



# NARENDRA PROPERTIES LTD.

Registered Office : 2A, III Floor, Wellington Estate, 53, Ethiraj Salai, Chennai - 600 105.

## Compliance under Clause 31 (a) of the Listing Agreement

### FORM A

1	Name of the Company	NARENDRA PROPERTIES LIMITED
2	Annual Financial Statements for the year ended	March 31, 2013
3	Type of Audit Observation : <i>Un-qualified / Matter of Emphasis</i>	<i>Un-qualified</i>
4	Frequency of observation : Whether appeared first time / repetitive / since how long period	Not Applicable
5	To be signed by:	
5.1.	Managing Director (CEO) – Mr NARENDRA C MAHER	
5.2.	Director – Mr MAHENDRA K MAHER	
5.3.	Auditor of the company - SANJAY BHANDARI PARTNER, MEMBERSHIP No.: 200/28112 SANJAY BHANDARI & Co. CHARTERED ACCOUNTANTS	
5.4	Audit Committee Chairman (of the meeting where the Financial Statements was approved) - Mr MAHENDRA K MAHER	

Dated: May 30, 2013

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<b>BOARD OF DIRECTORS</b>	:	SRI S. RAMALINGAM Chairman SRI NARENDRA C. MAHER Managing Director SRI MAHENDRA K. MAHER SRI JOHN K. JOHN SRI R. SUBRAHMANIAN SRI CHIRAG N. MAHER Director - Operations SRI NARENDRA SAKARIYA SRI NISHANK SAKARIYA SRI CHANDRAKANT UDANI
<b>AUDITORS</b>	:	SANJAY BHANDARI & CO. Chartered Accountants 824, Poonamallee High Road Chennai - 600 010.
<b>BANKERS</b>	:	TAMILNAD MERCANTILE BANK LTD. Chennai - 600 001. BANK OF BARODA Egmore, Chennai - 600 008. HDFC Bank Limited Anna Salai, Chennai - 600 002.
<b>REGISTERED OFFICE</b>	:	2A, 3rd Floor, Wellington Estate 53 (Old No.24), Ethiraj Salai Chennai - 600 105.

*(Members are requested to bring their copies of the Annual Report to the meeting)  
(No gifts or compliments will be given to the members attending the meeting)*

**NOTICE**

The Shareholders,

**NOTICE** is hereby given that the 18<sup>TH</sup> Annual General Meeting of the Company will be held at 2A, 3<sup>rd</sup> Floor, Wellington Estate, No. 53 (Old No. 24), Ethiraj Salai, Chennai – 600 105 at 9.00 AM on THURSDAY, the 22<sup>ND</sup> AUGUST 2013 to transact the following business.

**ORDINARY BUSINESS :**

01. To receive, consider and adopt the Balance Sheet as on 31st March 2013, the Profit and Loss Account for the year ended 31st March 2013 and the Cash Flow Statement for the year ended 31<sup>st</sup> March 2013 along with the Directors' and Auditors report thereon.
02. To appoint a Director in the place of the Director Mr S RAMALINGAM, who retires by rotation and being eligible is offering himself for reappointment.
03. To appoint a Director in the place of the Director Mr R SUBRAHMANIAN, who retires by rotation and being eligible is offering himself for reappointment.
04. To appoint a Director in the place of the Director Mr NARENDRA SAKARIYA, who retires by rotation and being eligible is offering himself for reappointment.
05. To appoint an auditor in the place of the retiring Auditors M/s Sanjay Bhandari & Co, Chartered Accountants, Chennai, who being eligible are offering themselves for reappointment and to fix their remuneration.

**SPECIAL BUSINESS:**

06. To consider, and if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to Sections 269, 198, 309, Schedule XIII and other applicable provisions of the Companies Act, 1956, and pursuant to the recommendation made by the Remuneration Committee, Mr Chirag N Maher be and is hereby re-appointed as DIRECTOR – OPERATIONS of the Company on a wholetime basis for a period of five years from 1<sup>st</sup> August 2013 to 31<sup>st</sup> July 2018."

"RESOLVED FURTHER THAT Mr Chirag N Maher, Director – Operations, will be paid a remuneration of Rs 50,000 (Rupees Fifty thousand only) per month in the scale of Rs 50,000 – Rs 75,000 with periodical increments, as may be sanctioned by the Board pursuant to recommendation made by the Remuneration Committee, comprising of salary, allowances and perquisites, incentives and bonus as may be approved by the Board such that the total remuneration are within the limits prescribed under section 269 read along with Schedule XIII to the Companies Act, 1956, or any modification or amendment thereto."

"RESOLVED FURTHER THAT in the year in which the profits of the company are in-adequate, the remuneration paid to Mr Chirag N Maher, Director – Operations, shall not exceed the limits specified under Schedule XIII to the Companies Act, 1956."

Place : Chennai  
Dated : 30.05.2013

By order of the Board  
for NARENDRA PROPERTIES LIMITED  
**NARENDRA C. MAHER**  
*Managing Director*

**NOTES :**

01. A member entitled to attend and vote is entitled to appoint a proxy to attend and, on a poll, to vote instead of himself and such proxy need not be a member of the Company.
02. The instrument appointing a proxy duly stamped and executed for use at the meeting must be lodged at the registered office of the Company not less than 48 hours before the time fixed for the meeting.
03. An Explanatory Statement that is required to be annexed pursuant to the requirements of Section 173(2) of the Companies Act, 1956, in respect of the special business proposed in the notice is enclosed.

04. Members seeking any information with regard to accounts are requested to write to the Company at least 7 days in advance of the meeting so as to enable the management to keep the information ready.
05. Members are requested to bring their copies of the Annual Report with them to the meeting.
06. The Register of members and Share Transfer books shall remain closed from FRIDAY, the 16<sup>TH</sup> AUGUST 2013, to THURSDAY, the 22<sup>ND</sup> AUGUST 2013 (both days inclusive) for the purpose of the 18<sup>th</sup> AGM.
07. Shareholders holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Transfer Agents M/s Cameo Corporate Services Limited, Subramanian Building, 1, Club House Road, Chennai-600002. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participants and not to the Company.
08. The particulars required to be furnished under Clause 49 of the Listing Agreement relating to Directors retiring by rotation and seeking re-election is provided below:

Name of the Director	Mr S Ramalingam	Mr R Subrahmanian	Mr Narendra Sakariya
Qualification	B.E. (Electrical)	B.Com., CAIIB., AIB (London)	B.Com.
Age & Date of Birth	76 years 25.02.1937	79 years 19.05.1933	49 years 06.06.1963
Nature of expertise in specific functional areas	He was formerly the Chairman & Managing Director of Madras Refineries Limited and former Chairman of Indian Additives Limited, National Aromatics and Petrochemicals Corpn. Ltd.  He has multi-disciplinary experience in petroleum and refining, mining, fertilizer, chemical and power industries.	He has retired as DGM from Bank of Baroda. He has diverse experience in areas of banking and finance.	He has experience spanning about 23 years in the field of manufacturing and trading of metals and in the area of finance
Names of other companies in which they are Directors	Praddin Energy Private Limited - Director	Nil	Megh Sakariya International Private Limited - Director  Megh Promoters Private Limited - Director  Mohindra Finvest Private Limited - Director
Names of other Companies in which they are Members of Committees of the Board	Nil	Nil	Nil
Number of shares held in the Company	500	100	960000

***EXPLANATORY STATEMENT ANNEXED TO THE NOTICE CONVENING THE 18TH ANNUAL GENERAL MEETING PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.***

***ITEM 6:***

Mr Chirag N Maher was appointed as Director – Operations for a period of five years from 1<sup>st</sup> August 2008 by the members at their 13<sup>th</sup> AGM held on 26<sup>th</sup> September 2008. His tenure of appointment as Director – Operations ceases on 31<sup>st</sup> July 2013.

The Board of Directors of your Company have re-appointed Mr Chirag N Maher as Director – Operations of the Company on a wholetime basis for a further period of five years from 1<sup>st</sup> August 2013 to 31<sup>st</sup> July 2018 at a remuneration as set out in the resolution which was recommended by the Remuneration Committee after reviewing and considering the performance of Mr Chirag N Maher as Director – Operations. The appointment of Mr Chirag N Maher as the Director – Operations on a wholetime basis and the remuneration payable to him requires further approval by the shareholders in terms of the requirements of section 269 read along with Schedule XIII to the Companies Act, 1956.

Mr Chirag N Maher, B.Com., is aged about 40 years. He is associated with the Company right from the inception. He has around 20 years of experience in the field of construction of multi storeyed apartments and buildings. Mr Chirag N Maher is not a Director on the Board of any other public limited companies.

