesh Developers Private Limited has executed the transfer for 52,73,883 shares on 18.02.2013 and Akhilesh Investfin Private Limited has acquired the shares.

**ii) Mandakini Hospitality Private Limited**

Pursuant to scheme of arrangement of demerger between Mandakini Hospitality Private Limited and Mandakini Investfin Private Limited, Mandakini Hospitality Private Limited has executed the transfer for 50,84,678 shares on 18.02.2013 and Mandakini Investfin Private Limited has acquired the shares.

**iii) Yashaswini Leisure Private Limited**

Pursuant to scheme of arrangement of demerger between Yashaswini Leisure Private Limited and Yashaswini Investments Company Private Limited, Yashaswini Leisure Private Limited has executed the transfer for 55,00,000 shares on 18.02.2013 and Yashaswini Investments Company Private Limited has acquired the shares.

**iv) Hanumesh Realtors Private Limited**

Pursuant to scheme of arrangement of demerger between Hanumesh Realtors Private Limited and Hanumesh Investments Private Limited, Hanumesh Realtors Private Limited has executed the transfer for 61,50,848 shares on 18.02.2013 and Hanumesh Investments Private Limited has acquired the shares.

**2.2 Compulsorily Convertible Preference Shares (Issued by Subsidiary Company) (Amount in Rupees)**

Particular	31-Dec-2013	31-Dec-2012
3,42,652 (Previous year: 3,90,881) Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each fully paid.	34,26,520	39,08,810
<b>Total</b>	<b>34,26,520</b>	<b>39,08,810</b>

**a) Terms/rights attached to Compulsorily Convertible Preference Shares**

- i) The above CCPS shall rank senior to all the shares including convertible instruments. The holders of the preference shares shall be entitled to dividend in preference to any other class of shares of the SRM Sites Private Limited (SRM).
- ii) The Details of Conversion of CCPS into equity share are as under :

Particular	Date of Issue	No. of Shares	Conversion Terms
Tranche - 1	8-Jan-10	3,834	All CCPSs are compulsorily Convertible at the end of five years from the date of issue.
Tranche - 1	18-Mar-10	79,500	
Tranche - 2	28-Dec-10	84,786	
Tranche - 3	10-Nov-11	1,33,355	
Tranche - 4	27-Aug-12	41,177	

- iii) In case of winding up of SRM, the holders of the preference shares shall be entitled to receive in preference to the holders of any other shares, a per share amount equal to the subscription price.
- iv) The Company and SRM undertakes to provide an exit to the preference share holders by most efficient means including but not limited to strategic sale, mergers, initial public offering, buy-back, etc. In case SRM fails to honour the preference shareholders' buy-back option, the Company hereby agrees to purchase the preference shares at such price as may be agreed.
- v) During the year, SRM Sites Private Limited (SRM), a subsidiary Company, has issued NIL (Previous year: 41,177) Compulsorily Convertible Preference shares (CCPS) of Rs. 10 each at a total premium of Rs. NIL (Previous year: Rs. 34,95,88,201).

## b) Details of Preference shareholders holding more than 5% shares in the Company: (Amount in Rupees)

	31-Dec-2013		31-Dec-2012	
	No. of Shares (Rs. 10 each)	% of holding in the class	No. of Shares (Rs. 10 each)	% of holding in the class
<u>Compulsorily Convertible Preference Shares:</u>				
IIRF India Realty XII Limited	3,33,085	97.21%	3,79,969	97.21%

3. Reserves and Surplus	31-Dec-2013	31-Dec-2012
<b>a) Capital Reserve</b>		
Balance as per last financial statements	1,49,500	149,500
<b>b) Securities premium account</b>		
Balance as per last financial statements	5,49,45,06,262	5,16,41,41,191
Add: Premium received on shares issued during the year	-	34,95,88,201
Less: Utilised during the year towards share issue expenses	-	10,53,050
Less: Minority Interest	-	1,81,70,080
Closing Balance	5,49,45,06,262	5,49,45,06,262
<b>c) Other Reserves (Workers Welfare and Benevolent Reserve)</b>		
Balance as per last financial statements	24,857	24,857
<b>d) General Reserve</b>		
Balance as per last financial statements	1,50,00,000	1,50,00,000
<b>e) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Balance as per last financial statements	(7,03,26,095)	(15,07,63,781)
Add: Profit / (Loss) for the year	(16,08,85,361)	8,04,37,686
	(23,12,11,456)	(7,03,26,095)
Less: Appropriation: Transferred to General Reserve	-	-
Closing balance	(23,12,11,456)	(7,03,26,095)
<b>Total</b>	<b>5,27,84,69,163</b>	<b>5,43,93,54,524</b>

4. Long Term Borrowings	Non current		Current	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
<b>Secured Term Loans</b>				
<u>Project loan</u>				
- from NBFCs	64,00,00,000	-	-	-
<u>Vehicle loans</u>				
- from NBFCs	1,99,161	-	7,58,009	-
<b>Total</b>	<b>64,01,99,161</b>	<b>-</b>	<b>7,58,009</b>	<b>-</b>
<b>The above amount includes</b>				
Secured borrowings	64,01,99,161	-	7,58,009	-
Unsecured borrowings	-	-	-	-
Amount disclosed under the head 'Other Current Liability' (Refer Note 10)	-	-	(7,58,009)	-
	<b>64,01,99,161</b>	<b>-</b>	<b>-</b>	<b>-</b>

**i Term loans from NBFCs**

**a) Project loan**

The project loan taken from NBFC of Rs. 64,00,00,000 is secured by extension of first charge against registered mortgage of Plot Nos. 5B and 6 situated at Shree Ram Mills Premises, Lower Parel Div., Mumbai together with building and structures thereon, both present and future viz. "Palais Royale" and further secured by first and exclusive charge on all the receivables /cash flows arising from the sale of the aforesaid project of developed area as well as pre-sold in favor of the Lender and personal guarantee of one of the Director. The tenure of loan is 60 months from the date of disbursement and is repayable in 12 quarterly installments of Rs. 5,33,33,333 commencing from March 2016, whereas interest is payable monthly.

The rate of interest is linked to lender's PLR minus 490 basis points (currently applicable rate of interest is 18.10% per annum).

Loan repayable within one year is Rs. NIL (Previous year: Rs. NIL).

**b) Vehicle loans**

Vehicle Loans (Secured) taken from NBFCs amounting to Rs.9,57,170 are secured against hypothecation of assets financed. These loans are repayable in 29 to 30 monthly installments from the balance sheet date and carries interest @ 11.17% per annum. Loan repayable within one year is Rs. 3,57,966 (Previous year: Rs. NIL).

5. Deferred Tax Liabilities (Net)	(Amount in Rupees)	
	31-Dec-2013	31-Dec-2012
<b><u>Deferred tax liability</u></b>		
Related to fixed assets	<b>77,38,467</b>	-
<b>Total deferred tax liability</b>	<b>77,38,467</b>	-
<b><u>Deferred tax assets</u></b>		
Related to Fixed Assets	-	21,62,310
Other allowances under Income Tax Act	<b>5,25,233</b>	40,840
Unabsorbed depreciation / Business loss	<b>72,13,234</b>	1,52,63,030
<b>Total deferred tax assets</b>	<b>77,38,467</b>	1,74,66,180
<b>Total Deferred Tax Liability / (Assets)</b>	-	(1,74,66,180)
<b>Deferred Tax Liability / (Assets) recognized in Balance Sheet</b>	- *	- **

**Note:**

\* In the absence of virtual certainty, deferred tax assets on account of unabsorbed depreciation and business loss has been recognised to the extent it can be realised against reversal of deferred tax liability.

\*\* As a matter of prudence, the Holding Company has not recognised deferred tax asset being timing differences on account of unabsorbed depreciation, carried forward losses and depreciation on fixed assets and others as per Accounting Standard (AS)-22 "Accounting for Taxes on Income", as notified by Companies (Accounting Standards) Rules, 2006.

6. Other Long - Term Liabilities	(Amount in Rupees)	
	31-Dec-2013	31-Dec-2012
<u>Deposit - Unsecured</u>		
- From Related party	13,71,26,297	13,71,26,297
Advances against development right (Refer Note - 27)	30,00,00,000	30,00,00,000
Debenture Application Money pending allotment - from Related Party	2,70,00,00,000	-
<b>Total</b>	<b>3,13,71,26,297</b>	<b>43,71,26,297</b>
<u>Unsecured deposit from related party include :</u>		
Landmarc leisure Corporation Limited	13,71,26,297	13,71,26,297
<u>Debenture Application Money Pending allotment from related party includes -</u>		
Akhilesh Developers Private Limited	50,00,00,000	-
Aura Relators Private Limited	43,00,00,000	-
Hanumesh Realtors Private Limited	60,00,00,000	-
Mandakini Hospitality Private Limited	65,00,00,000	-
Yashaswini Leisure Private Limited	52,00,00,000	-
	<b>2,70,00,00,000</b>	<b>-</b>

**Note :**

- i) During the year, the Company has received Rs. 2,70,00,00,000 from five Companies towards application for 27,000 'Secured Redeemable Non Convertible Debentures' (Debentures) of face value of Rs. 1,00,000 each. The debentures will be issued on private placement basis. The subscription amount is utilised by the Company towards its business requirements.
- ii) The Debentures shall be secured against second ranking mortgage of Plot Nos. 5B and 6 situated at Shree Ram Mills Premises, Lower Parel Div., Mumbai together with building and structures thereon, both present and future viz. "Palais Royale" and further secured by first and exclusive charge on all the receivables /cash flows arising from the sale of the aforesaid project of developed area as well as pre-sold in favor of the Lender.
- iii) The Debentures carries interest @20. 20% per annum payable on monthly basis and interest is payable from date of receipt of the money and Debentures (in parts or in full) will be redeemed between 18 to 60 months from the date of Allotment.

