

DUGAR

HOUSING DEVELOPEMENTS LIMITED

CONTENTS

Notice to the Members	2
Directors Report	2
Compliance Certificate	5
Annexure A & B	8
Report on Corporate Governance	9
Certificate on Corporate Governance	14
Auditor's Report	15
Annexure to the Auditor's Report	16
Balance Sheet	18
Profit & Loss Account	19
Notes forming part of the financial statement	20
Fixed Assets	32
Significant Accounts Polices	34
Proxy Form	35



BOARD OF DIRECTORS

Sri.N.Tarachand Dugar
Sri.T.Ramesh Dugar
Smt.R.Vijayalakshmi
Sri.Prashant C Jain
Sri.T.Padam Dugar
Sri. D. Karunanidhi

AUDITORS

M/s. KRISHNAKUMAR & ASSOCIATES
Chartered Accountants
Chennai - 600 028

REGISTERED OFFICE

Dugar Towers 7th Floor
34 (Old 123) Marshalls Road
Egmore, Chennai - 600008
E Mail : dugar@dugar.in
www.dugar.in

NOTICE TO THE MEMBERS

Notice is hereby given that the 20th Annual General Meeting of the Company will be held on Friday the 28th September 2012 at Nahar Hall, Deshabandu Plaza, First Floor, 47 Whites Road, Royapettah, and Chennai 600014 at 10.00 AM to transact the following business

ORDINARY BUSINESS

1. To receive and adopt the Balance Sheet as at 31st March 2012 and Profit and Loss Account of the company for the year ended 31.03.2012 and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sri.Prashant C Jain who retires by rotation and being eligible offers for reappointment
3. To appoint Auditors to hold the office from the conclusion of this meeting and to fix remuneration.

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be deposited with the company not less than 48 hours before the meeting.
2. Register of members and Share Transfer Books will be closed from 22nd September to 28th September 2012 (Both Days inclusive)
3. Members are requested to
 - a. Notify immediately any change in their addresses to the company.
 - b. Quote your account number in all your correspondence with the company.

By Order of the Board

Chennai
31st July, 2012

T. Padam Dugar
Whole Time Director

DIRECTORS REPORT

Dear Members,

Your Directors have great pleasure in presenting the 20th Annual Report along with the Audited Accounts for the year ended 31st March 2012.

FINANCIAL HIGHLIGHTS

The Company has restructured its business operations and constructions.

A. SUMMARY OF FINANCIAL RESULTS

Rs.in Lakhs

	Year Ended 31.03.2012	Year Ended 31.03.2011
Profit /(Loss (Before Depreciation and Tax)	4.10	3.82
Less Depreciation	0.37	0.43
Profit /(Loss) Before Tax	3.73	03.39

Less : Direct Taxes Paid	0.00	0.00
Net Profit/(Loss)	3.73	3.39
Balance Brought Forward	-295.07	-295.07
Amount available for appropriation		
APPROPRIATION		
Proposed Dividend		
Dividend Tax		-
Transfer to General Reserve		-
Balance Carried to Balance Sheet	-291.34	-295.07



BUSINESS PERFORMANCE

The overall turnover of the company for the period under review was Rs.9.76 Lakhs. As required under corporate governance, the management discussion and analysis report reflects Company has several plans to improve the turnover and profitability.

DIVIDEND

No Dividend is being recommended for the year ended 31.03.2012.

DIRECTORS

Sri., Prashant C Jain, Director retires by rotation and being eligible, offers himself for re-appointment.

AUDITORS

M/s Krishnakumar & Associates - Chartered Accountants, Chennai , retiring Auditors being eligible for reappointment are proposed to be reappointed to hold office up to the conclusion of the next Annual General Meeting .

PUBLIC DEPOSIT

The Directors hereby report that the company has not accepted any deposit during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management discussion and analysis report forms part of the Director's statement and is included as an annexure to this report.

PARTICULARS OF EMPLOYEES

No employees were covered under the purview of section 217 (2A) of the Companies Act 1956 read with Companies particulars of Employee's Rule, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Disclosure of particulars with respect to provisions of Section 217 (1) (e) of the Companies Act ,1956 and also required by the Companies (Disclosure Particulars

in the Report of Board of Directors) Rules 1988 for the year ended 31st March 2012 do not apply to the company.

