

॥ अहिंसा परमो धर्मः ॥



T. N. Gala & Associates
CHARTERED ACCOUNTANTS

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

Independent Auditor's Report

To the Members of Arihant Aashiyana Private Limited

Report on the Financial Statements

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

Management's responsibility for the Financial Statements

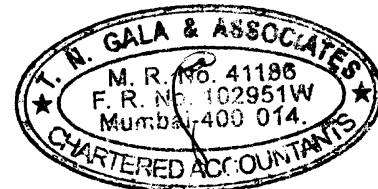
Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in the accordance with Accounting Standard referred in sub-section (3C) of section 211 of the Companies Act of 1956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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of Financial Statements.

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



Opinion

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

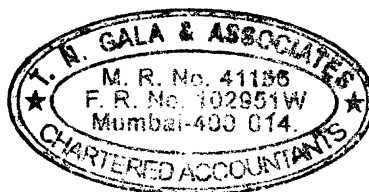
- i. in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2013;
- ii. In the case of the Statement of Profit & Loss, of the profit for the year ended on that date.
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.


Report on Other Legal and Regulatory Requirement

1. The Companies (Auditors' Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, is not applicable to the Company.
2. As required by section 227(3) of the Act ,we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper Books of Account, as required by Law have been kept by the Company so far as appears from our examination of books;
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of Account;
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards referred in sub- section (3C) of the Section 211 of the Companies Act, 1956; and
 - e) On the basis of the written representations received from the Directors as on 31 March 2013 and taken on record by the Board of Directors, and none of directors is disqualified as on 31 March 2013 from being appointed as Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

Place: Navi Mumbai
Date: 10.05.2013

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




Talakchand N. Gala
Proprietor
MRN: 41186

ARIHANT AASHIYANA PRIVATE LIMITED

BALANCE SHEET AS AT

	Notes	31-Mar-13	31-Mar-12
(Amount in Rs)			
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	100,000	100,000
(b) Reserves and surplus	4	160,843	74,753
		<u>260,843</u>	<u>174,753</u>
2 Non-current liabilities			
(a) Long-term borrowings	5	265,886,260	-
(b) Long Term Provisions	6	115,666	-
		<u>266,001,926</u>	<u>-</u>
3 Current liabilities			
(a) Short-term borrowings	5	82,110,331	102,324,923
(b) Trade payables	7	4,209,924	43,683,398
(c) Other current liabilities	7	22,145,969	238,722
(d) Short-term provisions	6	78,035	17,767
		<u>108,544,259</u>	<u>146,264,810</u>
TOTAL		<u>374,807,028</u>	<u>146,439,563</u>
II ASSETS			
1 Non-current assets			
(a) Tangible Assets	8	17,944	-
(b) Capital WIP	9	7,079,313	-
(c) Deferred tax assets (net)	10	40,810	7,292
(d) Long Term Loans and Advances	12	845,865	-
		<u>7,983,932</u>	<u>7,292</u>
2 Current assets			
(a) Inventories	17	15,456,504	2,263,603
(b) Cash and cash equivalents	11	238,129	3,944,560
(c) Short-term loans and advances	12	25,750	1,300,000
(d) Other current assets	13	351,102,713	138,924,108
		<u>366,823,096</u>	<u>146,432,271</u>
TOTAL		<u>374,807,028</u>	<u>146,439,563</u>

See accompanying notes to the financial statements

As per our report of even date

For T N Gala & Associates

Chartered Accountants

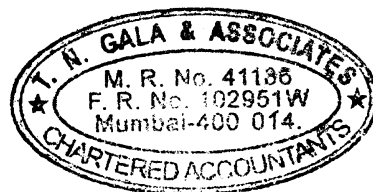
FRN: 102951W



Talakchand N. Gala

Proprietor

MRN: 41186



For & on behalf of the board



Director



Director

Place: Navi Mumbai

Date: 10.05.2013

Place: Navi Mumbai

Date: 10.05.2013



ARIHANT AASHIYANA PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED

(Amount in Rs)