The Board commends the resolution for acceptance. None of the Directors other than Mr Chirag N Maher and Mr Narendra C Maher, being related to Mr Chirag N Maher, are deemed to be in any way interested or concerned in the resolution.

This may also be treated as an abstract of the terms of the contract to be furnished to the members in terms of the requirements of section 302(1) of the Companies Act, 1956.

Place : Chennai  
Dated : 30.05.2013

By order of the Board  
for NARENDRA PROPERTIES LIMITED  
**NARENDRA C. MAHER**  
*Managing Director*

## ***DIRECTORS' REPORT***

Dear Shareholder,

Your Directors have pleasure in submitting the 18<sup>th</sup> Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2013.

### ***FINANCIAL RESULTS***

The Audited Results for the year ended 31st March 2013 are given below :

S.No.	Details	Year ended 31.03.2013 (Rs.)	Year ended 31.03.2012 (Rs.)
1	Contract receipts	—	—
2	Sales	Nil	41700
3	Other income	19064360	23749373
	Total	19064360	23791073
4	Total expenditure	7916042	5946796
5	Interest & finance expenses	1046	330
6	Depreciation	355420	330906
7	Profit before tax	10791852	17513042
8	Provision for tax		
	- Current year	(3177291)	(4699313)
	- Deferred Tax (Asset)	17509	4588
9	Prior year depreciation adj.	5886	3050
10	Profit after tax	7637956	12821367
11	Add: Surplus from previous year	181224104	168402737
12	Amount available for appropriations	188862060	181224104
13	Transfer to General Reserve	Nil	Nil
14	Proposed Dividend & Dividend Tax	Nil	Nil
		188862060	181224104

### ***DIVIDEND***

In order to conserve resources for use for acquisition of land and for working capital, your Directors are not recommending any dividend for the year ended 31st March 2013 (previous year dividend paid is nil)

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**MANAGEMENT DISCUSSION AND ANALYSIS****A. Industry Structure and Developments**

Your Company is a building construction company. It purchases and develops large tracts of land into residential houses, complexes and flats. It also undertakes construction of commercial complexes on a selective basis. The operations of the Company are presently confined to localities in and around Chennai and its suburbs.

**B. Performance**

Your Company reported a total income of Rs 190.64 lakhs during the year ended 31st March 2013 as against Rs 237.91 lakhs during the previous year. The profit after tax was Rs 76.38 lakhs for the year ended 31.3.2013 as against Rs 128.21 lakhs achieved during the previous year.

Your Company has not executed any development projects during the year since approval is awaited for the projects under consideration. Substantial part of total income has been earned towards interest and dividend from mutual fund units invested out of the surplus funds available with the Company pending deployment in its operations. In the absence of buoyant market condition, your Company is exercising abundant caution in launching development projects or investing in land for future launch of development projects.

**C. Segmentwise Performance**

Your Company undertakes construction projects at Chennai and its suburb. The activities of your Company falls under single segment namely Construction of Buildings (Residential & Commercial).

Your Company has entered into firm commitment for developing, two prime properties in the Central Business District of Chennai city and another property in the suburb of Chennai which your Company will be developing for construction of around 120,000 sq.ft. of commercial and / or residential space.

**D. Concerns**

The price of land within the city limits has escalated substantially posing a serious challenge for viable project development. Also, availability of land at the optimum price which the market can absorb is becoming scarce. In order to address these concerns, your Company has adopted the conscious policy of developing residential projects at suburbs close to the IT Corridor to the south of Chennai. The sluggish growth of the economy has also considerably affected the purchasing power and the aggregate demand for the residential flats in the city and its suburbs.

**E. Outlook**

The demand for housing being the basic necessity is still there in substantial quantum. However, the builders are unable to fully meet this demand due to prevalence of high price at which the end product could be marketed due to persistent high price of land and building materials. The Chennai city and its suburbs are steadily expanding and developing due to industrial activities and proliferation of information technology hub. In view of the large extent of unmet demand for residential units amongst the large section of working class population, the demand for residential units is bound to be always there. Your Company is conscious of this and it has devised plans to capitalize on the situation by constantly striving to balance its operations and costs so that it could offer its products at a competitive price affordable to the buyers.

**F. Internal Control Systems**

Your company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from un-authorised use or disposition.

**G. Human resources and industrial relations**

Your company has well qualified and experienced technical, financial and administrative staff to cater to its business requirements. The relations with the employees of the company remained cordial throughout the year.

None of the employees are in receipt of remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956.

***CORPORATE GOVERNANCE***

Your Company has materially complied with the requirements of Corporate Governance Code as prescribed under the revised Clause 49 of the Listing Agreement. A report on Corporate Governance is annexed and it forms part of this report.

***DIRECTORS***

The Directors Mr S Ramalingam, Mr R Subrahmanian and Mr Narendra Sakariya will be retiring by rotation at the ensuing Annual General Meeting and they being eligible are offering themselves for reappointment.

***AUDITORS***

M/s Sanjay Bhandari & Co, Chartered Accountants, Chennai will be retiring at the ensuing Annual General Meeting and, being eligible, are offering themselves for reappointment.

***CONSERVATION OF ENERGY, ETC***

As the Company is basically a construction company, the Provisions of Sec. 217 (1) (e) of the Companies Act, 1956 so far as the information relating to conservation of energy and technology absorption is not applicable to the Company. The Company has not earned any revenue in foreign exchange and it has also not incurred any expenditure in foreign currency.

***DIRECTORS' RESPONSIBILITY STATEMENT***

Your Directors' state that :

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the profit and loss account of the company for that period.



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- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) the directors had prepared the annual accounts on a going concern basis.

***ACKNOWLEDGEMENT***

Your Directors take this opportunity to thank the various Governmental authorities, the Company's Bankers Bank of Baroda, HDFC Bank Limited, Tamilnad Mercantile Bank Limited and all the customers, suppliers and contractors who have supported the efforts of the Company at every critical stage.

Your Directors also wish to place on record the dedicated services rendered by the employees of the Company at all levels.

By order of the Board  
for and on behalf of the Board of Directors

**S. RAMALINGAM**  
*Chairman*

Place : Chennai  
Dated : 30th May 2013

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***CERTIFICATE******TO THE MEMBERS OF NARENDRA PROPERTIES LIMITED,***

We have examined the compliance of conditions of Corporate Governance by M/s. Narendra Properties Limited, for the year ended March 31st, 2013, as stipulated in clause 49 of the Listing Agreement entered into by the Company with stock exchanges.

The compliance of Corporate Governance is the responsibility of the management. Our responsibility was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

for **SANJAY BHANDARI & CO.,**  
*Chartered Accountants*  
FRN: 003568S

Place : Chennai  
Dated : 30th May 2013

**SANJAY BHANDARI**  
*Partner, Membership No.200/28112*

***A REPORT ON CORPORATE GOVERNANCE***  
***(As required under Clause 49 of the Listing Agreement)*****I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The company is in the business of building construction for residential/commercial purposes. As a public listed company in India, it scrupulously adheres to the requirements of the listing agreements executed with the Stock Exchanges. The Company has complied, in all material respects, with the requirements of Corporate Governance as specified in the listing agreement.

**II. BOARD OF DIRECTORS**

- i. The Company has a Non-Executive Chairman. The Company's Board comprises nine Directors of whom four are Independent Directors (44%) and five are Non-Independent Directors (56%). The number of Non-Executive Directors is seven (78%). The composition of the Board is in conformity with Clause 49 of the Listing Agreement.
- ii. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the Companies in which he/she is a Director. Necessary disclosures regarding Directorship / Committee positions held by the Directors in other public companies as at 31<sup>st</sup> March 2013 have been made by the Directors.

- iii. The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below.