Disclosure u/s 217 (1) (e)

COMPLIANCE CERTIFICATE

Certificate from practicing company secretary as required under section 383A of the Act is annexed to this report.

Annexure-A

DIRECTORS RESPONSIBLY STATEMENT

As per the Companies (Amendment) Act 2000, the Directors have to give their responsibility statement, which is as follows.

- (a) That in the preparation of annual accounts, the applicable accounting standards had been flowed along with proper explanation relating to material departures.
- (b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company.
- (c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act to safeguarding the assets of the Company and for preventing and detecting other frauds and irregularities.
- (d) That the Directors prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

Robust growth in the economic activity in various sectors

of the economy compelled company to improve performance alongside the economic activity. However in spite of best efforts and expertise possessed the company could not launch any project due to cut throat competition and input cost escalation.

The company will strive hard to continue its business strategy of building and creating value for all its stakeholders in both its existing and new business.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

There exists abundant opportunities for growth. However, cut throat competition coupled with escalation in the cost of inputs and changes in the policies of the government are the areas of concern. However the company is confident that it would overcome the hurdles and achieve its financial objectives in the near future.

SEGMENTWISE / PRODUCTWISE PERFORMANCE

The Company has currently only one segment in line with the Accounting Standard on Segment Reporting. Segment information has been prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has adequate system of internal control in place. This is to ensure that assets are safeguarded and all transactions are authorized, recorded and correctly reported. The internal audit function is empowered to examine the adequacy, relevance and effective control system, compliance with policies, plans and statutory requirements. The top management and the Audit Committee of the Board review the findings and recommend to the Board improvement on the same.

CAUTIONARY STATEMENT

Statements of Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements". As forward looking statements are based on

certain assumptions and expectations of future events over which the Company exercises no control. The Company assumes no responsibility to publicity, amend, modify or revise any forward looking statements on the basis of any statements, development, information or events.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director. In addition, the Company has adopted the Code of Conduct for its Non-Executive Directors. The Code of Conduct copies can be availed from Company.

I confirm that the Company has in respect of the financial year ended 31st March 2012 received from the Management Personnel of the Company and the Members of the Board a declaration of compliance with the code of conduct as applicable to them.

Discussion on financial performance with respect to operational performance - Please refer to director's report

BY THE ORDER OF THE BOARD

PLACE : CHENNAI
DATE : 31.07.2012

T. Padam Dugar
Whole Time Director

ACKNOWLEDGEMENTS

The Company is grateful for the cooperation and assistance extended by the government and also wish to place on record their thanks and appreciation to the Employees for their hard work and dedication.

By order of the Board

Chennai
31.07.2012

T. Padam Dugar
Whole Time Director



COMPLIANCE CERTIFICATE

CIN of the Company : L65922TN1992PLC023689
Paid up Capital : ₹ 3,00,00,000/-

FORM
[SEE RULE 3]
Compliance Certificate

To,
The Members,

M/s. DUGAR HOUSING DEVELOPMENTS LIMITED,
Chennai

We have examined the registers, records, books and papers produced to us for our verification pertaining to the financial year **2011-2012** of **M/s. DUGAR HOUSING DEVELOPMENTS LIMITED** as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended **31.03.2012**. In our opinion and to the best of our information and according to the examinations carried out by us of the documents produced to us and explanations furnished to us by the Company, its officers and agents, we, on strength and reliance of the documents produced and information provided to us, pertaining to the financial year **2011-2012**, certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made thereunder.
3. The Company being public limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met 4 (FOUR) times on 30.04.2011, 30.07.2011, 30.10.2011 and 31.01.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 24th September 2011 to 30th September 2011 (Both Days inclusive) during the financial year.
6. The Annual General Meeting for the financial year ended on 31.03.2011 was held on 30.09.2011, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. As per the information provided to us and explanation given to us, it appears that the Company has

DUGAR HOUSING DEVELOPMENTS LIMITED

not advanced any loan to its directors and/or persons or firms or companies referred in the Section 295 of the Act during the financial year except some unsecured long term loans and advances with related parties.