	Notes	31-Mar-13	31-Mar-12
Income			
Revenue from operations	14	-	229,540
Other Income	15	207,643	-
Total Revenue		207,643	229,540
Expenses			
Cost of Construction , Land & Development Expenses	16	4,522,229	124,800
Changes in work-in-progress	17	(13,192,901)	(2,263,603)
Employee Benefit Expense	18	3,338,426	-
Finance costs	19	28,261	2,165,841
Depreciation	8	56	-
Other expenses	20	5,360,200	77,310
Total expenses		56,271	104,348
Profit / (Loss) before exceptional and extraordinary items and tax		151,372	125,192
Exceptional items		-	(17,010)
Profit / (Loss) before extraordinary items and tax		151,372	108,182
Extraordinary Items		-	-
Profit / (Loss) before tax		151,372	108,182
Tax expense:			
Current tax		98,800	40,721
Deferred tax Asset		(33,518)	(7,292)
Profit / (Loss) for the period		86,090	74,753
Earnings per equity share:	21		
(1) Basic		8.61	7.48
(2) Diluted		8.61	7.48
See accompanying notes to the financial statements			

As per our report of even date

For T N Gala & Associates

Chartered Accountants

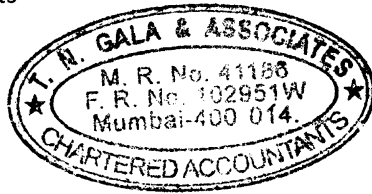
FRN: 102951W



Talakchand N. Gala

Proprietor

MRN: 41186



For & on behalf of the board



Director



Director

Place: Navi Mumbai

Date: 10.05.2013

Place: Navi Mumbai

Date: 10.05.2013



ARIHANT AASHIYANA PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED

	(Amount in Rs)	
	31-Mar-13	31-Mar-12
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	151,372	108,182
Add: <u>Non cash items</u>		
Preliminary expenses w/off	-	29,500
Gratuity Provision	115,666	-
Depreciation	56	-
Exceptional items	-	17,010
Operating Profit before working capital change	267,094	154,692
(Increase)/ decrease in trade & other receivable	(224,943,121)	(142,487,711)
Increase/ (decrease) in current liabilities & provision	(18,395,664)	43,882,621
NET CASH FLOW AFTER EXTARORDINARY ITEMS	A	(98,450,398)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets / Capital WIP	(7,097,313)	-
NET CASH USED FOR INVESTING ACTIVITIES	B	(7,097,313)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	-	-
Increase/(decrease) in unsecured loans	245,671,668	102,294,423
NET CASH FROM FINANCING ACTIVITIES	C	102,294,423
NET INCREASE IN CASH AND CASH EQUIVALENTS	A + B + C	3,844,025
CASH AND CASH EQUIVALENTS (OPENING BALANCE)	3,944,560	100,535
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	(552,776)	3,944,560
	(4,497,336)	3,844,025

As Per Report of Even Date

For T N Gala & Associates

Chartered Accountants

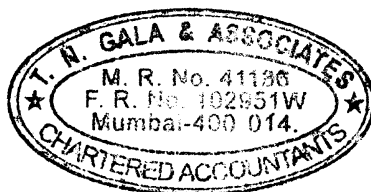
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Talakchand N. Gala

Proprietor

MRN: 41186



For and on behalf of the Board



Director



Director

Place: Navi Mumbai

Date: 10.05.2013

Place: Navi Mumbai

Date: 10.05.2013



ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1 CORPORATE INFORMATION

Arihant Aashiyana Private Limited (the company) is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged primarily in the business of Construction Contracts, Trading in Real Estate and Real Estate Development.