7. Provisions	Long Term		Short Term	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
<u>Provision for employee benefits:</u>				
- Leave salary	6,79,797	7,16,875	2,95,746	2,75,831
- Gratuity benefits	18,78,601	17,36,101	9,03,415	10,15,855
<u>Others</u>				
Wealth tax provision	-	-	71,580	61,796
<b>Total</b>	<b>25,58,398</b>	<b>24,52,976</b>	<b>12,70,741</b>	<b>13,53,482</b>

8. Short - Term Borrowings	(Amount in Rupees)	
	31-Dec-2013	31-Dec-2012
<b><u>Secured Term Loans</u></b>		
<u>Project loan</u>		
- from NBFCs	5,11,00,00,000	6,61,00,00,000
<u>Equipment loans</u>		
- from NBFCs	62,42,23,904	84,29,61,994
<u>Vehicle loans</u>		
- from Banks	13,52,098	32,32,713
- from NBFCs	29,83,446	50,32,217
	<b>5,73,85,59,448</b>	7,46,12,26,924
<b><u>Unsecured loans</u></b>		
Inter-corporate loans from related parties*	10,53,49,000	7,33,99,000
	<b>10,53,49,000</b>	7,33,99,000
<b>Total</b>	<b>5,84,39,08,448</b>	7,53,46,25,924
<b>*Inter-corporate loans from related parties</b>		
Akhilesh Developers Private Limited	2,33,09,000	2,33,09,000
Hanumesh Realtors Private Limited	1,00,90,000	1,00,90,000
Mandakini Hospitality Private Limited	1,00,00,000	1,00,00,000
Vidhi Holdings Private Limited	5,19,50,000	2,00,00,000
Yashaswini Leisure Private Limited	1,00,00,000	1,00,00,000
	<b>10,53,49,000</b>	7,33,99,000

**i Term loans from NBFCs**

**a) Project loan**

The project loan taken from NBFC of Rs. 5,11,00,00,000 (Previous year: Rs. 6,61,00,00,000) is secured by first charge against registered mortgage of Plot Nos. 5B and 6 situated at Shree Ram Mills Premises, Lower Parel Div., Mumbai together with building and structures thereon, both present and future viz. "Palais Royale", Demand Promissory Note and further secured by first and exclusive charge on all the receivables /cash flows arising from the sale of the aforesaid project of developed area as well as pre-sold in favor of the Lender and personal guarantee of one of the Director. The loan of Rs.1,09,50,00,000 is repayable by 30-Jun-14, Rs.1,09,50,00,000 is repayable by 31-Dec-14, Rs.1,46,00,00,000 is repayable by 30-Jun-15 and Rs.1,46,00,00,000 is repayable by 31-Dec-15. The rate of interest is linked to lender's PLR minus 490 basis points (currently applicable rate of interest is 18.10% per annum).

Loan repayable within one year is Rs. 2,19,00,00,000 (Previous year: Rs. 1,98,30,00,000).

**b) Equipment loans**

Equipment loans (Secured) taken from NBFCs amounting to Rs.62,42,23,904 (Previous year : Rs. 84,29,61,994) are secured against hypothecation of assets financed, pledge of 36,20,830 shares (Previous year : 32,47,830 shares) of the Company held by promoters and personal guarantee of one of the director. These loans are repayable in 8 to 25 monthly installments from the balance sheet date and carries interest in the range of 12.00% to 18.50% per annum. Loans repayable within one year is Rs. 44,38,28,294 (Previous year : Rs. 33,07,21,982)

**c) Vehicle Loans**

Vehicle Loans (Secured) taken from NBFCs amounting to Rs.29,83,445 (Previous year: Rs. 50,32,217) are secured against hypothecation of assets financed i.e., Motor Cars. These loans are repayable in 7 to 21 monthly installments from the balance sheet date and carries interest in the range of 12.00% to 12.63% per annum. Loans repayable within one year is Rs. 21,35,538 (Previous year: Rs. 20,48,773).

**ii Term Loan from Banks****Vehicle loans**

Vehicle loans (Secured) taken from banks amounting to Rs.13,52,098 (Previous year: Rs. 32,32,713) are secured against hypothecation of assets financed and personal guarantee of one of the directors. These loans are repayable in 2 to 11 monthly installments from the balance sheet date and carries interest in the range of 11.75% to 12.25% per annum. Loans repayable within one year is Rs. 13,52,098 (Previous year: Rs. 18,63,163).

**iii Unsecured loans**

The loans taken from related parties are unsecured. These loans are interest free and repayable on demand.

	(Amount in Rupees)	
	31-Dec-2013	31-Dec-2012
<b>9. Trade Payables*</b>		
Acceptances	<b>6,74,24,713</b>	4,33,85,342
Other than acceptances	<b>73,51,63,872</b>	62,43,69,129
(* There are no Micro, Small and Medium Enterprises, to whom the Company owes dues on account of principal amount together with interest as at the balance sheet date. This has been determined to the extent such parties have been identified on the basis of information available with the Company)		
<b>Total</b>	<b>80,25,88,585</b>	66,77,54,471
<b>10 Other Current Liabilities</b>		
<u>Current maturities of long-term debt</u>		
Vehicle loans from Bank - Secured (Refer Note - 4)	<b>7,58,009</b>	-
Payable for purchase of fixed assets	<b>1,67,18,766</b>	30,07,640
Interest accrued but not due on borrowings	<b>2,92,29,223</b>	19,75,27,983
Statutory dues	<b>16,71,84,700</b>	6,59,71,719
Advances from customers against sale flats	<b>4,58,73,31,173</b>	4,98,32,95,950
<u>Other payables:</u>		
Interest accrued on trade payables	<b>12,71,88,809</b>	8,39,66,037
Liabilities for expenses	<b>4,98,93,769</b>	3,60,17,545
Advances received for sale of material	<b>7,18,55,411</b>	2,18,55,411
Other liabilities	<b>1,60,09,448</b>	1,78,35,581
<b>Total</b>	<b>5,06,61,69,308</b>	5,40,94,77,866



(Amount in Rupees)