9. As per information provided to us, it appears from the financial statements there was no transaction necessitating the company to enter into any contract falling within the purview of Section 297 of the Act during the financial year.
10. The company has made necessary entries in the register maintained under Section 301 of the Act.
11. As explained to us, it seems that there were no instances falling within purview of Section 314 of the Act, owing to which Company has not obtained any approvals from the Board of Directors, members and previous approval of the Central Government, as the case may be.
12. As per records shown to us, the Company has not issued any duplicate share certificates during the financial year.
13. As per the documents produced to us, the Company :
 - (i) has not delivered any share certificate as there was no allotment/transfer/transmission of securities during the financial year.
 - (ii) has not deposited amount in a separate bank account as no dividend was declared during the financial year.
 - (iii) has not posted dividend warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) has not transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there was no such amount outstanding during the financial year under review
 - (v) has generally complied with the requirements of Section 217 of the Act.
14. Board of Directors of the Company is constituted and there was no appointment of directors during the financial year.
15. The Company has not appointed any Managing Director/ Whole-time Director/Manager during the financial year under scrutiny.
16. The Company has not appointed any sole-selling agent during the financial year.
17. As per information provided to us and observations made by us of the records produced to us, no approval was taken by the Company from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act as the Company represents that no occasions have arisen during the financial year.
18. As per the documents produced to us, the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.



19. As per records of the Company, the Company has not issued any securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. As there was no preference shares/debentures issued, there was no redemption of preference shares/debentures during the year.
22. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares
23. As per information provided to us, the Company has not accepted deposit including any unsecured loans falling within the purview of Section 58A during the financial year.
24. As per information provided to us and documents provided to us, it appears that the Company has not made borrowings in excess of the limit prescribed under Section 293(1) (d) of the Act, during the financial year.
25. As per the information provided to us and as available in the financial statements of the company, it appears that the company has not made any inter corporate investments/loan/given guarantee/provided security in excess of the limits prescribed under section 372A of the Act, during the financial year.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company, during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its articles of association during the financial year.
31. As per explanations given to us, there was no prosecution initiated against or show cause notices received by the Company and fines/penalties or any other punishment imposed on the Company during the financial year for offences under the act.
32. The Company has not received any security deposit from its employees during the financial year under scrutiny.
33. The Company has not constituted any separate fund under section 418 of the Act.

Place: Chennai
Date: 31.07.2012

For S DHANAPAL & ASSOCIATES

SMITA CHIRIMAR
(Partner)
(C. P No.9357)

S Dhanapal & Associates

ANNEXURE A

Registers as maintained by the Company

Sl.No.	Under Section	Name of the Register
1	150	Register of Members
2	193	Minutes of All meeting of Board of Directors
3	193 (1)	Minutes of General Meeting
4	303	Register of Directors
5	307	Register of Directors' Share holding
6	301	Register of Contracts, Companies and firms in which the directors are interested.
7		Share Transfer register

ANNEXURE B

Returns/ Documents/ Forms as filed by the Company with the Registrar of Companies
From 01.04.2011 to 31.03.2012

Sl. No.	Form No.	Under Section	Description	Date of filing	Whether filed within prescribed time	If delay in filing whether requisite additional fee paid
1	Form 20B	159	Annual Return for the period ended 21.09.2007	26.07.2011	No	Yes
2	Form 66	383A	Compliance Certificate for the year ended 31.03.2011	30.10.2011	Yes	No
3	Form 23AC & ACA XBRL	220	Balance Sheet for the year ended 31.03.2011	16.11.2011	Yes	No
4	Form 20B	159	Annual Return for the period ended 30.09.2011	29.12.2011	No	Yes

Forms and Returns as filed by the Company with Regional Director during the financial year ending on **31st March 2012**

Nil

Forms and Returns as filed by the Company with Central Government or other authorities during the financial year ending on **31st March 2012**

Nil



REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY

“Corporate Governance deals with laws, procedures, practices and implicit rules that determine the Company’s ability to take informed managerial decisions vis-a –vis its claimants, shareholders, customers, the State and Employees.”

Corporate Governance is a system by which business corporations are directed or controlled.

Features of Good Corporate Governance.

Following are generally considered as features of good governance.

Independent and effective Board of Director.

Good Audit process and Reporting.

Adequate and timely disclosure of information.

Transparency of information.

Greater participation of shareholders in decision – making.

Maximizing Shareholders value.

Meeting Social obligations.