2 BASIS OF PREPARATION

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

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year

2.1 Summary of significant accounting policies

a Use of estimates

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

b Tangible fixed asset

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

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

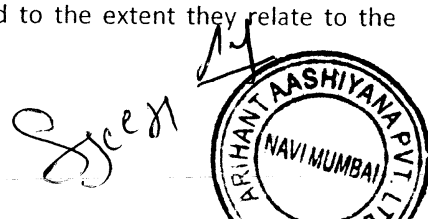
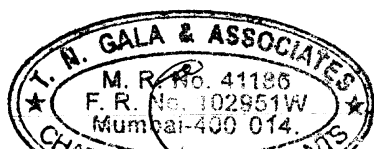
c Impairment of Assets

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

d Capital Work in Progress

Capital work in progress is stated at cost. Cost comprises of expenditure incurred in respect of capital projects under development and includes any attributable / allocable cost and other incidental expenses. Revenues earned, if any, before capitalisation from such capital project are adjusted against the capital work in progress.

Borrowing costs relating to acquisition / construction / development of capital work in progress which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.



ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

e Revenue recognition

In accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised 2012)" (Guidance note) all projects commencing on or after the said date or projects where revenue is recognised for the first time on or after the above date, construction revenue on such projects have been recognised on percentage of completion method provided the following thresholds have been met:

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

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

f Inventories

i. Construction materials and consumables

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

ii. Incomplete Projects / Construction work-in-progress

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

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

g Borrowing costs

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

h Employee Benefits

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

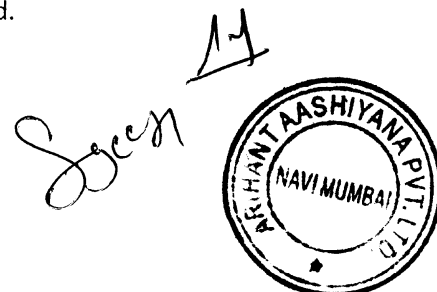
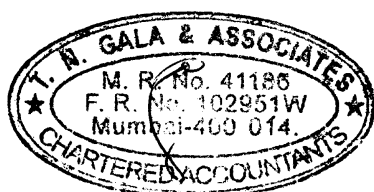
Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial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

i Taxation

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

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

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



ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

j Earnings Per Share

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

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.

k Provisions

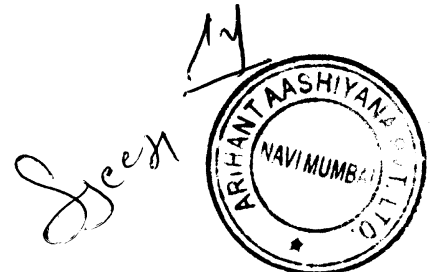
A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted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

l Contingent liabilities

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

m Cash and cash equivalents

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



ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

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

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

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

b. Terms / rights attached to equity shares

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

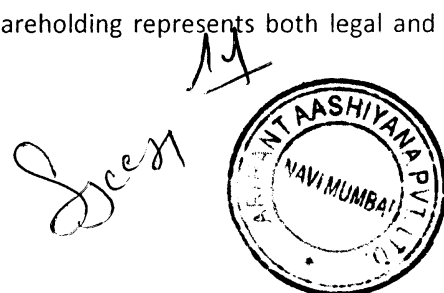
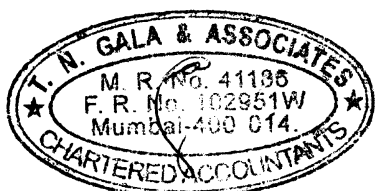
Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries / associates are as below:

	31-Mar-13	31-Mar-12
M/s Arihant Superstructures Limited, the holding company		
6,000 (31 March 2012: NIL) equity shares of Rs. 10 each fully paid	60,000	-

d. Details of shareholders holding more than 5% shares in the company

	31-Mar-13		31-Mar-12	
	No.	% holding in the class	No.	% holding in the class
Equity Shares of Rs. 10 each fully paid				
M/s Arihant Superstructures Limited	6,000	60.00%	-	0.00%
Mrs. Sujata Agarwal	1,175	11.75%	-	0.00%
Mrs. Sangeeta Chhajer	1,150	11.50%	500	5.00%
Mr. Akshay Agarwal	750	7.50%	-	0.00%
M/s Arihant Universal Realty Pvt Ltd	100	1.00%	5,100	51.00%
Mr. Ashok Chhajer	200	2.00%	3,900	39.00%
Mr. Lalit Bothra	-	0.00%	500	5.00%