S. No.	Name of the Director	Promoter/ Non-promoter	Relationship with other Directors	Executive/ Non-executive/ Independent	No. of Board Meetings attended	Last AGM attended (Yes/No)	No. of outside Director-ship(s) held	Member of Committees
1.	Mr S Ramalingam	Non-Promoter	Not related	Non-executive/ Independent	3	Yes	1	Nil
2.	Mr Narendra C Maher	Promoter	Related to Mr Chirag N Maher as his Father	Executive/ Non-Independent	5	Yes	2	Nil
3.	Mr Mahendra K Maher	Promoter	Not related	Non-executive/ Non-Independent	5	Yes	2	Nil
4.	Mr John K John	Non-promoter	Not related	Non-executive/ Independent	4	Yes	1	Nil
5.	Mr R Subrahmanian	Non-Promoter	Not related	Non-executive/ Independent	5	Yes	Nil	Nil
6.	Mr Chirag N Maher	Promoter	Related to Mr Narendra C Maher as his Son	Executive/ Non-Independent	5	Yes	Nil	Nil
7.	Mr Narendra Sakariya	Promoter	Related to Mr Nishank Sakariya as his Father	Non-executive/ Non-Independent	5	Yes	3	Nil
8.	Mr Chandrakant Udani	Non-promoter	Not related	Non-executive/ Independent	5	Yes	Nil	Nil
9.	Mr Nishank Sakariya	Promoter	Related to Mr Narendra Sakariya as his Son.	Non-executive/ Non-Independent	4	Yes	3	Nil

- iv. During the year ended 31<sup>st</sup> March 2013, 5 (Five) Board Meetings were held on 31<sup>st</sup> May 2012, 14<sup>th</sup> August 2012, 9<sup>th</sup> November 2012, 2<sup>nd</sup> January 2013, and 13<sup>th</sup> February 2013.

- v. The Notice and Agenda for the Board Meeting is sent to each of the Director at least a week in advance. The Managing Director as the Chief Executive Officer of the Company briefs the Board at every meeting on the overall performance of the Company. The Board reviews all the mandatory matters as prescribed under Clause 49 of the Listing Agreement every quarter.

### III. AUDIT COMMITTEE

- i. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement read with section 292A of the Companies Act, 1956.
- ii. The terms of reference of the Audit Committee are in line with the one prescribed under Clause 49 of the Listing Agreement.
- iii. In its meetings, the Audit Committee considered and reviewed matters relating to operational, financial and other business areas and also reviewed the quarterly results and annual results of the Company.
- iv. The previous Annual General Meeting was held on 24<sup>th</sup> September 2012 and it was attended by the Chairman of the Audit Committee.
- v. The Audit Committee of Directors met 4 (Four) times during the year on 31<sup>st</sup> May 2012, 14<sup>th</sup> August 2012, 9<sup>th</sup> November 2012 and 13<sup>th</sup> February 2013.
- vi. The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

S. No.	Name of the Director	Category	No. of Meetings held	No. of Meetings Attended
1.	Mr John K John	Chairman, Independent, Non-Executive	4	3
2.	Mr Mahendra K Maher	Non-Independent, Non-Executive	4	4
3.	Mr S Ramalingam	Independent, Non-Executive	4	3

### IV. REMUNERATION COMMITTEE

- i. The Remuneration Committee of Directors comprises of the following Directors as its Members:

S. No.	Name of the Director	Category	No. of Meetings held	No. of Meetings Attended
1.	Mr S Ramalingam	Chairman, Independent, Non-Executive	1	1
2.	Mr Mahendra K Maher	Non-Independent, Non-Executive	1	1
3.	Mr Narendra C Maher	Non-Independent, Executive	1	1

- ii. The Remuneration Committee met once during the year on 31<sup>st</sup> May 2012.
- iii. The terms of reference of the Remuneration Committee to review and recommend the remuneration payable to Executive and Non-Executive Directors.
- iv. The Company does not have any Employee Stock Option Scheme.

v. Details of the remuneration paid to the Directors for the year ended 31<sup>st</sup> March 2013 is given below:

S. No.	Name	Designation	Remuneration paid to Executive Directors (Rs.)	Remuneration paid to Non-Executive Directors (Rs.)	Sitting fees paid to Directors (Rs.)
1.	Mr S Ramalingam	Chairman	Nil	Nil	16000
2.	Mr Narendra C Maher	Managing Director	1462500	Nil	Nil
3.	Mr Mahendra K Maher	Director	Nil	Nil	29000
4.	Mr John K John	Director	Nil	Nil	18000
5.	Mr R Subrahmanian	Director	Nil	Nil	15000
6.	Mr Chirag N Maher	Director -Operations	650000	Nil	Nil
7.	Mr Narendra Sakariya	Director	Nil	Nil	15000
8.	Mr Chandrakant Udani	Director	Nil	343000	20000
9.	Mr Nishank Sakariya	Director	Nil	Nil	12000

vi. Details of shares of the Company held by Directors as on 31<sup>st</sup> March 2013 are as follows.

S.No.	Name of the Director	Designation	Equity Shares held
1.	Mr S Ramalingam	Chairman	500
2.	Mr Narendra C Maher	Managing Director	467200
3.	Mr Mahendra K Maher	Director	236600
4.	Mr John K John	Director	1000
5.	Mr R Subrahmanian	Director	100
6.	Mr Chirag N Maher	Director -Operations	47600
7.	Mr Narendra Sakariya	Director	960000
8.	Mr Chandrakant Udani	Director	Nil
9.	Mr Nishank Sakariya	Director	1400

vii. The Company has not issued any convertible debentures.

#### V. SHARE TRANSFER AND INVESTORS SHAREHOLDERS' GRIEVANCE COMMITTEE

i. The composition of the Share Transfer and Investor / Shareholders Grievance Committee and the details of meetings held and attended by the members of the Committee are given below:

S. No.	Name of the Director	Category	No. of Meetings held	No. of Meetings Attended
1.	Mr Mahendra K Maher	Chairman, Non-Executive, Non-independent	5	5
2.	Mr Narendra C Maher	Executive, Non- Independent	5	5
3.	Mr Chandrakant Udani	Non-Executive, Independent	5	5

ii. During the year ended 31<sup>st</sup> March 2013, 5 (Five) meetings were held on 16<sup>th</sup> April 2012, 31<sup>st</sup> May 2012, 14<sup>th</sup> August 2012, 9<sup>th</sup> November 2012 and 11<sup>th</sup> March 2013.

iii. The terms of reference of the Committee are to approve the Share Transfers / Transmission, to take on record dematerialization of shares, to approve splits, consolidation of share certificates, and to review the complaints from shareholders and investors and take on record the steps taken to resolve the same.

- iv. Name, Designation and address of Compliance Officer is given below:

Mr Narendra C Maher  
 Managing Director  
 Narendra Properties Limited  
 Regd Off: Wellington Estate,  
 2A, III Floor, 53, (Old No. 24), Ethiraj Salai,  
 Chennai-600105  
 Tel: 044-28267171; 28269933

- v. Details of complaints received and redressed are given below:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

## VI. GENERAL BODY MEETINGS

- i. The location, date and time where last three AGMs held are furnished below:

Year	Location	Date	Time
2011-12	2A, 3rd Floor, Wellington Estate, No.53 (Old No.24), Ethiraj Salai, Chennai-600105	24.09.2012	9.00 A.M.
2010-11	111, Lattice Bridge Road, Chennai-600041	28.09.2011	9.00 A.M.
2009-10	111, Lattice Bridge Road, Chennai-600041	29.09.2010	9.00 A.M.

- ii. The details of Special Resolutions passed at the previous three AGMs are furnished below:

AGM held on	Details of Special Resolution passed	Reference to provisions of Companies Act, 1956
24.09.2012	Nil	N.A.
28.09.2011	Nil	N.A.
29.09.2010	Nil	N.A.

- iii. No resolution was passed through postal ballot during the year ended 31<sup>st</sup> March 2013.  
 iv. No resolution is proposed to be passed through postal ballot during the year ending 31<sup>st</sup> March 2014.

## VII. DISCLOSURES

- i. Disclosures on materially significant related party transactions i.e Transaction of the company of material nature with its promoters, Directors or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

The disclosures relating to related party transactions as per AS18 is given in Note 23 : Significant Accounting Policies and Explanatory Statement – No. (3).

- ii. Details of non compliance by the company, penalties, strictures imposed on the Company by Stock exchange or SEBI or any statutory authority, on any matter related to capital market during the last three years :

None

- iii. The Board of Directors of the Company have adopted a suitable Code of Conduct to be adhered to by its Directors and Senior Management Personnel. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended 31<sup>st</sup> March 2013 and the Certificate furnished by the Managing Director in his capacity as the Chief Executive Officer of the Company is annexed to this report.
- iv. The Board of Directors have also laid down a comprehensive Code of Conduct for Prevention of Insider Trading applicable to its Board of Directors and Senior Management Personnel. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year ended 31<sup>st</sup> March 2013.
- v. The Company has adopted a Whistle Blower Policy and has established the necessary mechanism in line with clause 7 of Annexure ID to Clause 49 of the Listing Agreement, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.
- vi. The risk assessment and minimization procedures are in existence and the Board of Directors reviews the same at their quarterly meetings.
- vii. All the mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.
- viii. The Company has not fulfilled any of the non-mandatory requirements (other than constitution of Remuneration Committee) as prescribed in Annexure ID to Clause 49 of the Listing Agreement.