## Note 11 - Fixed Assets

Sr. No.	Particulars	G R O S S B L O C K					D E P R E C I A T I O N / A M O R T I S A T I O N					N E T B L O C K	
		As at 01-Jan-2013	Additions/Adjustments during the year		Deductions/ Adjustments during the year	As at 31-Dec-2013	As at 01-Jan-2013	For the Year	Deductions/ Adjustments during the year	As at 31-Dec-2013	As at 31-Dec-2013	As at 31-Dec-2012	
			Acquisition	Borrowing Cost									
1	<b>Tangible Assets</b>												
1	Textile Division	5,625	-	-	5,625	3,000	200	-	3,200	2,425	2,625		
2	Land- Leasehold	1,08,20,68,875	-	-	1,08,20,68,875	-	-	-	-	1,08,20,68,875	1,08,20,68,875		
3	Buildings & Residential	3,15,620	-	-	3,15,620	1,01,460	5,145	-	1,06,605	2,09,015	2,14,160		
4	Building Leasehold Land	4,46,215	-	-	4,46,215	2,99,102	7,273	-	3,06,375	1,39,840	1,47,113		
5	Roads	2,42,000	-	-	2,42,000	25,864	3,945	-	29,809	2,12,191	2,16,137		
6	Fire Fighting Equipments	2,11,975	-	-	2,11,975	207,692	432	-	2,08,124	3,851	4,283		
7	Computers & Peripherals	5,95,951	-	-	5,95,951	4,93,089	16,921	-	5,10,010	85,941	1,02,862		
8	Office Equipments	1,40,006	-	-	1,40,006	41,153	6,965	-	48,118	91,888	98,853		
9	Motor Car	42,05,243	-	-	42,05,243	5,17,757	3,99,499	-	9,17,256	32,87,987	36,87,486		
10	Air Conditioner	4,27,620	-	-	4,27,620	1,28,157	20,312	-	1,48,469	2,79,151	2,99,463		
11	Furniture & Fixture	9,788	-	-	9,788	9,788	-	-	9,788	-	-		
12	Plant & Machinery	29,30,541	-	-	29,30,541	27,84,014	-	-	27,84,014	1,46,527	1,46,527		
	<b>Total (A)</b>	<b>1,09,15,99,459</b>	<b>-</b>	<b>-</b>	<b>1,09,15,99,459</b>	<b>46,11,079</b>	<b>4,60,692</b>	<b>-</b>	<b>50,71,768</b>	<b>1,08,65,27,691</b>	<b>1,08,69,88,384</b>		
	<b>Previous Year (A)</b>	<b>1,10,11,08,132</b>	<b>7,75,697</b>	<b>-</b>	<b>1,09,15,99,459</b>	<b>65,81,296</b>	<b>6,75,576</b>	<b>26,45,796</b>	<b>46,11,076</b>	<b>1,08,69,88,384</b>	<b>1,09,45,26,836</b>		
	<b>Real Estate Dev.Division</b>												
13	Computer & Printer	57,19,621	-	-	57,19,621	35,83,858	7,37,779	-	43,21,637	13,97,984	21,35,763		
14	Air Conditioner	20,77,386	-	-	20,77,386	3,93,036	98,678	-	4,81,714	15,95,672	16,94,350		
15	Plant & Machinery	34,24,99,076	1,21,20,301	2,02,93,186	33,43,26,191	4,97,99,578	1,67,65,334	45,84,733	6,19,80,179	27,23,46,012	29,26,99,498		
16	Heavy Earth Moving Machinery	1,62,69,049	-	-	1,62,69,049	63,32,061	18,40,030	-	81,72,091	80,96,958	99,96,988		
17	Motor Buses & Lorries	6,65,520	-	-	6,65,520	3,53,254	75,270	-	4,28,524	2,36,996	3,12,266		
18	Office Equipment	38,30,984	-	3,55,243	34,75,741	11,29,183	1,59,289	1,89,210	10,99,232	23,76,509	27,01,801		
19	Laboratory Equipment	40,30,615	-	-	40,30,615	8,68,254	1,78,950	-	10,47,204	29,83,411	31,62,361		
20	Temporary Structure	1,47,89,782	-	-	1,47,89,782	28,62,206	9,95,816	-	37,98,022	1,09,85,760	1,19,21,576		
21	Furniture & Fixture	1,43,94,507	-	-	1,43,94,507	48,29,832	8,77,540	-	57,07,372	86,87,135	95,64,675		
22	Office Building	92,99,134	-	-	92,99,134	7,62,332	1,51,478	-	9,13,810	83,79,324	85,30,802		
23	Motor Car	1,64,79,022	15,27,485	29,30,434	1,50,76,073	27,92,429	15,26,732	13,78,023	29,41,138	1,21,34,935	1,36,86,593		
24	Electrical Fittings	43,82,012	-	-	43,82,012	10,12,488	2,08,146	-	12,20,634	31,61,378	33,69,524		
25	Shuttering & Scaffolding	59,66,54,286	-	-	59,66,54,286	35,35,54,637	9,94,42,405	-	45,29,97,042	14,36,57,244	24,30,99,650		
	<b>Total (B)</b>	<b>1,03,10,78,994</b>	<b>1,36,47,786</b>	<b>18,31,867</b>	<b>1,02,11,47,917</b>	<b>42,82,63,148</b>	<b>12,29,97,417</b>	<b>61,51,966</b>	<b>54,51,08,599</b>	<b>47,60,39,318</b>	<b>60,28,15,848</b>		
	<b>Previous Year (B)</b>	<b>94,46,70,732</b>	<b>8,57,45,151</b>	<b>24,94,978</b>	<b>1,03,10,78,994</b>	<b>30,80,05,534</b>	<b>12,09,07,260</b>	<b>6,49,647</b>	<b>42,82,63,148</b>	<b>60,28,15,848</b>	<b>63,66,65,198</b>		
II	Intangible Assets												
	Real Estate Dev.Division												
26	Intangible Assets ( Software)	16,22,067	12,600	-	16,34,667	15,40,431	66,870	-	16,07,301	27,366	81,636		
	<b>Total (C)</b>	<b>16,22,067</b>	<b>12,600</b>	<b>-</b>	<b>16,34,667</b>	<b>15,40,431</b>	<b>66,870</b>	<b>-</b>	<b>16,07,301</b>	<b>27,366</b>	<b>81,636</b>		
	<b>Previous Year (C)</b>	<b>15,93,192</b>	<b>28,875</b>	<b>-</b>	<b>16,22,067</b>	<b>12,20,956</b>	<b>3,19,475</b>	<b>-</b>	<b>15,40,431</b>	<b>81,636</b>	<b>3,72,236</b>		
	<b>Total (A+B+C)</b>	<b>2,12,43,00,520</b>	<b>1,36,60,386</b>	<b>-</b>	<b>2,11,43,82,043</b>	<b>43,44,14,655</b>	<b>12,35,24,979</b>	<b>61,51,966</b>	<b>55,17,87,668</b>	<b>1,56,25,94,375</b>	<b>1,68,98,85,868</b>		
	<b>Previous Year (A+B+C)</b>	<b>2,04,73,72,056</b>	<b>8,65,49,723</b>	<b>24,94,978</b>	<b>2,12,43,00,520</b>	<b>31,58,07,786</b>	<b>12,19,02,311</b>	<b>32,95,443</b>	<b>43,44,14,655</b>	<b>1,68,98,85,868</b>	<b>1,73,15,64,270</b>		
	<b>Capital Work in Progress (Including Capital Adv.)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		

Note: During the year, the company has reviewed its fixed assets for impairment loss as required by Accounting Standards 28- "Impairment of Assets". In the opinion of management no provision for impairment loss is consider necessary.

(Amount in Rupees)

	31-Dec-2013	31-Dec-2012
<b>12. Non - Current Investments</b>		
<b>A <u>Trade Investments - Quoted</u></b>		
<b><u>Investment in equity shares</u></b>		
1,704 (Previous year: 1,704) Equity Shares of Rs.100 each of Mafatlal Engineering Industries Limited	1,72,601	1,72,601
Less: Provision for diminution in value	<u>1,72,601</u>	<u>1,72,601</u>
	-	-
10 (Previous year: 10) Equity Shares of Rs.1000 each of Engineering Raw Materials Cons. Corp Limited	10,000	10,000
Less: Provision for diminution in value	<u>10,000</u>	<u>10,000</u>
	-	-
<b>B <u>Trade Investments - Unquoted</u></b>		
<b><u>Investment in equity - at cost</u></b>		
9,90,000 (Previous year: 9,90,000) Equity share of Rs. 10 each of Raghuvveer Urban Constructions Company Private Limited, fully paid.	99,00,000	99,00,000
<b>C <u>Non-trade Investments</u></b>		
<b><u>"A" Government Securities - Quoted</u></b>		
3% Government Loan 1986 (Deposited with Central Excise as Security - Matured but not realised)	3,521	3,521
5% Loan 2000 (Deposited with Central Excise as Security)	<u>1,000</u>	<u>1,000</u>
	4,521	4,521
Less: Provision for diminution in value	<u>4,521</u>	<u>4,521</u>
	-	-
<b>D <u>Other Investments</u></b>		
Contribution towards Proposed East India Cotton Association Society in an earlier year (Towards Share Application, Allotment letter not yet received)	4,000	4,000
Less: Provision for diminution in value	<u>4,000</u>	<u>4,000</u>
	-	-
<b>Total</b>	<u><u>99,00,000</u></u>	<u><u>99,00,000</u></u>
Aggregate book value - Quoted		-
Unquoted	99,00,000	99,00,000
Aggregate Market value - Quoted		-

Shares held as investment by the Company have been classified as long term investment. Provision for the diminution in the value of investment has been made in the accounts where the management is of the view that such diminution is other than temporary in nature.

**13. Loans and Advances**

(Unsecured considered good unless otherwise stated)

(Amount in Rupees)

	Non current		Current	
	31-Dec-2013	31-Dec-2012	31-Dec-2013	31-Dec-2012
Advance against Investment	-	39,43,58,963	-	-
Security deposits	-	-	1,77,86,036	1,81,82,095
Loans and advances to related parties	-	-	1,77,89,26,006	2,06,23,65,314
Advances recoverable in cash or kind	-	-	2,59,27,08,359	2,61,16,17,517
<b>Others</b>				
Loans to Employees/officers	-	-	8,40,000	15,80,000
Advance income tax (net of provision)	5,42,08,970	9,90,43,779	-	-
MAT credit entitlement	-	1,22,10,040	-	-
<u>Receivable from government authorities</u>				
-Considered good	-	-	2,10,97,404	2,29,80,723
-Considered doubtful	6,45,287	6,45,287	-	-
Prepaid expenses	-	-	98,93,053	72,06,978
Others (doubtful)	-	-	2,25,000	2,25,000
	<b>5,48,54,257</b>	11,18,99,106	<b>3,20,55,457</b>	3,19,92,701
Less: Provision for doubtful loans and advances	<b>6,45,287</b>	6,45,287	<b>2,25,000</b>	2,25,000
	<b>5,42,08,970</b>	11,12,53,819	<b>3,18,30,457</b>	3,17,67,701
<b>Total</b>	<b>5,42,08,970</b>	50,56,12,782	<b>4,42,12,50,858</b>	4,72,39,32,627

**Loans and advances to related parties includes:**

Raghuvveer Urban Construction Company Private Limited	-	-	1,77,73,43,867	2,06,23,65,314
Landmarc Leisure Corporation Limited	-	-	15,82,139	-
	-	-	<b>1,77,89,26,006</b>	2,06,23,65,314

**14. Other Non - Current Assets**

Fixed deposit with bank\* [Including Interest accrued Rs.1,54,009 (Previous year : Rs. 60,334)]

	<b>11,54,009</b>	10,60,334
<b>Total</b>	<b>11,54,009</b>	10,60,334

**Note:**

\* Fixed deposit of Rs. 11,54,009 (Previous year: 10,60,334) pledged with the bank for issuing bank guarantees.