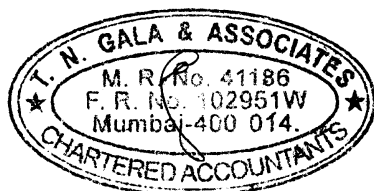
As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



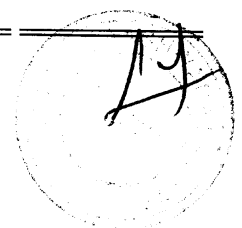
ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

		(Amount in Rs)			
		<u>31-Mar-13</u>		<u>31-Mar-12</u>	
4 RESERVES & SURPLUS					
Surplus / (deficit) in the statement of profit and loss					
Balance as per last financial statements profit for the year		74,753		-	
Profit for the year		86,090		74,753	
Less: Appropriations		-		-	
Total reserves and surplus		<u>160,843</u>		<u>74,753</u>	
5 BORROWINGS					
		<u>Long Term</u>		<u>Short Term</u>	
		<u>31-Mar-13</u>	<u>31-Mar-12</u>	<u>31-Mar-13</u>	<u>31-Mar-12</u>
Unsecured loan and advances from related parties (refer note 22)		265,886,260	-	82,110,331	102,324,923
		<u>265,886,260</u>	<u>-</u>	<u>82,110,331</u>	<u>102,324,923</u>
6 PROVISIONS					
		<u>Long Term</u>		<u>Short Term</u>	
		<u>31-Mar-13</u>	<u>31-Mar-12</u>	<u>31-Mar-13</u>	<u>31-Mar-12</u>
Provision for employee benefits					
Gratuity		115,666	-	-	-
Provision for Tax (net of TDS)		-	-	78,035	17,767
		<u>115,666</u>	<u>-</u>	<u>78,035</u>	<u>17,767</u>
7 TRADE PAYABLE & OTHER CURRENT LIABILITIES					
Trade payables (refer note 23 for details of dues to micro and small enterprises)				4,209,924	43,683,398
				<u>4,209,924</u>	<u>43,683,398</u>
Other liabilities					
Audit fees payable				15,169	11,236
Bookings (Aloki)				3,618,397	-
Bookings (Amisha)				15,549,097	-
Professional fees payable				-	5,618
Leave salary payable				33,123	-
Service tax payable (net of credit)				-	-
(Gross Payable	211,133				
Cenvat Credit unavailed	29,963				
Service Tax credit unavailed	195)			180,975	-
Retention				28,250	-
Other payable				382,191	-
Salary Payable				374,307	-
TDS payable				1,173,555	221,868
Bank balance current account with Federal Bank Ltd (Book OD)				790,905	-
				<u>22,145,969</u>	<u>238,722</u>
8 TANGIBLE ASSETS					
				<u>Plant & Equipments</u>	
Opening Balance				-	-
Add: Additions				18,000	-
Less: Depreciation @ 4.75%				56	-
Closing Balance				<u>17,944</u>	<u>-</u>



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ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