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

DUGAR HOUSING DEVELOPMENTS LIMITED bears highest degree of commitment towards its stakeholders, creditors, bankers, Government and society at large. The Company follows a set of well established code of corporate Governance. Every step of the Management is aimed at broadening the financial base of the Company and increasing the shareholders wealth. The entire process begins with the functioning of the Board of Directors, with leading professionals and experts serving as independent Directors and represented in the various Board Committees. Systematic attempt is made to eliminate informational asymmetry between Executive and Non Executive Directors.

Key elements in corporate Governance are transparency, disclosure, supervision and internal controls, risk management, internal and external communications and high standard of safety, health , accounting fidelity, product and service quality. The Board has empowered responsible persons to implement its policies and guidelines and had set up adequate review processes.

1. BOARD OF DIRECTORS

Composition:

The Board of Directors is a team of multifaceted personalities who emerge from various fields. The management team leads the company efficiently and effectively through its rich experience in the world of business. The Board meets at regular intervals to decide on various strategic financial and business issues.

DUGAR HOUSING DEVELOPMENTS LIMITED

The composition of the Board is as under:

Sl.No	Name of Director	Position	Director in Other companies	Membership In Committees	Attendance At the last AGM
1.	Sri.N.Tarachand Dugar	Non Independent	Two	One	Yes
2.	Sri.T.Padam Dugar	Non Independent	Three	-	Yes
3.	Sri.T.Ramesh Dugar	Non Independent	Three	One	Yes
4.	Smt.R.Vijayalakshmi	Non Executive	Nil	-	No
5.	Sri.Prasanth C Jain	Non Executive	One	Two	Yes
6.	Sri.D.Karunanidhi	Non Executive	Nil		Yes

Sri.Prashant C Jain, Director retires by rotation and being eligible, may be re- appointed. Sri Prashant C jain is a M.B.A Graduate and has got more than 18 years of experience in various fiels including Leasing Finance & Hire Purchase. Further he is a director in Dugar Housing Limited.

2. MEETINGS OF THE BOARD

The Board meets once a quarter to review the quarterly results and other items on the agenda. The Board meetings are generally held in the registered office at Chennai. The agenda of the Board meeting is drafted in consultation with the Chairman and the same is circulated in advance to the Board of Directors.

During the Financial year 2011-2012 four Board meetings were held.

Sl.No	Date of the Meeting	Strength of the meeting	Names of the Absentee
1	31.01.2012	5	Smt. R. Vijayalakshmi
2	30.10.2011	5	N. Tarachand Dugar
3	31.07.2011	6	All Present
4	30.04.2011	6	All Present

3. AUDIT COMMITTEE

The Company has duly constituted Audit Committee in accordance with the listing agreement entered into with the stock exchanges. The Audit committee is entrusted with the power of reviewing the financial statements before submitting the same to the Board. The committee recommends the appointment of Statutory Auditors and fixation of their remuneration The Committee also reviews all compliances with Accounting Standards and also the compliance with Stock Exchange and legal requirements concerning



financial statements, any related party transactions.

Composition:

The Audit Committee of the company consists of three Non Executive Independent Director namely Smt. R. Vijayalakshmi Sri.D.Karunanidhi & Sri.Prasant C Jain .Sri.Prashant C Jain being the chairperson of the committee.

Scope of the Committee

The scope of the committee also includes the following

The Audit Committee provides an over view on the reporting process of company's financial and accounting mechanism and ensures that disclosures in its financial statements are correct, sufficient and creditable.

The committee also reviews the efficacy of the internal control mechanism and monitors the risk management policies adopted by the company.

The committee also reviews the report furnished by the statutory Auditors and ensures that suitable follow up actions are taken.

The committee also examines accounting, taxation and disclosure aspects of all significant transactions.

During the year 2011-2012 the following meetings of the Audit Committee were held:

Sl.No	Date of Meeting	Name of the Absentee Director
1	28.01.2012	All Present
2	31.10.2011	All Present
3	30.07.2011	All Present
4	28.04.2011	All present

4. SHAREHOLDERS GRIEVANCE AND INVESTORS COMMITTEE

The committee consists of Two Non Executive independent Directors Sri.Prasant Jain and Smt.Vijayalakshmi and one Non Executive Director Sri.T.Ramesh Dugar. The Company has Equity Shareholders. During the year under review, three complaints from SEBI, Investors grievance cell was received and all the complaints were resolved.

5. REMUNERATION COMMITTEE

The role of Remuneration committee has been defined as under:

To review and approve/ recommend the remuneration for the officers or whole time Directors of the company.