#### VIII. MEANS OF COMMUNICATION

- i. The quarterly and annual results are communicated to the Stock Exchange immediately after the Board Meeting where in it is approved.
- ii. The quarterly and annual results are also published in the news papers "Trinity Mirror" and "Makkal Kural".
- iii. A Management discussion and Analysis Statement is furnished in the Directors' Report which forms part of the Company's Annual Report.

#### IX. GENERAL SHAREHOLDER INFORMATION

- i. Annual General Meeting : 18TH Annual General Meeting  
Date : 22nd August 2013 (Thursday)  
Time : 9.00 A.M.  
Venue : 2A, 3rd Floor, Wellington Estate,  
No.53 (Old No.24), Ethiraj Salai, Chennai-600105
- ii. Financial year:  
Year ending : 31st March 2013  
AGM on : 22nd August 2013  
Dividend payment : The Board has not recommended any  
dividend for the year ended 31st March 2013
- iii. Date of book closure : From Friday, the 16th August 2013 to Thursday,  
the 22nd August 2013 (both days inclusive)
- iv. Listing on Stock Exchanges : Bombay Stock Exchange Limited
- v. Stock code : 531416  
ISIN No. : INE603F01012

- vi. Market price data : The details of share prices as traded on the Bombay Stock Exchange is furnished below:

Month	High (Rs.)	Low (Rs.)	No.of Shares	No.of Trades	Net T/O (Rs.)
April 2012	18.35	12.00	16925	123	263123
May 2012	14.26	10.09	3078	33	33597
June 2012	13.95	10.91	5198	37	65520
July 2012	12.90	11.71	690	9	8683
Aug 2012	13.12	11.10	4510	53	54744
Sept 2012	13.73	11.20	2486	113	29161
Oct 2012	13.60	11.43	8240	73	100190
Nov 2012	13.84	12.56	350	7	4600
Dec 2012	14.75	12.50	97	13	1328
Jan 2013	14.15	11.25	3413	66	39644
Feb 2013	14.00	10.84	1350	77	16194
Mar 2013	14.90	12.26	93	17	1168

Source: Website of The Stock Exchange, Mumbai (i.e. [www.bseindia.com](http://www.bseindia.com))

- vii. Registrar & Transfer Agent : The Company has appointed the following RTA as common agency for handling all share transfer and dematerialization operations:

M/s. Cameo Corporate Services Limited  
 Subramanian Building  
 1, Club House Road,  
 Chennai-600002  
 Tel: 044-28460390-91-92

- viii. Share Transfer System : As on 31<sup>st</sup> March 2013, a total of 6825700 equity shares representing 96.05% of the paid up share capital of the Company are held in electronic form. Transfer of shares held in electronic form are done through the depositories with no involvement of the Company.

As on 31<sup>st</sup> March 2013, a total of 280700 equity shares representing 3.95% of the paid up equity share capital of the Company are held in physical form. The shares in the physical form are normally transferred within a period of 15-30 days from the date of receipt if the documents are complete in all respects.



ix. Distribution of shareholding

a. Distribution of shareholding as on 31<sup>st</sup> March 2013 is furnished below:

Category	No. of Shareholders	% of Total	Nominal Amount (Rs.)	% of Total
Less than Rs 5000	1308	77.30	2604450	3.66
Rs 5001 – 10000	203	12.00	1597250	2.25
Rs 10001 – 20000	57	3.37	860340	1.21
Rs 20001 – 30000	32	1.89	819200	1.15
Rs 30001 – 40000	17	1.00	619270	0.87
Rs 40001 – 50000	9	0.53	435990	0.61
Rs 50001 – 100000	21	1.24	1613830	2.27
Above Rs 100000	45	2.66	62513670	87.97
<b>Total</b>	<b>1692</b>	<b>100.00</b>	<b>71064000</b>	<b>100.00</b>

b. Categories of shareholders as on 31<sup>st</sup> March 2013 is furnished below:

Category	No. of Shares	%
Promoters holdings	4975000	70.007
Corporate Bodies	79346	1.117
Indian Public	2052054	28.876
<b>Total</b>	<b>7106400</b>	<b>100.000</b>

- x. Dematerialisation of shares and liquidity : The Company's shares are traded in dematerialized form and are available for dematerialization through National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL). A total of 6825700 Equity shares of the Company representing 96.05% of the Company's paid-up equity share capital are dematerialized as on March 31, 2013. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 603F01012
- xi Outstanding GDRs/ADRs : The Company has so far not issued any GDRs/ADRs/Warrants or any convertible instruments.
- xii. Plant locations : The Company being a construction company does not have any plant or manufacturing facilities.
- xiii. Address for correspondence : Registered Office:  
2A, III Floor, Wellington Estate,  
53, (Old No.24), Ethiraj Salai, Chennai-600105  
For transfer of shares , dematerialisation, change of address, etc.,  
to: CAMEO CORPORATE SERVICES LIMITED  
Subramanian Building, No.1, Club House Road, Chennai-600002

CHENNAI  
DATED: 30th MAY 2013

**NARENDRA C MAHER**  
MANAGING DIRECTOR

**CEO CERTIFICATION:**

I, NARENDRA C MAHER, Managing Director, hereby certify that:

- (a) I had reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2013 and that to the best of my knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and I had evaluated the effectiveness of the internal control system of the company and I had disclosed to the Auditors and the Audit Committee, deficiencies in the design and operation for internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I had indicated to the Auditors and the Audit Committee:
  - 1. Significant change in internal control during the year, wherever applicable;
  - 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements wherever applicable: and
  - 3. Instances of significant fraud of which we became aware or the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

**NARENDRA C MAHER**

*MANAGING DIRECTOR*

CHENNAI

DATED: 30th May 2013

**MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT**

As required by Clause 49 of the Listing Agreement the Managing Director's Declaration on compliance of the Code of Conduct is given below:

To

The Members of

NARENDRA PROPERTIES LIMITED

I, Narendra C Maher, Managing Director of the Company, hereby declare that all Board Members and Senior Managerial Personnel have affirmed their compliance with the Code of Conduct.

**NARENDRA C MAHER**

*MANAGING DIRECTOR*

CHENNAI

DATED: 30th May 2013

**SANJAY BHANDARI & CO.**  
*Chartered Accountants*

824, E.V.R. Periyar Road, Kilpauk,  
Chennai - 600 010.

***INDEPENDENT AUDITOR'S REPORT***  
***TO THE MEMBERS OF M/S. NARENDRA PROPERTIES LIMITED***

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of **Narendra Properties Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2013 and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We 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. An audit also includes evaluating the appropriateness of accounting policies 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 audit opinion.

**OPINION**

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

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

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Companies [Auditors Report] Order 2003, issued by the Government of India in terms of Sub 4(a) of Section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to information and explanations given to us we set out in the annexure a statement on the matters specified in paragraph 4 & 5 as applicable, of the said 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

for **SANJAY BHANDARI & CO.,**  
*Chartered Accountants*  
FRN: 003568S

Place : Chennai  
Dated : 30th May 2013

**SANJAY BHANDARI**  
*Partner, Membership No.200/28112*

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**ANNEXURE TO THE AUDITORS' REPORT**

[Referred to in Paragraph 1 – Report on Other Legal and Regulatory Requirements of the Auditors' Report of even date to the members of Narendra Properties Limited on the financial statements for the year ended March 31, 2013]

**1. FIXED ASSETS**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. There was no major disposal of fixed assets during the year.

**2. INVENTORIES**

- a. The inventory has been physically verified by the management in a phased manner during the year. In our opinion, the frequency of such verification is reasonable.
- b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

**3. LOANS**

- a. As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub clause (b), (c) and (d) are not applicable.
- b. As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, sub-clause (f) and (g) are not applicable. Furthermore, the Company has been regular in repaying the principal amounts as stipulated and has been regular in the payment of interest, having promptly repaid the amounts outstanding at the beginning of the year with interest.

**4. INTERNAL CONTROL**

In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.

**5. CONTRACTS & ARRANGEMENTS**

- a. In our opinion and based on the examination of the records of the Company, the particulars of the contracts / arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year, have been made at prices, which are prima facie, reasonable having regard to the prevailing market prices at the relevant time.

**6. PUBLIC DEPOSITS**

The Company has not accepted deposits from the Public within the meaning of Section 58A and 58AA of the Companies Act, 1956, and the Rules framed there under.

**7. INTERNAL AUDIT SYSTEM**

In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.