	(Amount in Rs)			
	<u>31-Mar-13</u>		<u>31-Mar-12</u>	
9 CAPITAL WIP				
Plant & Equipment		963,274		-
Computer & Software		1,452,983		-
Furniture & Fixtures		4,663,056		-
		<u>7,079,313</u>		<u>-</u>
10 DEFERRED TAX ASSETS (NET)				
Deferred tax liability				
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting		400		-
Gross deferred tax liability		<u>400</u>		<u>-</u>
Deferred tax asset				
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes in subsequent year		41,210		7,292
Gross deferred tax asset		<u>41,210</u>		<u>7,292</u>
Net deferred tax asset		<u>40,810</u>		<u>7,292</u>
11 CASH & BANK BALANCES				
Cash and cash equivalents				
Bank balance in current account with Federal Bank Limited		-		3,933,432
Cash on hand		238,129		11,128
		<u>238,129</u>		<u>3,944,560</u>
12 LOANS & ADVANCES				
		<u>Long Term</u>		<u>Short Term</u>
	<u>31-Mar-13</u>	<u>31-Mar-12</u>	<u>31-Mar-13</u>	<u>31-Mar-12</u>
Advance for Land	-	-	-	1,300,000
Advance to Creditors	845,865	-	25,750	-
	<u>845,865</u>	<u>-</u>	<u>25,750</u>	<u>1,300,000</u>
13 OTHER ASSETS				
Land Cost - Mahodar			136,378,927	-
Land Cost - Karjat			50,908,408	-
Land Cost - Ghot, Taloja			163,815,378	138,924,108
			<u>351,102,713</u>	<u>138,924,108</u>



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ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

	(Amount in Rs)	
	31-Mar-13	31-Mar-12
14 REVENUE FROM OPERATIONS		
Other Operating Revenue		
Brokerage income	-	229,540
	<u>-</u>	<u>229,540</u>
15 OTHER INCOME		
Interest on FD	207,643	-
	<u>207,643</u>	<u>-</u>
16 COST OF CONSTRUCTION, LAND AND DEVELOPMENT EXPENSES		
Purchases	1,850,889	-
Direct Expenses	2,671,340	124,800
	<u>4,522,229</u>	<u>124,800</u>
Details of Direct Expenses		
Anshula (Ghot)	59,100	99,050
Aloki	44,226	-
Amisha (Mahodar)	2,568,014	25,750
	<u>2,671,340</u>	<u>124,800</u>
Details of Purchases		
Amisha (Mahodar)	1,850,889	-
	<u>1,850,889</u>	<u>-</u>
17 CHANGES IN WORK IN PROGRESS		
Incomplete Projects WIP at the end of the year	15,456,504	2,263,603
Incomplete Projects WIP at the beginning of the year	2,263,603	-
	<u>(13,192,901)</u>	<u>2,263,603</u>
Detail of Work-in-progress		
Anshula (Ghot)	2,277,124	2,218,024
Aloki	2,621,863	-
Amisha (Mahodar)	10,557,516	45,579
	<u>15,456,504</u>	<u>2,263,603</u>
18 EMPLOYEE BENEFIT EXPENSE		
Salaries	3,219,653	-
Gratuity	115,666	-
Staff Welfare Expense	3,107	-
	<u>3,338,426</u>	<u>-</u>

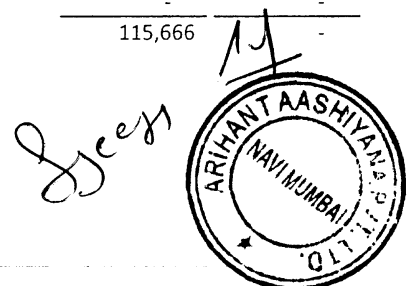
As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:
The Company is in process to create Employee's Group Gratuity Fund with Life Insurance Corporation of India for the benefit of employees.

A Gratuity Plan

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

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

Current Service Cost	69,508	-
Past Service Cost	46,158	-
Benefits paid	-	-
Actuarial (gain) / loss on defined benefits obligation	-	-
Obligations at year end	<u>115,666</u>	<u>-</u>



ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

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

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

Amounts to be recognised in the Balance Sheet

Projected benefits obligation, at the end of the year	115,666	-
Fair value of plan assets at end of the year	-	-
Net asset / (liability) to be provided in the Balance Sheet	115,666	-

Gratuity Cost for the year

Current Service Cost	69,508	-
Past Service Cost	46,158	-
Expense to be recognised in the Statement of Profit and Loss	115,666	-