To review and recommend to the Board the remuneration policy of the company

To discharge such other functions or exercise such powers as may be delegated to the committee by the Board from time to time.

DUGAR HOUSING DEVELOPMENTS LIMITED

Disclosure regarding remuneration of Directors

None of the Directors have been given stock option.

Directors	Relation-ship with other Directors	Business Relation with the Company	Loans & Advance from the Company	Sitting Fees	Salary & Perks	Commn.	Total
N.Tarachand Dugar	F/o T.Padam Dugar & T.Ramesh Dugar	Nil	Nil				
Padam Dugar	S/o Tarachand Dugar	Nil	Nil				
Ramesh Dugar	S/o Tarachand Dugar	Nil	Nil				
R.Vijayalakshmi		Nil	Nil				
Prasant C Jain		Nil	Nil				
D.Karunanidhi							

6. ANNUAL GENERAL MEETING

The details of the last three Annual General Meetings of the company:

Year	Date	Time	Venue
2011	30th September	10.00 AM	Nahar Hall, Deshabandhu Plaza, 1st Floor, 47 , Whites Road Royapettah, Chennai - 600014
2010	27th August	10 .00AM	Nahar Hall, Deshabandhu Plaza, 1st Floor, 47 , Whites Road Royapettah, Chennai - 600014
2009	25th September	10.00 AM	Nahar Hall, Deshabandhu Plaza, 1st Floor, 47 , Whites Road Royapettah, Chennai - 600014

7. CODE OF CONDUCT

The Board has laid down code of conduct for all Board of Directors and senior management of the company. All the Board Directors and senior management personnel affirmed compliance with the code for the year 2011-2012.

8. DISCLOSURES

There are no materially significant party transactions of the company of material nature, with its promoters, the directors of the management, their subsidiaries or relatives that may have potential conflict with the interest of the company at large.



No penalties or strictures were imposed on the company by the stock exchange or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

The company has complied with various rules and regulations prescribed by the Stock Exchange and SEBI during the last three years.

9. MEANS OF COMUNICATION

The quarterly results are usually published in Trinity Mirror (in English) and Makkal Kural (In regional language) dailies.

10. GENERAL SHAREHOLDERS INFORMATION

i. Annual General Meeting

Day, Date and Time : Friday, the 28th September 2012 at 10.00 AM
Venue : Nahar Hall, Deshabandhu Plaza,
1st Floor, 47, Whites Road
Royapettah, Chennai -600014

ii. Tentative Financial Calendar

1st Quarter Results - 2nd half of July 2012
2nd Quarter Results - 2nd half of October 2012
3rd Quarter Results - 2nd half of January 2013
4th Quarter Results - 2nd Half of April 2013

iii. Book Closure:

The Register of members and the Share transfer Book shall remain closed from 22nd September 2012 to 28th September 2012.

iv. Listing on Stock Exchange

The Madras Stock Exchange - Stock Code - 'DUGAR HOU'
The Stock Exchange, Mumbai - Stock Code - 511634

v. Distribution of Shareholdings as at 31.03.2012

Promoters	5,44,600	18.16%
Mutual Fund & UTI	Nil	
Private Corporate Bodies	6,04,500	20.15%
Indian Public	18,50,900	61.69%
NRIs/ OCBs		
Others		
Total	30,00,000	100%

vi. Dematerialisation of Shares

The Company has received in principle approval from BSE for the revocation of suspension of trading of shares in the exchange and paid the necessary revocation fees to the exchange. The company has appointed Cameo Corporate Services Limited as RTA. The share holders of the company have been

DUGAR HOUSING DEVELOPMENTS LIMITED

advised already to dematerialise the shares. The company has already signed an agreement with NSDL for connectivity and ISIN was allotted for connectivity. The company is perusing with BSE for final approval for the revocation of suspension.

vii. Compliance Officer

Mr.T.Padam Dugar, Dugar Towers 7th Floor, New 34(Old 123) Marshalls Road
Egmore, Chennai -600008.

viii. Address for correspondence

Registered Office: Dugar Towers 7th Floor, New 34(Old 123) Marshalls Road,
Egmore, Chennai -600008.

As required by Clause 49 (1D) of the listing agreement with the stock exchange, it is hereby declared that all the Board Members and senior management personnel have affirmed compliance with the code of conduct of the company.