**8. COST RECORDS**

We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

**9. STATUTORY DUES**

- a. As per the records of the company, the company is generally regular in depositing with the appropriate authorities undisputed statutory dues such as Income-tax, Sales-tax, Service Tax and Wealth Tax. The provisions relating to excise and customs duty are not applicable to the company.
- b. According to the records of the company, and the information and explanations given to us, undisputed amounts payable in respect of income-tax, wealth-tax, service tax, sales-tax, service tax and other undisputed statutory dues outstanding, at the year end, for a period of more than six months from the date they became payable are NIL.

**10. ACCUMULATED LOSSES**

The Company has no accumulated losses as at March 31, 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

**11. LIABILITY TO BANKS & FINANCIAL INSTITUTIONS**

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank.

**12. LOANS ON PLEDGING OF SHARES ETC.**

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not taken any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

**13. APPLICABILITY OF PROVISIONS OF SPECIAL STATUTE OF CHIT FUNDS**

The Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

**14. DEALING IN SHARES & SECURITIES**

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 (as amended) are not applicable to the Company. However, investments are made out of Surplus funds available with the company on a Long Term Basis from time to time.

**15. GUARANTEE**

Based on our audit procedures and as per the information and explanations given by the management, the Company has not given any guarantee for loans taken by others, from banks or financial institutions during the year.

**16. LONG TERM LOANS**

The Company did not have any outstanding term loans at the beginning of the year and has not taken any fresh term loans during the year covered by our audit.

**17. FUNDS UTILISATION**

According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

**18. PREFERENTIAL ALLOTMENT OF SHARES**

The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

**19. DEBENTURES**

The Company has not issued any debentures during the year.

**20. PUBLIC ISSUE**

The company has not made any public issue of shares during the year.

**21. FRAUDS**

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

for **SANJAY BHANDARI & CO.,**  
*Chartered Accountants*  
FRN: 003568S

Place : Chennai  
Dated : 30th May 2013

**SANJAY BHANDARI**  
*Partner, Membership No.200/28112*

**BALANCE SHEET AS AT 31st MARCH, 2013***(All amounts are in Indian rupees unless otherwise stated)*

	Note No.	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	7,10,64,000	7,10,64,000
(b) Reserves and surplus	2	19,93,46,560	19,17,08,604
		<u>27,04,10,560</u>	<u>26,27,72,604</u>
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings		—	—
(b) Deferred tax liabilities (net)	23(3)(5)	1,91,910	2,09,419
(c) Other long-term liabilities	3	2,50,927	30,56,918
(d) Long-term provisions		—	—
		<u>4,42,837</u>	<u>32,66,337</u>
<b>3 Current liabilities</b>			
(a) Short-term borrowings	4	27,800	27,800
(b) Trade payables	5	46,325	1,25,306
(c) Other current liabilities	6	20,738	14,376
(d) Short-term provisions	7	2,34,01,251	2,11,27,635
		<u>2,34,96,114</u>	<u>2,12,95,117</u>
<b>TOTAL</b>		<u>29,43,49,512</u>	<u>28,73,34,058</u>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	8	22,76,067	24,25,702
		<u>22,76,067</u>	<u>24,25,702</u>
(b) Non-current investments	9	30,000	30,000
(c) Long-term loans and advances	10	9,41,26,707	2,15,36,790
(d) Other non-current assets	11	—	1,13,766
		<u>9,41,56,707</u>	<u>2,16,80,556</u>
<b>2 Current assets</b>			
(a) Current investments	12	—	1,97,95,027
(b) Inventories	13	9,17,70,522	9,11,45,266
(c) Trade receivables	14	10,500	6,57,500
(d) Cash and cash equivalents	15	63,81,742	1,76,04,180
(e) Short-term loans and advances	16	9,97,53,975	13,40,25,826
		<u>19,79,16,739</u>	<u>26,32,27,799</u>
<b>TOTAL</b>		<u>29,43,49,512</u>	<u>28,73,34,058</u>
<b>Significant Accounting Policies &amp; Explanatory Statement</b>	23		

Note 23 is an integral part of these financial statements

for **SANJAY BHANDARI & CO.***Chartered Accountants**FRN: 003568S***SANJAY BHANDARI***Partner, Membership No.200/28112*

Place : Chennai

Dated : 30th May, 2013

For and on behalf of the Board of Directors

**NARENDRA C. MAHER***Managing Director***MAHENDRA K. MAHER***Director*



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2013**

(All amounts are in Indian Rupees unless otherwise stated)

Particulars	Note No.	As at 31.03.2013 Rs.	As at 31.03.2012 Rs.
<b>CONTINUING OPERATIONS</b>			
Revenue from operations (net)	17	—	41,700
Other income	18	<u>1,90,64,360</u>	<u>2,37,49,373</u>
<b>Total revenue (1+2)</b>		<b><u>1,90,64,360</u></b>	<b><u>2,37,91,073</u></b>
<b>Expenses</b>			
(a) Cost of materials consumed	19	<u>6,25,255</u>	5,75,722
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade		<u>(6,25,255)</u>	(5,75,722)
(c) Employee benefits expense	20	<u>33,83,860</u>	32,65,592
(d) Finance costs	21	<u>1,046</u>	330
(e) Depreciation and amortisation expense	8	<u>3,55,420</u>	3,30,906
(f) Other expenses	22	<u>45,32,181</u>	<u>26,81,204</u>
<b>Total expenses</b>		<b><u>82,72,508</u></b>	<b><u>62,78,031</u></b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		<b><u>1,07,91,852</u></b>	<b><u>1,75,13,042</u></b>
Exceptional items		<u>5,886</u>	<u>3,050</u>
<b>Profit / (Loss) before extraordinary items and tax</b>		<b><u>1,07,97,738</u></b>	<b><u>1,75,16,092</u></b>
Extraordinary items		<u>—</u>	<u>—</u>
<b>Profit / (Loss) before tax</b>		<b><u>1,07,97,738</u></b>	<b><u>1,75,16,092</u></b>
<b>Tax expense:</b>			
(a) Current tax expense for current year		<u>31,77,291</u>	46,99,313
(b) Deferred tax		<u>(17,509)</u>	(4,588)
		<u>31,59,782</u>	46,94,725
<b>Profit / (Loss) for the year</b>		<b><u>76,37,956</u></b>	<b><u>1,28,21,367</u></b>
<b>Earnings per share (face value of Rs.10/- each)</b>			
(a) Basic		1.07	1.80
(b) Diluted	23(3)(4)	1.07	1.80

**Significant Accounting Policies & Explanatory Statements 23**

Note 23 is an integral part of these financial statements

for **SANJAY BHANDARI & CO.***Chartered Accountants**FRN: 003568S***SANJAY BHANDARI***Partner, Membership No.200/28112*

Place : Chennai

Dated : 30th May, 2013

For and on behalf of the Board of Directors

**NARENDRA C. MAHER***Managing Director***MAHENDRA K. MAHER***Director*

*Notes forming part of the financial statements*

**Note 1 Share capital**

Particulars	As at 31 March, 2013		As at 31 March, 2012	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	75,00,000	7,50,00,000	75,00,000	7,50,00,000
(b) Issued				
Equity shares of Rs. 10/- each with voting rights	72,00,000	7,20,00,000	72,00,000	7,20,00,000
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	72,00,000	7,20,00,000	72,00,000	7,20,00,000
(d) Forfeited Shares				
Equity shares of Rs. 10/- each	93,600	(9,36,000)	93,600	(9,36,000)
<b>Total</b>	<b>71,06,400</b>	<b>7,10,64,000</b>	<b>71,06,400</b>	<b>7,10,64,000</b>

**NOTE : Terms and rights attached to equity shares**

a) The company has only one class of equity shares having value of Rs.10 each

b) Each holder of equity shares is entitled to one vote per share

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

Particulars	Opening Balance	Closing Balance
Equity shares with voting rights		
Year ended 31 March, 2013		
- Number of shares	71,06,400	71,06,400
- Amount (Rs)	7,10,64,000	7,10,64,000
Year ended 31 March, 2012		
- Number of shares	71,06,400	71,06,400
- Amount (Rs)	7,10,64,000	7,10,64,000

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

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Narendra Sakariya	9,60,000	13.51	9,60,000	13.51
Jeevi Bai	7,99,700	11.25	7,99,700	11.25
Megh Sakariya International P Ltd (Formerly Sakariya Finance P Ltd)	6,73,400	9.48	6,73,400	9.48
Navin C Maher	6,80,000	9.57	6,80,000	9.57
Navin Maher	5,48,100	7.71	5,48,100	7.71
Other - Promoter Group	13,13,800	18.48	13,13,800	18.48
Other - Public	21,31,400	30.00	21,31,400	30.00
	<b>71,06,400</b>	<b>100.00</b>	<b>71,06,400</b>	<b>100.00</b>