19 FINANCE COSTS

Interest on Loan	-	2,138,803
Interest on Income Tax	1,957	-
Interest on TDS	51,386	-
Bank charges (Reversals)	(25,082)	27,038
	28,261	2,165,841

20 OTHER EXPENSES

Auditor's Remuneration	16,854	16,854
Professional fees	65,228	-
General expense	43,449	282
ROC fees	11,100	6,600
Printing & stationery	83,859	270
Rent, Rates & Taxes	16,000	-
Preliminary Expenses	-	29,500
Selling & Distribution Expenses	5,123,710	23,804
	5,360,200	77,310

Payment to auditor

As auditor:

Audit fee	11,236	11,236
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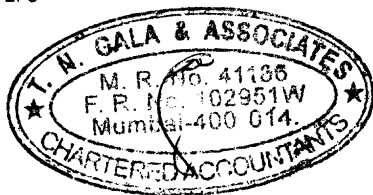
In other capacity:

Taxation matter	5,618	5,618
	16,854	16,854

21 EARNINGS PER SHARE (EPS)

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

Profit/(loss) after tax for calculation of Basic & Diluted EPS	86,090	74,753
Weighted average number of equity shares in calculating Basic and Diluted EPS	10,000	10,000
Basic & Diluted EPS	8.61	7.48



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ARIHANT AASHIYANA PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

22 RELATED PARTY DISCLOSURE

Names of related parties and related party relationship

a. Related parties who exercise control

<u>Sr</u>	<u>Name</u>	<u>Relationship</u>
1	M/s Arihant Superstructures Ltd	Holding Company

b. Key Management Personal and relatives thereof

<u>Sr</u>	<u>Name</u>	<u>Relationship</u>
1	M/s Arihant Universal Realty Pvt Ltd	KMP has significant influence
2	Mr. Ashok B. Chhajer	Director and Key Management Personal
3	Mr. Akshay Agarwal	Director and Key Management Personal
4	Mrs. Sangeeta Chhajer	Director

Related party transactions

<u>Sr</u>	<u>Name</u>	<u>Opening</u>			<u>Interest</u>	<u>Amount</u>
		<u>Balance</u>	<u>Loans taken</u>	<u>Repayment</u>	<u>accrued (net</u>	<u>payable</u>
					<u>of TDS)</u>	
1	M/s Arihant Universal Realty Pvt Ltd	-	116,100,000	98,000,000	6,638,109	24,738,109
2	M/s Arihant Superstructures Ltd	-	195,800,000	17,000,000	7,086,260	185,886,260
3	Mr. Akshay Agarwal	19,475,436	74,250,000	-	8,817,813	102,543,249
4	Mr. Ashok B. Chhajer	82,849,487	182,100,000	237,000,000	6,879,486	34,828,973
5	Mrs. Sangeeta Chhajer	-	37,300,000	39,291,574	1,991,574	-
	Total	102,324,923	605,550,000	391,291,574	31,413,242	347,996,591

23 The Company has not received any intimation from any supplier who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at March 31, 2013.

24 SEGMENT INFORMATION

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

25 Company has capitalised borrowing cost amounting to Rs. 3,57,95,601/- during the year. The said borrowing cost is added to cost of various land, in proportion to the value of land, shown under head Other Assets.

25 There are no contingent liabilities as on year end.

26 There are no commitments outstanding as on year end.

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

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

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

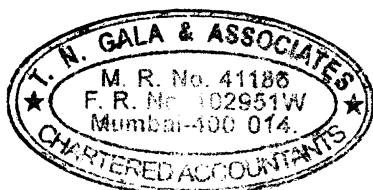
As per our report of even date

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



Talakchand N. Gala
Proprietor
MRN: 41186

Place: Navi Mumbai
Date: 10.05.2013



For and on behalf of the Board



Director

Place: Navi Mumbai
Date: 10.05.2013



Director