**15. Inventories**

(At lower of cost and realisable value: as taken, valued and certified by management)

Raw materials (Including material of Rs. 15,77,11,694 lying in bonded warehouse (Previous year: Rs. Nil))			34,77,10,213	27,86,52,752
Raw materials (scrap)			1,55,607	19,96,434
Construction work-in-progress (Project)			12,43,70,83,262	11,03,86,98,471
Stores and spares			69,65,684	71,39,668
<b>Total</b>			<b>12,79,19,14,767</b>	11,32,64,87,325

	(Amount in Rupees)	
16. Trade Receivables	31-Dec-2013	31-Dec-2012
(Unsecured considered good unless otherwise stated)		
<u>Debts outstanding for a period exceeding six months from the date they were due for payment</u>		
Unsecured, considered good*	18,03,42,564	6,12,47,017
Doubtful	57,02,918	57,02,918
	<u>18,60,45,482</u>	<u>6,69,49,935</u>
Less: Provision for doubtful debts	57,02,918	57,02,918
	<u>18,03,42,564</u>	<u>6,12,47,017</u>
Others	1,76,58,639	16,00,37,211
<b>Total</b>	<u><u>19,80,01,203</u></u>	<u><u>22,12,84,228</u></u>

**\*Note: Trade receivables include debts due from related parties:**

S Kumars Online Ltd	22,500	22,500
Akhilesh Developers Private Limited	29,96,680	33,11,200
Mandakini Hospitality Private Limited	29,96,680	33,11,200
Yashaswini Leisure Private Limited	29,96,680	33,11,200
Hanumesh Realtors Private Limited	29,96,680	33,11,200
Aura Realtors Private Limited	1,40,36,250	1,39,33,055

**17. Cash and Bank Balances**

**Cash and cash equivalents**

(a) Cash on hand	1,06,85,145	1,06,99,700
(b) <u>Balances with banks</u>		
- In current accounts	3,95,87,237	3,70,31,137
(c) Deposit with original maturity of less than three months [Including Interest accrued Rs. NIL (Previous year Rs. 7,346)]	-	1,05,07,346
	<u>5,02,72,383</u>	<u>5,82,38,183</u>

**Other bank balances**

(i) Deposits with original maturity of more than three months but less than twelve months. [Including Interest accrued Rs. 72,379 (Previous year : Rs. 40,933)]	35,36,303	50,72,283
(ii) Deposits with original maturity of more than twelve months [Including Interest accrued Rs. NIL (Previous year : Rs. 27,130)]	-	6,51,434
(iii) Balances held as margin money or security against borrowings, guarantees and other commitments held under lien for custom and excise demand.* [Including Interest accrued Rs. 8,836 (Previous year : Rs. 6,719)]	14,05,670	13,42,509
	<u>49,41,973</u>	<u>70,66,226</u>
<b>Total</b>	<u><u>5,52,14,356</u></u>	<u><u>6,53,04,409</u></u>

**Note:**

\* Deposits of Rs. 14,05,670 (Previous year: Rs. 13,42,509), have an original maturity of more than three months but less than twelve months.

(Amount in Rupees)

<b>18. Other Current Assets</b>	<b>31-Dec-2013</b>	<b>31-Dec-2012</b>
Unbilled revenue	1,07,46,77,840	74,26,54,748
Interest accrued on deposits	3,23,173	2,48,919
Receivables on sale of fixed assets	1,58,000	-
Other receivables	7,000	-
<b>Total</b>	<b>1,07,51,66,013</b>	<b>74,29,03,667</b>
<b>19. Revenue from Operations</b>		
<b>Operating revenue:</b>		
<u>Sale of Products</u>		
Sales of flats - ongoing project	1,74,47,63,341	2,35,20,48,712
<b>(A)</b>	<b>1,74,47,63,341</b>	<b>2,35,20,48,712</b>
 <b>Other operating revenue:</b>		
Sale of construction material	2,16,69,262	-
Scrap sales	9,82,157	20,23,065
	2,26,51,419	20,23,065
Less: Transferred to cost of construction (Refer Note - 21)	2,26,51,419	20,23,065
<b>(B)</b>	<b>-</b>	<b>-</b>
<b>Total (A + B)</b>	<b>1,74,47,63,341</b>	<b>2,35,20,48,712</b>
<b>20. Other Income</b>		
<b>Interest income</b>		
(a) from Bank:		
- On fixed deposits	7,57,758	1,23,08,763
- On other balances	50,725	51,013
(b) Interest on I. T. Refund	4,27,049	-
(c) Interest received on delayed receipt of dues	1,31,81,302	-
(d) Other interest	2,44,452	1,53,627
<b>Other non operating income</b>		
Rent (net)	1,29,888	1,66,135
Insurance claim	-	11,200
Liabilities/provisions no longer required written back (net) (Refer Note-35)	-	1,20,47,046
Foreign exchange gain	2,68,128	-
Miscellaneous income	2,64,995	12,75,587
	1,53,24,297	2,60,13,371
Less: Transferred to cost of construction (Refer Note - 21)	1,37,98,454	1,16,15,040
<b>Total</b>	<b>1,5,25,843</b>	<b>1,43,98,331</b>

	(Amount in Rupees)	
21. Cost of Constructions (Real Estate Development)	31-Dec-2013	31-Dec-2012
Opening balance	11,03,86,98,471	8,50,97,63,636
<b>Add:</b>		
<b>Material Consumed</b>		
Opening stock	28,06,49,186	7,92,37,458
Add : Purchase of materials	18,87,70,806	89,78,50,708
Less : Closing stock of Scrap Material	1,55,607	19,96,434
Less : Closing stock (Including Material of Rs. 15,77,11,694 lying in bonded warehouse)	34,77,10,214	27,86,52,752
Less : Cost of material sold	<u>2,74,10,606</u>	-
Cost of construction material sold	2,74,10,606	69,64,38,980
<b>Stores and Spares Consumed</b>		
Opening stock	71,39,668	90,66,732
Add : Purchase of stores, spares and tools	22,86,958	72,65,882
Less : Closing stock	<u>69,65,684</u>	71,39,668
	24,60,942	91,92,946
Contractual, Sub-Contract with material and other charges	55,17,84,768	2,13,80,73,100
Power and fuel expenses	1,54,66,005	3,12,76,009
Land Dev./cleaning charges	3,50,000	3,52,50,000
Water charges	23,49,433	1,22,96,706
Premium charges- BMC	-	20,58,68,209
Employee benefits expenses	1,49,02,737	1,61,64,849
Administration and other expenses	8,60,80,577	10,99,13,549
Finance and Interest expenses	2,24,86,27,929	1,38,99,01,310
Depreciation and amortisation expense	<u>12,30,64,287</u>	12,12,26,735
	3,04,26,25,736	4,05,99,70,467
	14,20,53,39,320	13,27,53,66,029
Less: Interest on FDR	3,49,024	1,15,89,573
Insurance claim received	-	11,200
Sundry balance written off (net)	-	14,267
Foreign exchange gain (net)	2,68,128	-
Sale of construction material	2,16,69,262	-
Interest received on delayed receipt of dues	1,31,81,302	-
Scrap sales	<u>9,82,157</u>	-
	3,64,49,873	20,23,065
	14,16,88,89,447	13,26,17,27,923
Less : Balance carried to Inventories (Refer Note - 15)	<u>12,43,70,83,262</u>	11,03,86,98,471
Transferred to Statement of Profit and Loss	<u>1,73,18,06,185</u>	<u>2,22,30,29,452</u>

**Details of Material Consumed****Raw Material**

Steel	2,56,49,337	46,34,85,334
Cement	26,76,702	10,23,88,168
Marble	20,18,394	4,89,56,173
Electrical Items	3,36,03,467	4,46,30,513
Others	<u>3,01,95,665</u>	3,69,78,792
<b>Total</b>	<u>9,41,43,565</u>	<u>69,64,38,980</u>

**Stores and Spares:**

Nuts/Bolts Item	-	21,05,540
Others	24,60,942	70,87,406
<b>Total</b>	<u>24,60,942</u>	<u>91,92,946</u>

(Amount in Rupees)

<b>Details of Inventory</b>	<b>31-Dec-2013</b>	<b>31-Dec-2012</b>
<b><u>Raw Material</u></b>		
Electrical Items	17,08,62,121	19,99,05,987
Steel	33,94,664	5,13,09,462
Marble	1,95,87,538	1,12,86,769
Fire fighting system and Others	15,07,96,840	-
Others	30,69,051	1,61,50,534
<b>Total</b>	<b>34,77,10,214</b>	<b>27,86,52,752</b>
<b><u>Stores and Spares</u></b>		
Transformer	60,68,020	60,68,020
Others	8,97,664	10,71,648
<b>Total</b>	<b>69,65,684</b>	<b>71,39,668</b>