(ii) Details of forfeited shares

Class of shares	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Amount originally paid up Rs.	Number of shares	Amount originally paid up Rs.
Equity shares with voting rights	93,600	9,36,000	93,600	9,36,000

**Note 2 Reserves and Surplus**

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs	Rs
(a) General reserve		
Opening balance	99,00,000	99,00,000
Add: Transferred from surplus in Statement of Profit and Loss		
Less: Utilised / transferred during the year for:		
Issuing bonus shares	—	—
Others (give details)	—	—
Closing balance	99,00,000	99,00,000
(b) Other reserves (Share Forfeiture Account)		
Opening balance	5,84,500	5,84,500
Add: Additions / transfers during the year	—	—
Less: Utilisations / transfers during the year	—	—
Closing balance	5,84,500	5,84,500
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	18,12,24,104	16,84,02,737
Add: Profit / (Loss) for the year	76,37,956	1,28,21,367
Closing balance	18,88,62,060	18,12,24,104
<b>Total</b>	<b>19,93,46,560</b>	<b>19,17,08,604</b>

**Note 3 Other long-term liabilities**

(a) Trade Payables:		
(i) Acceptances	2,11,632	30,12,443
(b) Others:		
(i) Advances from customers	39,295	44,475
<b>Total</b>	<b>2,50,927</b>	<b>30,56,918</b>

**Note 4 Short-term borrowings**

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs	Rs
(a) Other loans and advances		
Unsecured	27,800	27,800
<b>Total</b>	<b>27,800</b>	<b>27,800</b>

**Note 5 Trade payables**

Trade payables:

Acceptances	46,326	1,25,306
<b>Total</b>	<b>46,326</b>	<b>1,25,306</b>

**Note 6 Other current liabilities**

Other payables

Statutory remittances (Contributions to PF and ESIC,

Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)

	20,737	14,376
<b>Total</b>	<b>20,737</b>	<b>14,376</b>

**Note 7 Short-term provisions**

(a) Provision - Others:

(i) Provision for tax	2,33,37,010	2,01,59,719
(ii) Provision - others		
Outstanding Liabilities	64,241	9,67,916
<b>Total</b>	<b>2,34,01,251</b>	<b>2,11,27,635</b>

**Note 8 : Fixed Assets and Depreciation**

Sl. No.	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		As at 1.4.2012 Rs.	Additions Rs.	Deletions Rs.	As at 31.3.2013 Rs.	As at 1.4.2012 Rs.	On Adj/ Deletion Rs.	For the Year Rs.	As at 31.3.2013 Rs.	As at 31.3.2012 Rs.	As at 31.3.2013 Rs.
1	Furniture & Fixtures	2,35,405	1,09,920	—	<b>3,45,325</b>	188,716	-5,885	16,636	<b>1,99,467</b>	46,689	<b>1,45,858</b>
2	Electrical Installations	1,10,546	—	—	<b>1,10,546</b>	70,796		5,251	<b>76,047</b>	39,750	<b>34,499</b>
3	Air Conditioners	3,62,417	55,680	63,950	<b>3,54,147</b>	2,31,451	-50,657	17,140	<b>1,97,934</b>	1,30,966	<b>1,56,213</b>
4	Office Equipments	1,35,939	31,375	61,111	<b>1,06,203</b>	97,697	-47,979	5,207	<b>54,925</b>	38,242	<b>51,278</b>
5	Centering Materials	8,38,333	—	—	<b>8,38,333</b>	5,97,751		39,821	<b>6,37,572</b>	2,40,582	<b>2,00,761</b>
6	Computer	4,41,583	29,350	—	<b>4,70,933</b>	3,78,568		28,273	<b>4,06,841</b>	63,015	<b>64,092</b>
7	Vehicles	25,20,346	—	—	<b>25,20,346</b>	7,18,111		2,39,433	<b>9,57,544</b>	18,02,235	<b>15,62,802</b>
8	Mobile Phones	72,050	—	—	<b>72,050</b>	11,656		3,422	<b>15,078</b>	60,394	<b>56,972</b>
9	Water Cooler	5,000	—	—	<b>5,000</b>	1,171		238	<b>1,409</b>	3,829	<b>3,591</b>
	TOTAL Rs.	47,21,619	2,26,325	1,25,061	<b>48,22,883</b>	22,95,917	-1,04,521	3,55,420	<b>25,46,816</b>	24,25,702	<b>22,76,067</b>
	As at 31.03.2012	34,03,718	13,17,901	—	<b>47,21,619</b>	19,68,061	3,050	3,30,906	<b>22,95,917</b>	14,35,657	<b>24,25,702</b>

NOTE : Depreciation on Fixed Assets has been provided on SLM Basis as per Schedule XIV of the Companies Act, 1956

**Note 9 Non-current investments**

PARTICULARS	As at 31st March, 2013			As at 31st March, 2012		
	Quoted Rs	Unquoted Rs	Total Rs	Quoted Rs	Unquoted Rs	Total Rs
Investments (At cost):						
A. Trade						
Investment in equity instruments						
3,000 Equity Shares of Rs 10/- each fully paid up in Cethar Industries Ltd	—	30,000	30,000	—	30,000	30,000
<b>Total - Trade (A)</b>	—	30,000	30,000	—	30,000	30,000

**Note 10 Long-term loans and advances**

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs	Rs
(a) Security deposits - Unsecured, considered good	7,05,55,215	2,54,026
(b) Advance income tax/TDS receivable	2,29,90,805	2,04,54,267
(c) Balances with government authorities		
Unsecured, considered good		
(i) VAT credit receivable	15,971	15,971
(ii) Service Tax credit receivable	4,98,816	4,36,027
	<u>5,14,787</u>	<u>4,51,998</u>
(d) Other loans and advances		
Unsecured, considered good	65,900	3,76,499
<b>Total</b>	<u>9,41,26,707</u>	<u>2,15,36,790</u>

**Note 11 Other non-current assets**

(a) Long-term trade receivables	—	1,13,766
Unsecured, considered good		
<b>Total</b>	<u>—</u>	<u>113,766</u>

**Note 12 Current investments**

PARTICULARS	As at 31st March, 2013			As at 31st March, 2012		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs	Rs	Rs	Rs	Rs	Rs
(a) Investment in mutual funds						
Birla Sunlife Cash Manager	—	—	—	1,04,80,928	—	1,04,80,928
L & T Ultra Short -Term Fund	—	—	—	93,14,099	—	93,14,099
<b>Total</b>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,97,95,027</u>	<u>—</u>	<u>1,97,95,027</u>

**Note 13 Inventories**

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(a) Stock-in-trade (acquired for trading)		
Work-in-progress	31,75,650	30,76,416
Land	8,80,68,850	8,80,68,850
Work-in-progress (Melody Centre Point)	5,26,021	—
<b>Total</b>	<b>9,17,70,521</b>	<b>9,11,45,266</b>

**Note 14 Trade receivables**

Other Trade receivables		
Unsecured, considered good	10,500	6,57,500
<b>Total</b>	<b>10,500</b>	<b>6,57,500</b>

**Note 15 Cash and cash equivalents**

(a) Cash on hand	12,919	5,786
(b) Balances with banks		
(i) In current accounts	61,11,334	1,73,48,394
(ii) In deposit accounts	2,57,489	2,50,000
<b>Total</b>	<b>63,81,742</b>	<b>1,76,04,180</b>

**Note 16 Short-term loans and advances**

(a) Others - Loan		
Unsecured, considered good	2,97,36,250	13,40,00,540
(b) Advance for property*	7,00,00,000	—
Unsecured, considered good		
(c) Prepaid Expenses - Unsecured, considered good	17,725	25,286
<b>Total</b>	<b>9,97,53,975</b>	<b>13,40,25,826</b>

\* Note

**Note 16(b) : Details of Related Party Transactions**

Name	Nature of Transaction	As at 31 March, 2013	As at 31 March, 2012
Ankur Foundations Private Limited	Advance for purchase of property	7,00,00,000	—

**Note 17 Revenue from operations**

Particulars	As at 31 March, 2013	As at 31 March, 2012
	Rs.	Rs.
(a) Sale of garage	—	41,700
<b>Total</b>	<b>—</b>	<b>41,700</b>