**22. Employee Benefits Expense**

Salaries and wages	1,56,41,323	1,65,27,550
Contributions to provident and other funds	13,05,175	12,97,990
Gratuity	2,24,310	7,62,885
Staff welfare Expenses	7,05,604	8,22,664
	1,78,76,412	1,94,11,089
Less: Transferred to cost of construction (Refer Note - 21)	1,49,02,737	1,61,64,849
<b>Total</b>	<b>29,73,675</b>	<b>32,46,240</b>

**23. Finance Costs**

<b><u>Interest</u></b>		
- on Term loan	1,91,31,22,705	1,28,21,99,710
- on Debenture application money	11,03,57,943	-
- on others	7,96,68,795	8,67,51,812
Loan and other processing charges	16,10,65,630	2,47,01,560
Bank charges	93,296	4,39,022
	2,26,43,08,369	1,39,40,92,104
Less: Transferred to cost of construction (Refer Note - 21)	2,24,86,27,929	1,38,99,01,310
<b>Total</b>	<b>1,56,80,440</b>	<b>41,90,795</b>

	(Amount in Rupees)	
24. Other Expenses	31-Dec-2013	31-Dec-2012
Power and fuel expenses	1,55,771	3,15,369
Rent	8,48,520	80,136
Repairs and maintenance - Buildings	66,679	15,28,686
Repairs and maintenance - Machinery	61,732	13,37,994
Repairs and maintenance - Others	12,36,632	8,73,811
Insurance	79,43,193	97,98,446
Rates and taxes	1,42,80,541	71,03,503
Telephone and communication expenses	10,27,505	13,40,431
Travelling and conveyance	1,19,72,360	1,38,51,853
Printing and stationery	13,99,550	22,57,920
Sales commission	35,56,141	25,95,703
Business promotion	64,18,116	60,01,791
Donations and contributions	4,17,000	96,000
Legal and professional	6,77,91,551	7,16,70,768
Auditors Remuneration	22,18,078	21,72,498
Bad trade and other receivables, loans and advances written off	-	2,59,617
Foreign exchange gain/(loss)	-	1,91,460
Loss on fixed assets sold / scrapped / written off	89,04,679	82,87,460
Security expenses	45,56,108	69,18,616
Miscellaneous expenses	55,95,940	71,25,468
Sundry Balance Written off (Net) (Refer Note - 35)	3,42,944	-
Office expenses	6,92,188	12,11,452
Motor car expenses	26,29,480	21,45,051
Directors sitting fees/other fee	2,40,000	2,20,000
	<b>14,23,54,708</b>	<b>14,73,84,033</b>
Less: Transferred to cost of construction (Refer Note - 21)	<b>8,60,80,577</b>	<b>10,99,13,550</b>
<b>Total</b>	<b>5,62,74,131</b>	<b>3,74,70,483</b>
<b>Payments to Auditors</b>		
<u>Payments to the auditors comprises:</u>		
As auditors - statutory audit	20,82,077	19,75,213
For other services	1,12,360	1,80,455
Reimbursement of expenses	23,641	16,830
	<b>22,18,078</b>	<b>21,72,498</b>
Less: Transferred to cost of construction (Refer Note - 21)	-	66,550
<b>Total</b>	<b>22,18,078</b>	<b>21,05,948</b>
<b>25. Prior Period Items</b>		
<b>Expenses</b>		
i) Staff Welfare Expenses	-	26,362
ii) Legal & Professional charges	32,570	-
iii) Property Tax	4,00,98,210	-
<b>Total</b>	<b>4,01,30,780</b>	<b>26,362</b>



## 26. Contingent Liabilities and Commitments:

## A) Contingent Liabilities:

(Amount in Rupees)

Sr. No.	Particulars	31-Dec-2013	31-Dec-2012
a)	Claims against the Company not acknowledged as debts	<b>9,50,99,770</b>	6,02,98,513
b)	Labour Matters:		
i)	Pending in court in respect of claims for Retrenchment Compensation etc.	<b>12,99,448</b>	15,98,886
ii)	Pending court cases - 5 (Previous year: 7) in respect of claims for Back Wages etc. filed by ex-employees of the Company for which the amount of Contingent Liability is unascertainable.		
c)	Income Tax Matters:		
i)	Disputed demand of Income Tax for assessment year 2003-04, where the department is in appeal.	<b>23,24,613</b>	23,24,613
ii)	Disputed demand of Income Tax for assessment year 2003-04, where the Company has filed application for rectification.	<b>1,08,86,963</b>	1,08,86,963
iii)	Disputed demand of Income Tax for assessment year 2004-05, where the department is in appeal.	<b>1,22,09,858</b>	1,22,09,858
iv)	Disputed demand of Income Tax for assessment year 2004-05, where the Company is in appeal.	<b>1,29,46,164</b>	1,29,46,164
v)	Disputed demand of Income Tax for assessment year 2005-06, where the department is in appeal.	<b>8,74,93,855</b>	8,74,93,855
vi)	Disputed demand of Income Tax for assessment year 2007-08, where the Company is in appeal.	<b>1,21,75,306</b>	43,58,910
vii)	Disputed demand of Income Tax for assessment year 2009-10, where the Company is in appeal.	<b>90,49,260</b>	90,49,260
viii)	Disputed demand of Income Tax for assessment year 2009-10, where the Subsidiary Company is in appeal.	<b>1,25,00,000</b>	-
ix)	Income tax demand for short deduction of tax at source and interest thereon for various assessment years, where the Company is in appeal.	<b>1,82,06,838</b>	2,98,52,478
d)	i) Property Tax disputed with BMC where the Company is in appeal.	<b>2,64,58,176</b>	2,09,64,798
	ii) Property Tax disputed with BMC.	-	4,43,81,754
	iii) Property Tax disputed with BMC where the Company has filed Complaint.	<b>35,79,248</b>	26,34,934
e)	Excise Duty demand [Bank guarantee provided for the same]	<b>3,39,250</b>	3,39,250
f)	Customs Duty demand [Bank guarantee provided for the same]	<b>6,98,250</b>	6,98,250
g)	Bank guarantee	<b>10,00,000</b>	10,00,000
h)	Dividend in respect of 1,36,877 -11% Redeemable Cumulative Preference Shares of Face Value of Rs. 100 each.	<b>1,22,30,116</b>	1,22,30,116
i)	Interest liability on VAT	<b>85,94,137</b>	-
j)	Interest liability on service tax amounting to Rs. 1,32,56,970 ( Previous year : Rs. 1,34,29,366) has not been provided for, as the matter is pending before the Hon. Supreme Court on writ petition filed by the Maharashtra Chamber Housing Industry (MCHI) to which the Company is a member, challenging levy of service tax on real estate business.		
k)	Pending court cases - 5 (Previous year: 4) in respect of other matters against the Company for which the amount of Contingent Liability is unascertainable.		

**B) Capital and Other Commitments**

Particulars	31-Dec-2013	31-Dec-2012
<b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for:	-	2,32,03,406
Other Commitments	<b>7,04,27,85,422</b>	5,17,05,88,216

27. Arbitration proceedings have been underway since 2005 with Kalpataru Properties Private Ltd. (KPPL) in respect of development rights of Plot 5A admeasuring 20,955.4 sq.mtrs of the Company's Worli Estate, against which it has received Rs. 30,00,00,000. The Bombay High Court had passed a status quo order on about 23,500 sq. mtrs. of the said estate. Subsequently, KPPL had filed a claim of compensation for Rs. 15,28,93,00,000 along with interest as an alternative to their original claim for specific performance. The Company has received legal advice that the said claim for compensation is not tenable, and the chances of it being held against the Company are highly remote. As regards the Company's own counter-claim of Rs. 26,77,32,00,000 against KPPL, the Arbitral Tribunal has held that claim of Rs. 7,60,36,00,000 is under their jurisdiction under the present Arbitration proceeding and for the balance amount of Rs. 19,16,96,00,000, alternative remedies will have to be sought. The Company is in discussion with its legal advisors on the most optimum course to follow for the said balance claim.
28. In the opinion of the Management, no item of current assets has a value on realization in the ordinary course of business, which is less than the amount of value at which it is stated in the balance sheet. The provision for all known and determined liability is adequate and not in the excess of the amount reasonably required.
29. a) One of the subsidiary, SRM Sites Private Limited (SRM), engaged in construction of projects and allied activities, has not booked revenue amounting to Rs. 12,21,21,072 (Previous year : Rs. 12,20,72,776) on a project awarded by the Company on which cost incurred for the year ended 31st December 2013 is Rs. 2,44,24,21,445 (Previous year : Rs. 2,44,14,55,528) net of interest earned Rs. 1,24,82,780 (Previous year : Rs.1,23,87,581) since the work completed on the project under progress as on the balance sheet date is below the prescribed level of completion (30%) of the project as compared to the total cost of the project.
- b) One of the subsidiary, Raghuv eer Suburban Infrastructure Private Limited, engaged in construction of projects and allied activities, has not booked revenue on a project awarded by the Company on which cost incurred for the year ended 31st December 2013 is Rs. 62,74,51,457 (Previous year : Rs.21,97,54,531) net of interest earned Rs. 5,39,682 (Previous year : Rs. 4,79,440) since the work completed on the project under progress as on the balance sheet date is below the prescribed level of completion (30%) of the project as compared to the total cost of the project.
30. No significant events which could affect the financial position as on 31st December, 2013, to a material extent have been occurred, after the balance sheet date till the signing of report.

**31. Segment Reporting:**

The Group operates in single segment i.e. Real Estate and therefore, Segment Reporting as per Accounting Standard 17 - "Segment Reporting" notified under the Companies (Accounting Standard) Rules, 2006 is not applicable.

**32. Employee Benefits:**

Disclosure under Accounting Standard - 15 "Employee Benefits" (Revised 2005) notified by Companies (Accounting Standards) Rules, 2006.

**Defined Contribution Plan**

The Company's contribution to provident fund is deposited with the Employees Provident Fund Organization (EPFO). During the year, the Company has recognized Rs. 13,05,175 (Previous year: Rs. 12,97,990) towards provident fund.

**Defined Benefit Plan:****Gratuity**

The gratuity liability arises on retirement, premature withdrawal, resignation and death of an employee. The gratuity liability is calculated on the basis of actuarial valuation as per projected unit credit method.

**Other Long Term Benefit****Leave Encashment Plan**

The earned leave liability arises as and when services are performed by an employee. The said liability is calculated on the basis of actuarial valuation as per projected unit credit method.

## I) Changes in Defined Benefit Obligation

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Liability at the beginning of the year	27,51,956	19,89,071	9,92,707	6,91,415
Current service cost	3,09,840	2,41,806	1,99,922	1,58,767
Past service cost	-	-	-	-
Interest cost	2,27,039	1,74,044	81,898	60,499
Benefits paid	(1,94,250)	-	(5,47,157)	(3,68,888)
Actuarial gain / (loss) on obligation	(3,12,569)	3,47,035	2,48,173	4,50,913
<b>Liability at the end of the year</b>	<b>27,82,016</b>	<b>27,51,956</b>	<b>9,75,543</b>	<b>9,92,706</b>

II) The fair value of plan assets is NIL since, retirement benefit plans are wholly unfunded.

## III) Amount recognized in Balance Sheet

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Liability at the end of the year	27,82,016	27,51,956	9,75,543	9,92,706
Amount recognized in balance sheet	27,82,016	27,51,956	9,75,543	9,92,706

## IV) Expenses recognized in Statement of Profit and Loss

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Current service cost	3,09,840	2,41,806	1,99,922	1,58,767
Past service cost	-	-	-	-
Interest cost	2,27,039	1,74,044	81,898	60,499
Adjustments for increase in opening provision	-	-	-	-
Expenses transfer to reserves	-	-	-	-
Actuarial (gain) / loss	(3,12,569)	3,47,035	2,48,173	4,50,913
<b>Total Expenses</b>	<b>2,24,310</b>	<b>7,62,885</b>	<b>5,29,993</b>	<b>6,70,179</b>
Expenses charged to Statement of Profit and Loss	56,267	92,014	78,475	84,333
Expenses charged to Construction Cost	1,68,043	6,70,871	4,51,518	5,85,846
<b>Total Expenses</b>	<b>2,24,310</b>	<b>7,62,885</b>	<b>5,29,993</b>	<b>6,70,179</b>

## V) Balance Sheet Reconciliation

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Opening net liability	27,51,956	19,89,071	9,92,707	6,91,415
Expenses as above	2,24,310	7,62,885	5,29,993	6,70,179
Adjustment for increase in opening provision for retirement benefits	-	-	-	-
Benefits paid	(194,250)	-	(5,47,157)	(3,68,888)
<b>Amount recognized in the balance sheet</b>	<b>27,82,016</b>	<b>27,51,956</b>	<b>9,75,543</b>	<b>9,92,706</b>

## VI) Principal Actuarial Assumptions

Particulars	Gratuity as on 31-Dec-2013	Gratuity as on 31-Dec-2012	Leave Encashment as on 31-Dec-2013	Leave Encashment as on 31-Dec-2012
Discount Rate	9.50%	8.25%	9.50%	8.25%
Future Salary Increases	5.00%	5.00%	5.00%	5.00%
Attrition Rate	2.00%	2.00%	2.00%	2.00%

The discount rate is based upon the bench mark rate available on Government Securities having maturity equal to the tenure of benefits.

The estimate of salary growth rate considered in actuarial valuation takes into account inflation, seniority and other relevant factors on long term basis.

## 33. Related Party Disclosures:

In compliance with Accounting Standard 18 - "Related Party Disclosures" notified by Companies (Accounting Standards) Rules, 2006, the required disclosures are given in the table below:

## a) Name of the Related Party and Nature of Related Party Relationship:

Name of the Related Party	Nature of Related Party Relationship
Akhilesh Developers Private Limited	Enterprise that directly or indirectly through one or more intermediaries control or are controlled by or are under common control with the reporting enterprise.
a) Landmarc Leisure Corporation Limited b) S Kumars Online Limited c) Vidhi Holdings Private Limited d) Akhilesh Developers Private Limited e) Hanumesh Realtors Private Limited f) Mandakini Hospitality Private Limited g) Yashaswini Leisure Private Limited h) SKM Real Infra Limited (Formerly known as SKM Fabrics (Andheri) Limited)	Enterprises over which key management personnel and their relatives exercise significant influence where the Company has entered into transactions during the year

i) Aura Realtors Private Limited j) Goldmount Advisors k) Vasundhara Hospitality Private Limited l) Raghuvveer Urban Construction Company Private Limited	
a) Mr. Vikas S. Kasliwal - Vice-Chairman & CEO b) Mr. S. K. Luharuka - Whole Time Director	Key Management Personnel

- b) Details of transactions between the Company and related parties and the status of outstanding balances as on 31st December, 2013

(Amount in Rupees)

Nature of transactions	31-Dec-2013	31-Dec-2012
<b>Contract for material and other charges</b>		
Raghuvveer Urban Constructions Company Private Limited	57,90,65,308	2,11,97,92,734
<b>Total</b>	<b>57,90,65,308</b>	<b>2,11,97,92,734</b>
<b>Purchase of Material</b>		
Raghuvveer Urban Constructions Company Private Limited	-	7,57,73,015
<b>Total</b>	<b>-</b>	<b>7,57,73,015</b>
<b>Land Development / Cleaning Charges</b>		
Raghuvveer Urban Constructions Company Private Limited	3,50,000	3,52,50,000
<b>Total</b>	<b>3,50,000</b>	<b>3,52,50,000</b>
<b>Revenue recognized on sale of flat on percentage completion basis</b>		
Hanumesh Realtors Private Limited	52,27,200	74,14,468
Mandakini Hospitality Private Limited	52,27,200	74,14,468
Yashaswini Leisure Private Limited	52,27,200	74,14,468
Akhilesh Developers Private Limited	52,27,200	74,14,468
Aura Realtors Private Limited	2,35,97,672	3,34,71,876
<b>Total</b>	<b>4,45,06,472</b>	<b>6,31,29,748</b>
<b>Consultancy charges paid / (reversed)</b>		
Goldmount Advisors	24,00,000	24,00,000
Vasundhara Hospitality Private Limited	6,11,111	1,22,222
<b>Total</b>	<b>30,11,111</b>	<b>25,22,222</b>
<b>Excess upfront charges paid</b>		
Akhilesh Developers Private Limited	13,70,075	-
Hanumesh Realtors Private Limited	16,76,219	-
Mandakini Hospitality Private Limited	19,72,789	-
Yashaswini Leisure Private Limited	14,24,492	-
Aura Realtors Private Limited	11,83,648	-
<b>Total</b>	<b>76,27,223</b>	<b>-</b>

(Amount in Rupees)

<b><u>Excess upfront charges recovered</u></b>		
Akhilesh Developers Private Limited	13,70,075	-
Hanumesh Realtors Private Limited	16,76,219	-
Mandakini Hospitality Private Limited	19,72,789	-
Yashaswini Leisure Private Limited	14,24,492	-
Aura Realtors Private Limited	11,83,648	-
<b>Total</b>	<b>76,27,223</b>	<b>-</b>
<b><u>Debenture Application money received</u></b>		
Akhilesh Developers Private Limited	50,11,00,000	-
Hanumesh Realtors Private Limited	60,11,00,000	-
Mandakini Hospitality Private Limited	65,11,00,000	-
Yashaswini Leisure Private Limited	52,11,00,000	-
Aura Realtors Private Limited	43,11,00,000	-
<b>Total</b>	<b>2,70,55,00,000</b>	<b>-</b>
<b><u>Debenture Application money refunded</u></b>		
Akhilesh Developers Private Limited	11,00,000	-
Hanumesh Realtors Private Limited	11,00,000	-
Mandakini Hospitality Private Limited	11,00,000	-
Yashaswini Leisure Private Limited	11,00,000	-
Aura Realtors Private Limited	11,00,000	-
<b>Total</b>	<b>55,00,000</b>	<b>-</b>
<b><u>Loans taken</u></b>		
Vidhi Holdings Private Limited	5,97,50,000	3,00,00,000
<b>Total</b>	<b>5,97,50,000</b>	<b>3,00,00,000</b>
<b><u>Repayment of Loans taken</u></b>		
Vidhi Holdings Private Limited	2,78,00,000	1,00,00,000
<b>Total</b>	<b>2,78,00,000</b>	<b>1,00,00,000</b>
<b><u>Expenses incurred for making documentary film</u></b>		
Landmarc Leisure Corporation Limited	6,36,584	25,30,727
<b>Total</b>	<b>6,36,584</b>	<b>25,30,727</b>
<b><u>Reimbursement of Expenses</u></b>		
Raghuveer Urban Constructions Company Private Limited	1,82,05,170	1,89,08,941
Landmarc Leisure Corporation Limited	3,72,500	24,86,950
<b>Total</b>	<b>1,85,77,670</b>	<b>2,13,95,891</b>
<b><u>Repayment of Deposits</u></b>		
S Kumars Online Limited	-	73,00,000
<b>Total</b>	<b>-</b>	<b>73,00,000</b>
<b><u>Advances given / (received back) for material / contract charges / services</u></b>		
Raghuveer Urban Constructions Company Private Limited	(28,50,21,447)	(53,94,86,603)
Landmarc Leisure Corporation Limited	18,90,000	-
<b>Total</b>	<b>(28,31,31,447)</b>	<b>(53,94,86,603)</b>