**Note 18 Other income**

(a) Interest income (Refer Note below)*	1,07,16,048	2,06,88,664
(b) Dividend income: from current investments	8,88,127	30,31,886
(c) Net gain on sale of: current investments	50,86,099	28,823
(d) Other non-operating income	23,74,086	—
<b>Total</b>	<b>1,90,64,360</b>	<b>2,37,49,373</b>

**\*Note**

Interest income comprises:

Interest from banks on:

deposits	26,981	—
other balances	—	—
Interest on loans and advances	1,06,89,067	2,06,88,664
<b>Total</b>	<b>1,07,16,048</b>	<b>2,06,88,664</b>

**Note 19 Changes in inventories of finished goods, work-in-progress and stock-in-trade**

1 Inventories at the end of the year:		
Finished goods	8,80,68,850	8,80,68,850
Work-in-progress	31,75,650	30,76,416
Work-in-progress (Melody Centre Point)	5,26,021	—
	<b>9,17,70,521</b>	<b>9,11,45,266</b>
2 Inventories at the beginning of the year:		
Finished goods	8,80,68,850	8,80,68,850
Work-in-progress	30,76,416	25,00,694
Stock-in-trade	—	—
	<b>9,11,45,266</b>	<b>9,05,69,544</b>
<b>Net (increase) / decrease</b>	<b>6,25,255</b>	<b>5,75,722</b>

**Note 20 Employee benefits expense**

Salary	33,73,860	31,69,065
Staff welfare expenses	10,000	96,527
<b>Total</b>	<b>33,83,860</b>	<b>32,65,592</b>

**Note 21 Finance costs**

(a) Interest expense on:		
- Others (Bank Charges)	1,046	330
<b>Total</b>	<b>1,046</b>	<b>330</b>



**Note 22 Other expenses**

Particulars	For the year ended	For the year ended
	31 March, 2013	31 March, 2012
	Rs.	Rs.
Power and fuel	4,23,649	3,13,031
Rent including lease rentals	11,28,060	9,22,821
Repairs and maintenance - Others	2,73,544	91,162
Insurance	44,154	44,795
Rates and taxes	1,50,399	1,40,814
Communication	1,29,230	1,10,317
Travelling and conveyance	20,460	94,039
Printing and stationery	73,394	63,958
Legal and professional	4,59,854	5,76,124
Payments to auditors (Refer Note (i) below)	50,562	50,562
Sitting Fees	1,40,680	1,04,000
Miscellaneous expenses	4,01,206	1,69,582
Conference Expenses	3,59,463	—
Donation	10,000	—
Loss on sale of assets	20,925	—
Project Expenses	8,46,601	—
<b>Total</b>	<b>45,32,181</b>	<b>26,81,204</b>

**Notes:**

(i) Payments to the auditors comprises (exclusive of service tax)

Statutory audit	30,000	30,000
Other services	15,000	15,000
<b>Total</b>	<b>45,000</b>	<b>45,000</b>

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**NOTE: 23 SIGNIFICANT ACCOUNTING POLICIES AND EXPLANATORY STATEMENT****1. GENERAL INFORMATION**

Narendra Properties Limited ( "Narendra Properties" or "the Company" ) is a leading Chennai-based Real Estate giant. It is engaged in the business of commercial and residential property development as well as civil construction for over 40 years, and has developed over 2.5 million sq.ft area.

**2. SIGNIFICANT ACCOUNTING POLICIES****a. Basis of preparation of Financial Statements**

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the accounting standards specified in the Companies (Accounting Standards) Rules 2006, issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ('NACAS') and relevant provisions of Companies Act, 1956 ('the Act'), to the extent applicable.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**b. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**c. Revenue Recognition**

Revenue from services is recognised as per the terms of the contract with the customer using the proportionate completion method.

Income from fixed price construction contracts is recognised by reference to the estimated overall profitability of the contract under the percentage of completion method. Percentage of completion is determined as a proportion of the costs incurred up to the reporting date to the total estimated contract costs. Provision for expected loss is recognized immediately when it is probable that the total estimated contract costs will exceed total contract revenue.

Revenues under cost plus contracts are recognised as services are rendered on the basis of an agreed mark-up on costs incurred in accordance with arrangement entered.

Revenue recognition is postponed in circumstances when significant uncertainty with respect to collectability exists.

Maintenance revenue is considered on acceptance of the contract and is accrued over the period of the contract.

Dividend income is recognised when the right to receive the dividend is established.

Interest income is recognized on accrual or receipt, whichever is earlier.

**d. Fixed assets, Borrowing Costs and Depreciation**

Fixed assets are stated at cost of acquisition (including directly attributable costs such as freight, installation, taxes, duties etc.) or construction, or their corresponding revalued amounts less accumulated depreciation. Borrowing costs directly attributable to acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalised.

Depreciation is provided, based on the Straight Line Method ('SLM'). The depreciation rates prescribed in Schedule XIV to the Act are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid Schedule, depreciation is provided at a higher rate based on the management's estimate of useful life/ remaining life.

Assets costing less than Rs 5,000 are fully charged to the profit and loss account in the year of acquisition.

**e. Impairment**

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or cash generating unit. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost had no impairment been recognised.

**f. Investments**

Investments that are readily realizable and intended to be held but not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

The cost of investment includes acquisition costs such as brokerage, fees and duties.

**g. Inventories**

Inventories comprise Work-in-Progress on ongoing projects and Land held by the company as on the last day of the financial year. Work-in-Progress and Land are valued at actual cost.

**h. Income Taxes:**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

**i. Earnings per share**

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

**j. Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not provided for unless a reliable estimate of probable outflow to the company exists as at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates. Contingent assets are neither recognized nor disclosed in the financial statements.

### 3. EXPLANATORY STATEMENT

#### 1. Related Party Disclosures

##### List of Related Parties and their Relationships:

##### ASSOCIATES

No Associates as at 31st March, 2013

##### KEY MANAGEMENT PERSONNEL

Name	Designation
1. Narendra C Maher	Managing Director
2. Mahendra K Maher	Director
3. Chirag N Maher	Director
4. Narendra Sakariya	Director
5. Nishank Sakariya	Director
6. S Ramalingam	Chairman
7. R Subrahmanian	Director
8. John K John	Director
9. Chandrakant Udani	Director

##### Enterprises owned or Significantly influenced by KMP or Relatives

KMP/Relative	Enterprise	Nature of Relationship
1. Narendra C Maher	a. Ankur Foundations Pvt. Ltd.	Managing Director
	b. The Aluminium and Glassware Emporium	Partner
	c. Aluglass Electricals	Partner
	d. NPL Home Appliances P Ltd	Director
	e. Anjli Infra Housing LLP	Partner
	f. Jalarams	Partner
2. Mahendra K Maher	a. Ankur Foundations Pvt. Ltd.	Director
	b. The Aluminium and Glassware Emporium	Partner
	c. Aluglass Electricals	Partner
	d. NPL Home Appliances P Ltd	Director
	e. Anjli Infra Housing LLP	Partner
	f. Jalarams	Partner
3. Chirag N Maher	a. Anjli Investments	Partner
4. Narendra Sakariya	a. Madras Steels & Tubes	Proprietor
	b. Megh Sakariya International Pvt. Ltd.	Director
	c. Megh Promoters Pvt. Ltd.	Director
	d. Mohindra Finvest Pvt. Ltd.	Director
5. Nishank Sakariya	a. Megh Sakariya International Pvt. Ltd.	Director
	b. Megh Promoters P Ltd.	Director
	c. Mohindra Finvest Pvt. Ltd.	Director
	d. Murugan Steels & Tubes	Proprietor
	e. Anjli Foundations	Partner
	f. Silversky Builders LLP	Partner

**Transactions / Balances with Related Parties:**

Nature of Transaction	Amount (in Rs.)
<b>1. Director's Remuneration</b>	<b>21,12,500</b>
a. Narendra C Maher	14,62,500
b. Chirag N Maher	6,50,000
<b>2. Sitting Fees</b>	
a. Mahendra K Maher	29,000
b. Narendra Sakariya	15,000
c. Nishank Sakariya	12,000
d. Chandrakant Udani	20,000
e. S. Ramalingam	16,000
f. John K John	18,000
g. R. Subrahmanian	15,000
<b>3. Professional Charges Paid</b>	
a. Chandrakant Udani	3,43,000
<b>4. Advance towards purchase of Property</b>	
a. Ankur Foundations Private Limited	7,00,00,000

**Note:** Related Party Relationships are as identified by the Company and relied upon by the Auditors.

**2. Loans made to parties with no specific repayment schedule:**

Name	Balance as at March 31, 2013	Maximum amount outstanding during the year.
Prince Foundations Ltd	50,00,000	1,50,00,000
Karismaa Foundations P Ltd	1,26,68,750	1,25,00,000
Statco Infraprojects P Ltd	50,67,500	75,00,000
Vjayshanthi Builders Ltd	70,00,000	3,00,00,000

### 3. Leases

The Company leases office facilities under cancelable operating leases. The rental expense under cancelable operating lease during the period was Rs. 11,28,060/- (Previous Year - Rs. 922,821/).