(Amount in Rupees)

<b><u>Interest paid</u></b>		
Akhilesh Developers Private Limited	1,95,43,296	-
Hanumesh Realtors Private Limited	2,34,59,034	-
Mandakini Hospitality Private Limited	3,02,28,904	-
Yashaswini Leisure Private Limited	2,03,25,235	-
Aura Realtors Private Limited	1,68,01,474	-
<b>Total</b>	<b>11,03,57,943</b>	<b>-</b>
<b><u>Loan Processing/UFC Charges paid</u></b>		
Akhilesh Developers Private Limited	2,89,09,310	-
Hanumesh Realtors Private Limited	3,44,71,110	-
Mandakini Hospitality Private Limited	3,72,52,010	-
Yashaswini Leisure Private Limited	3,00,21,670	-
Aura Realtors Private Limited	2,50,16,050	-
<b>Total</b>	<b>15,56,70,150</b>	<b>-</b>
<b><u>Managerial Remuneration</u></b>		
- Mr. Vikas S. Kasliwal - Vice-Chairman & CEO	27,57,473	26,54,383
- Mr. S. K. Luharuka - Whole Time Director	21,25,884	22,06,185
<b>Total</b>	<b>48,83,357</b>	<b>48,60,568</b>
<b><u>Expenses incurred on Company's behalf</u></b>		
Raghuveer Urban Constructions Company Private Limited	2,500	83,42,619
<b>Total</b>	<b>2,500</b>	<b>83,42,619</b>
<b><u>Outstanding balances as on 31<sup>st</sup> December, 2013</u></b>		
<b><u>Trade Receivables</u></b>		
S Kumars Online Limited	22,500	22,500
Akhilesh Developers Private Limited	29,96,680	33,11,200
Mandakini Hospitality Private Limited	29,96,680	33,11,200
Yashaswini Leisure Private Limited	29,96,680	33,11,200
Hanumesh Realtors Private Limited	29,96,680	33,11,200
Aura Realtors Private Limited	1,40,36,250	1,39,33,035
<b>Total</b>	<b>2,60,45,470</b>	<b>2,72,00,335</b>
<b><u>Investment held in Equity Shares of :</u></b>		
Raghuveer Urban Constructions Company Private Limited	99,00,000	99,00,000
<b>Total</b>	<b>99,00,000</b>	<b>99,00,000</b>
<b><u>Debenture Application money received</u></b>		
Akhilesh Developers Private Limited	50,00,00,000	-
Hanumesh Realtors Private Limited	60,00,00,000	-
Mandakini Hospitality Private Limited	65,00,00,000	-
Yashaswini Leisure Private Limited	52,00,00,000	-
Aura Realtors Private Limited	43,00,00,000	-
<b>Total</b>	<b>2,70,00,00,000</b>	<b>-</b>

(Amount in Rupees)

<b>Loans taken</b>		
Akhilesh Developers Private Limited	2,33,09,000	2,33,09,000
Hanumesh Realtors Private Limited	1,00,90,000	1,00,90,000
Mandakini Hospitality Private Limited	1,00,00,000	1,00,00,000
Yashaswini Leisure Private Limited	1,00,00,000	1,00,00,000
Vidhi Holdings Private Limited	5,19,50,000	2,00,00,000
<b>Total</b>	<b>10,53,49,000</b>	7,33,99,000
<b>Advance received</b>		
Akhilesh Developers Private Limited	3,14,39,200	3,66,66,400
Hanumesh Realtors Private Limited	3,14,39,200	3,66,66,400
Mandakini Hospitality Private Limited	3,14,39,200	3,66,66,400
Yashaswini Leisure Private Limited	3,14,39,200	3,66,66,400
Aura Realtors Private Limited	14,19,29,124	16,55,26,796
<b>Total</b>	<b>26,76,85,924</b>	31,21,92,396
<b>Advances given for materials / contract charges</b>		
Raghuveer Urban Constructions Company Private Limited	1,77,73,43,867	2,06,23,65,314
Landmarc Leisure Corporation Limited	15,82,139	-
<b>Total</b>	<b>1,77,89,26,006</b>	2,06,23,65,314
<b>Deposit Received</b>		
Landmarc Leisure Corporation Limited	13,71,26,297	13,71,26,297
<b>Total</b>	<b>13,71,26,297</b>	13,71,26,297
<b>Trade Payables</b>		
Goldmount Advisors	12,79,838	9,19,838
Landmarc Leisure Corporation Limited	-	43,777
Raghuveer Urban Constructions Company Private Limited	6,38,86,694	83,42,619
<b>Total</b>	<b>6,51,66,532</b>	93,06,234

**34. Computation of Earnings Per Share (EPS):**

Particulars	31-Dec-2013	31-Dec-2012
Profit / (Loss) after Taxation (Rs.)	(16,08,85,361)	8,04,37,686
Weighted Average number of equity shares	4,11,34,540	4,11,34,540
Face Value per Equity Shares (Rs.)	10	10
Basic Earnings Per Share (EPS) (Rs.)	(3.91)	1.96
Diluted Earnings Per Share (EPS) (Rs.)	(3.91)	1.96

The Company does not have any potential dilutive equity shares. Consequently, the basic and diluted earnings per share remains the same.

- 35** "Sundry debit balances written off (net)" amounting to Rs.3,42,943 are net of 'sundry credit balances written back amounting to Rs.68,607 (Previous year: 'Sundry Credit balances written back (net)' amounting to Rs.1,20,47,046 are net of 'sundry debit balances written off' amounting to Rs. 606).



(Amount in Rupees)

## 36. Movement in Minority Interest during the year:

Particulars	31-Dec-2013	31-Dec-2012
Minority Interest balances at the beginning	15,46,84,764	13,70,79,600
Add : Minority share in the security premium received during the year	-	1,82,24,976
Less : Minority share in 'share issue expenses'	-	(54,897)
Less : Minority share in profit / (loss) of a subsidiary for the year	(17,66,451)	(5,64,915)
<b>Minority Interest balance as at the end</b>	<b>15,29,18,314</b>	15,46,84,764

## 37. Movement in Goodwill on Consolidation during the year:

Particulars	31-Dec-2013	31-Dec-2012
Goodwill on Consolidation at the beginning	77,57,13,274	46,189
Add : Goodwill arising on purchase of Compulsorily Convertible Preference Shares of SRM Sites Private Limited	39,48,62,510	77,56,67,085
<b>Goodwill on Consolidation at the end</b>	<b>1,17,05,75,784</b>	77,57,13,274

38. The Company had received notices in financial year ended 31st December 2011 arising out of inspection u/s. 209A of the Companies Act, 1956 carried out by the Deputy Registrar of Companies pointing out certain irregularities / contraventions of the Companies Act, 1956. In response, the Company had provided all necessary explanations / documentary evidences. In order to avoid long drawn litigation, Company without accepting any of the irregularities / contraventions, had filed application for compounding of offences under section 621A of the Companies Act, 1956. The said applications are pending for hearing. In opinion of the Company, liability in this regard is estimated at Rs. 22,60,000 which was provided in the books of accounts in the year ended 31st December 2011.

39. The Hon. Bombay High Court has passed the order on 13.05.2013 disposing off the Public Interest Litigation (PIL), filed against the Municipal Corporation of Greater Mumbai (MCGM) and the Company which alleged that various building permissions granted by MCGM to the Company for the project including sanction of Public Parking Lot (PPL) are not in accordance with "Development Control Regulations" (DCR). Aggrieved by the said order, the petitioner NGO has filed Special Leave Petition before the Hon. Supreme Court which is pending. The Hon'ble Bombay High Court has, inter alia, held that the PPL cannot be held illegal and the Company cannot be deprived from claiming incentive FSI and directed the Municipal Commissioner (MC) to review the points raised by the MCGM in their affidavit. The MC has passed an order on 12.09.2013 holding that only part of PPL will be eligible for grant of incentive FSI and refuge area in excess of 4% of the built up area, structural columns, etc. shall be counted in FSI and accordingly directed the Company to submit modified plans. Against the said order of the MC, the Company has filed a Writ Petition before Hon. Bombay High Court and the matter is pending.

As various interlinked & revised FSI computations would be required to be computed on the final outcome of the case, it is not possible to ascertain the financial impact at this stage and hence no effect has been considered in these financial statements. Based on legal advise obtained from experts, management is of the view that, the Company has a very strong case and the financial impact if any, is not likely to be material. Accordingly, the accounts have been prepared on a going concern basis.