Future minimum lease payments under the cancellable operating leases as at 31st March, 2013 are as follows:

Minimum Lease Payments	Amounts (in Rs.)
Payable - Not later than One Year	11,28,060
Payable - Later than One Year and not later than Five Years	45,12,240

The management is of the view that the rental for the Office Space is likely to remain the same over the next 3 Years.

### 4. Earnings per Share

Particulars	2013	2012
Profit after Tax (Net Profit attributable to Equity shareholders)	76,37,956	1,28,21,367
Weighted average number of Equity shares outstanding during the year	71,06,400	71,06,400
Basic and Diluted Earnings per share (Rupees)	1.07	1.80
Face Value per Share (Rupees)	10.00	10.00

### 5. Deferred Tax

Particulars	Amount (in Rs.)
Deferred Tax Liability as at 31st March, 2012	(2,09,419)
Less: Timing Difference on account of Depreciation	17,509
Deferred Tax Liability as at 31st March, 2013	(1,91,910)

In accordance with "Accounting Standard 22", the Company has recognised in the Statement of Profit & Loss a sum of Rs. 17,509/- as Deferred Tax Asset (Net) for the Year.

## 4. ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS

### 1. Auditors' Remuneration

Particulars	2012-2013	2011-2012
Statutory Audit	30,000	30,000
Tax Audit	15,000	15,000

**Note:** All amounts are stated exclusive of Service Tax.

## 2. Investments

Investments that are readily realizable and intended to be held but not more than a year are classified as current investments. All other investments are classified as long term investments.

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

The cost of investment includes acquisition costs such as brokerage, fees and duties.

## 3. Contingent Liabilities

Bank Guarantees (Previous Year – Rs. 2,50,000) – Rs. 2,50,000.

(Issued in favour of CMDA)

## 4. Unclaimed / Unpaid Dividend

Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed / unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Govt.

**The status of Dividend remaining unclaimed / unpaid is given hereunder:**

Financial Year	Rate (%)	Unclaimed Dividend	Dividend Declaration Date	Tentative Date to Transfer to IEPF
2005-2006	20%	1,65,400	27 <sup>th</sup> Sept 2006	3 <sup>rd</sup> Nov 2013
2006-2007	20%	1,31,400	27 <sup>th</sup> Sept 2007	3 <sup>rd</sup> Nov 2014
2007-2008	20%	1,22,442	26 <sup>th</sup> Sept 2008	2 <sup>nd</sup> Nov 2015

The above amounts do not form part of the Cash and Bank Balances available with the company and are held off the-Balance-Sheet in Unpaid Dividend Accounts.

5. Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date.

for **SANJAY BHANDARI & CO.**

*Chartered Accountants*

*FRN: 003568S*

**SANJAY BHANDARI**

*Partner, Membership No.200/28112*

Place : Chennai

Dated : 30th May 2013

For and on behalf of the Board

**NARENDRA C. MAHER**

*Managing Director*

**MAHENDRA K. MAHER**

*Director*



**CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2013**

	31.03.2013	31.03.2012
	Rs.	Rs.
<b>Cash flow from Operating Activities :</b>		
Net Profit before tax	1,07,97,738	1,75,13,042
Add/(Less) Adjustments		
Depreciation	3,55,420	3,30,906
Excess Depreciation reversed	(5,886)	—
Loss on sale of asset	20,925	—
<b>Operating profit before WC changes</b>	<u>1,11,68,197</u>	<u>1,78,43,948</u>
<b>Adjustments for:</b>		
Inventories	(6,25,255)	(5,75,722)
Long Term Loans & Advances	(7,38,89,917)	(77,56,186)
Trade Receivables	6,47,000	(2,94,845)
Other Current Assets	1,13,766	—
Other Long Term Liabilities	(28,05,991)	14,604
Short Term Borrowings	—	27,800
Other Current Liabilities	6,362	(2,461)
Trade Payables	(78,980)	76,457
Provision for Expenses	(9,03,675)	(8,11,874)
	<u>(7,75,36,690)</u>	<u>(93,22,227)</u>
<b>Cash generated from Operations</b>	<b>(6,63,68,493)</b>	85,21,721
Taxes Paid	(13,00,000)	(27,00,000)
Fringe Benefit Tax	—	—
<b>Net Cash from Operating activities : (A)</b>	<u><b>(6,50,68,493)</b></u>	<u>1,12,21,721</u>

NARENDRA PROPERTIES LIMITED



	31.03.2013	31.03.2012
	Rs.	Rs.
<b>Cash flow from Investing Activities :</b>		
Purchase of Fixed Assets	(2,26,325)	—
Sale Proceeds of Fixed Assets	5,500	(13,17,901)
Investment in Mutual Funds	1,97,95,027	5,74,01,414
<b>Net Cash used in Investing activities : ( B )</b>	<b>1,95,74,202</b>	<b>5,60,83,513</b>
<b>Cash flow from Financing Activities :</b>		
Short term loans & Advances	3,42,71,851	(5,20,18,286)
Loan Received	—	—
Repayment of Unsecured Loan	—	—
Interest on Loan	—	—
<b>Net Cash from Financing activities : ( C )</b>	<b>3,42,71,851</b>	<b>(5,20,18,286)</b>
<b>Net Inc / (Dec) in cash &amp; cash equivalents (A+B+C)</b>	<b>(1,12,22,440)</b>	<b>1,52,86,948</b>
<b>Cash &amp; cash equivalents ( Opening Balance )</b>	<b>1,76,04,180</b>	<b>23,17,233</b>
<b>Cash &amp; cash equivalents ( Closing Balance )</b>	<b>63,81,742</b>	<b>1,76,04,180</b>

This is the Cash Flow Statement referred to in our Report of even date.

for **SANJAY BHANDARI & CO.**

*Chartered Accountants*

*FRN: 003568S*

**SANJAY BHANDARI**

*Partner, Membership No.200/28112*

Place : Chennai

Dated : 30th May, 2013

For and on behalf of the Board

**NARENDRA C. MAHER**

*Managing Director*

**MAHENDRA K. MAHER**

*Director*



**NARENDRA PROPERTIES LIMITED**

Regd. Office: 2A, 3rd Floor, Wellington Estate, 53 (Old No.24), Ethiraj Salai, Chennai - 600 105.

**ATTENDANCE SLIP**

I hereby record my presence at the EIGHTEENTH ANNUAL GENERAL MEETING of the Company being held at No.2A, 3rd Floor, Wellington Estate, No.53 (Old No.24), Ethiraj Salai, Chennai - 600 105 at 9.00 AM on Thursday, the 22nd August, 2013.

..... Full Name of the member attending	..... Full Name of the Proxy
..... Signature of the member	..... Signature of the Proxy
..... Folio No.	..... No. of Shares held

Note: Members attending the meeting in person/proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

**NARENDRA PROPERTIES LIMITED**

Regd. Office: 2A, 3rd Floor, Wellington Estate, 53 (Old No.24), Ethiraj Salai, Chennai - 600 105.

**PROXY FORM**

I/We ..... of ..... being a member(s) of NARENDRA PROPERTIES LIMITED, hereby appoint ..... of ..... or failing him/her ..... of ..... as my/our proxy to vote for me/us on my/our behalf, at the Eighteenth Annual General Meeting of the Company to be held on Thursday, the 22nd August, 2013 at 9.00 AM at No.2A, 3rd Floor, Wellington Estate, No.53 (Old No.24), Ethiraj Salai, Chennai - 600 105 or at any adjournment thereof.

Signed this.....day of.....2013

Address:

Signature ..... 

One Rupee Revenue Stamp
-------------------------

 .....

Folio No..... No. of Share(s) held .....

- Note:
1. The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
  2. Proxy need not be a member.

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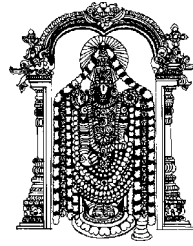
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53 (Old No.24), Ethiraj Salai, Chennai - 600 105.



**EIGHTEENTH ANNUAL REPORT**  
**2012 - 2013**



**NARENDRA PROPERTIES LIMITED**

2A, 3rd Floor, Wellington Estate  
53 (Old No.24), Ethiraj Salai, Chennai - 600 105.