40. Some of the balances of deposits, loans and advances, trade receivables, trade payables and other long / short term liabilities are subject to confirmation from the respective parties and consequential reconciliation / adjustments arising therefrom, if any. The management however does not expect any material variation.

41. Figures of the previous year have been re-grouped , re-classified and re-arranged, wherever necessary.

As per our report of even date As per our report of even date

For **Khandelwal Jain & Co.**  
Chartered Accountants  
Firm Regn. No.: 105049W

For **Habib & Co.**  
Chartered Accountants  
Firm Regn. No.: 103479W

**For and on behalf of the Board**

**S. S. Kasliwal**  
(Chairman)

**Vikas S. Kasliwal**  
(Vice-Chairman & CEO)

**Narendra Jain**  
(Partner)  
Membership No. 048725

**D. P. Shroff**  
(Partner)  
Membership No.045417

**S. K. Luharuka**  
(Whole Time Director)

**Manju B. Batham**  
(Sr. GM & Company Secretary)

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

Place : Mumbai  
Dated : 1st March, 2014

# SHREE RAM URBAN INFRASTRUCTURE LIMITED

**Registered Office** : Shree Ram Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.

## PROXY FORM

I/We \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member / members  
of the above named company hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
or failing him \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_  
as my/our Proxy to vote for me/us and on my/our behalf at the 77th Annual General Meeting of the Company  
to be held on Friday, 27 June 2014 and at any adjournment thereof.  
As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Signed by the said



In the presence of \_\_\_\_\_

- Notes :
1. The Proxy form should be signed across the stamp as per specimen signature with the Company.
  2. This proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the commencement of the meeting.

# SHREE RAM URBAN INFRASTRUCTURE LIMITED

**Registered Office** : Shree Ram Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.

## ATTENDANCE SLIP

Please record my presence at the 77th Annual General Meeting of the Company held at Sunville 9, Annie Besant Road, Worli, Mumbai - 400 018 on Friday 27th June, 2014 at 11.00 a.m.

Name of the Shareholder (in Block Letter) \_\_\_\_\_

Signature of the Shareholder or Proxy holder \_\_\_\_\_

Folio No. \_\_\_\_\_

Client ID No. \_\_\_\_\_

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

## FORM B

1.	Name of the Company	Shree Ram Urban Infrastructure Limited
2.	Annual Financial statements for the year ended	31 <sup>st</sup> December, 2013
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	For Standalone Financial Statement: First Time  For Consolidated Financial Statement: Point (a): Repetitive since last year Point (b): First Time
5.	Draw attention to relevant notes in the Annual Financial Statements and management response to the qualification in the Director's Report	<p>(i) In Standalone Financial Statements: Qualification</p> <p>"As mentioned in note no. 36 the Company has not ascertained the financial impact of the order of Municipal Commissioner which had directed the Company to submit modified plans of its ongoing project. The Company has filed a Writ Petition against the aforesaid order in the Hon. Bombay High Court. The Company is also contesting a Special Leave Petition filed by a NGO in the Hon. Supreme Court in the same matter. Based on legal opinion obtained by the Company, it is confident of a favourable outcome and has accordingly prepared its accounts on a going concern basis. Consequently, we are unable to comment upon the financial impact of the same on the financial statements." (Refer Basis for Qualified Opinion paragraph in Independent Auditors Report on page no. 35 and Note No. 36 of the Financial Statements on page no. 72).</p> <p>Management Response</p> <p>The Hon. Bombay High Court has passed the order on 13.05.2013 disposing off the Public Interest Litigation (PIL), filed against the Municipal Corporation of Greater Mumbai (MCGM) and the Company which alleged that various building permissions granted by MCGM to the Company for the project including sanction of Public Parking Lot (PPL) are not in accordance with "Development Control Regulations" (DCR). Aggrieved by the said order, the petitioner NGO has filed Special Leave Petition before the Hon. Supreme Court which is pending. The Hon'ble Bombay High Court has, inter alia, held that the PPL cannot be held illegal and the Company cannot be deprived from claiming incentive FSI and directed the Municipal Commissioner (MC) to review the points raised by the MCGM in their affidavit. The MC has passed an order on 12.09.2013 holding that only part of PPL will be eligible for grant of incentive FSI</p>



and refuge area in excess of 4% of the built up area, structural columns, etc. shall be accounted in FSI and accordingly directed the Company to submit modified plans. Against the said order of the M.C. the Company has filed a Writ Petition before Hon. Bombay High Court and the matter is pending.

As various interlinked & revised FSI computations would be required to be computed on the final outcome of the case, it is not possible to ascertain the financial impact at this stage and hence no effect has been considered in these financial statements. Based on legal advice obtained from experts, management is of the view that, the Company has a very strong case and the financial impact if any, is not likely to be material. Accordingly, the accounts have been prepared on a going concern basis (Refer page no. 10 in Directors Report and Note No. 36 of the Financial Statements on page no. 72).

**(ii) In Consolidated Financial Statement**

**(a) Qualification**

"As mentioned in Note No. 29(a) one of the subsidiary, SRM Sites Private Limited (SRM), has not recognised revenue amounting to Rs.12,21,21,072/- on construction work in progress, since the work completed is below the prescribed level of completion. The auditors of the SRM have qualified their report for the said non-recognition of revenue. As a result of this, the consolidated profit for the year is higher by Rs.64,17,655/-, Liabilities towards Minority Interest is lower by Rs.63,63,688/- and provision for tax is lower by Rs.53,96/-." (Refer to in paragraph (i) under 'Basis for Qualified Opinion' paragraph in Independent Auditors Report for Consolidated Financial Statements on page no. 78 and Note No. 29(a) of the Consolidated Financial Statements on page no. 105).

**Management Response**

The work completed on the project under progress by the subsidiary company as on the balance sheet date is below the prescribed level of completion (30%) of the project as compared to the total cost of the project, no revenue to be recognized (Refer Note No. 29(a) of the Consolidated Financial Statements on page no. 105).

**(b) Qualification**

"As mentioned in note no. 39 the Company has not ascertained the financial impact of the order of



Municipal Commissioner which had directed the Company to submit modified plans of its ongoing project. The Company has filed a Writ Petition against the aforesaid order in the Hon. Bombay High Court. The Company is also contesting a Special Leave Petition filed by a NGO in the Hon. Supreme Court in the same matter. Based on legal opinion obtained by the Company, it is confident of a favourable outcome and has accordingly prepared its accounts on a going concern basis. Consequently, we are unable to comment upon the financial impact of the same on the financial statements" (Refer to in paragraph (ii) under 'Basis for Qualified Opinion' paragraph in Independent Auditors Report for Consolidated Financial Statements on page no. 78 and Note No. 39 of the Consolidated Financial Statements on page no. 112).

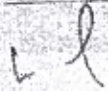

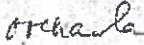
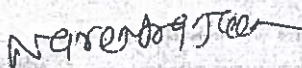

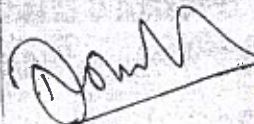

#### Management Response

The Hon. Bombay High Court has passed the order on 13.05.2013 disposing off the Public Interest Litigation (PIL), filed against the Municipal Corporation of Greater Mumbai (MCGM) and the Company which alleged that various building permissions granted by MCGM to the Company for the project including sanction of Public Parking Lot (PPL) are not in accordance with "Development Control Regulations" (DCR). Aggrieved by the said order, the petitioner NGO has filed Special Leave Petition before the Hon. Supreme Court which is pending. The Hon'ble Bombay High Court has, inter alia, held that the PPL cannot be held illegal and the Company cannot be deprived from claiming incentive FSI and directed the Municipal Commissioner (MC) to review the points raised by the MCGM in their affidavit. The MC has passed an order on 12.09.2013 holding that only part of PPL will be eligible for grant of incentive FSI and refuge area in excess of 4% of the built up area, structural columns, etc. shall be counted in FSI and accordingly directed the Company to submit modified plans. Against the said order of the MC, the Company has filed a Writ Petition before Hon. Bombay High Court and the matter is pending.

As various interlinked & revised FSI computations would be required to be computed on the final outcome of the case, it is not possible to ascertain the financial impact at this stage and hence no effect has been considered in these financial statements. Based on legal advice obtained from experts, management is



of the view that, the Company has a very strong case and the financial impact if any, is not likely to be material. Accordingly, the accounts have been prepared on a going concern basis (refer page no. 10 in Directors Report and Note No. 39 of the Consolidated Financial Statements on page no. 112).

6. Additional comments from the Board / Audit committee chair	
7. Signed by: Shri. Vikas S. Kasliwal (Vice-Chairman & CEO)	
Shri N. K. Modani (Sr. President & CFO)	
Dr. O. P. Chawla (Audit Committee Chairman)	
Joint Statutory Auditors For M/s Khandelwal Jain & Co. Chartered Accountants Firm Reg. No. 105049W	  Narendra Jain (Partner) Membership No. 048725
For M/s Habib & Co. Chartered Accountants Firm Reg. No. 103479W	  D. P. Shroff (Partner) Membership No. 045417