Date : 31st July 2012
Place : Chennai

For and On behalf of the Board
Dugar Housing Developments Limited

T. PADAM DUGAR
Whole Time Director

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of the conditions of corporate governance by **M/s. DUGAR HOUSING DEVELOPMENTS LIMITED**, Chennai for the year ended on **31st March 2012**, as stipulated in clause 49 of the Listing Agreement entered into by the company with the stock exchanges.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedure and implementation thereof, adopted by the company for ensuring the compliance with the conditions of corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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 generally complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We 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.

Place: Chennai
Date: 27.08.2012

For **S DHANAPAL & ASSOCIATES**
Smita Chirimar
(Partner)
Membership No. 24026



**M/S. KRISHNAKUMAR
CHARTERED ACCOUNTANT**

34, SCHOOL VIEW ROAD
R.A.PURAM, CHENNAI – 600 028

AUDITORS REPORT

1. We have audited the attached balance sheet of Dugar Housing Developments Limited, Chennai, as at 31st March 2012 and the profit and loss accounts for the year ended on that date annexed thereto both of which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the companies (Auditors Report) order, 2003 issued by the Central Government in terms of sub section 4 A of Sec 227 of the companies Act, 1956 (the Act), we enclose in the Annexure of the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that
 - i. We have obtained all information and explanations, which best of our knowledge and belief were necessary for the purpose of our Audit.
 - ii. In our opinion proper books of accounts as required by Law have been kept by the company as for as appears from our examination of those books.
 - iii. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of Accounts.
 - iv. In our opinion, the balance sheet and profit and loss account dealt with by this report comply with the Accounting Standards refer to in sub Section 211 of the Companies Act, 1956.

- v. On the basis of the written representations received from the directors as on 31.03.2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31.03.2012 from being appointed as a director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the Explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- A) In the case of the Balance Sheet, of the state of affairs of the Company as on 31.03.2012.
- B) In the case of Profit and Loss Account, of the loss for the year ended on that Date.
- C) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **KRISHNAKUMAR&ASSOCIATES**
Chartered Accountants,

PLACE: CHENNAI
DATE : 31.07.2012

KRISHNAKUMAR B.Com., F.C.A
Proprietor

Annexure to the Auditor's Report referred to in Paragraph 3 of our Report of even date

- i. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The Fixed Assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.
- ii. None of the fixed assets have been revalued during the year.
- iii. The stock of finished goods, stores and raw materials and shares have been physically verified by the Management.
- iv. The procedure for physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- v. No material discrepancies have been noticed on physical verification of stocks as compared to the books records.
- vi. In our opinion, the valuation of stock is fair and proper and in accordance with the normally accepted accounting principles, and is on the same basis as in the preceding year.
- vii. According to the information given, no loans have been granted to Companies, firms and other parties listed in the Register maintained U/S 301 of the Companies Act 1956. There are no Companies under the same management as defined U/S 370(1B) of the Companies Act 1956.



- viii. According the information given, no loans have been taken from companies, firms or other parties listed in the register maintained u/s301 of the Companies Act 1956.
- ix. In respect of loans and advances in the nature of the loan given by the Company, the schedule of repayment of principal and interest is not stipulated.
- x. In our opinion there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for the purchase of stocks , Plant & machinery , Equipment, and other assets and with regard to the sale of goods.
- xi. In our opinion and according to the information and explanations given to us, the company has not entered into any transactions of purchase of goods and materials and sale of goods, materials and service aggregating to Rs. 500,000/- or more in value to any of the parties listed in register maintained U/S 301 of the Companies Act 1956.
- xii. The Company did not have unserviceable or damaged stocks during the year.
- xiii. The Company is not a manufacturing , mining or a processing company and therefore does not produce any by products or generate any scrap
- xiv. The Company does not have any internal audit system.
- xv. There are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess, which are outstanding as at 31/03/2012 for a period of more than six months from the date they became payable.
- xvi. According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payments under contractual obligations or in accordance with generally accepted business practice.
- xvii. According to the records of the Company, Provident Fund and Employees State Insurance dues have been regularly deposited during the year with the appropriate authorities.
- xviii. To the best of our knowledge and belief and according the information given to us, no fraud on or by the company was noticed or reported during the year.
- xix. The other items of the above said order are, in our opinion, not applicable in the case of this company.

For **KRISHNAKUMAR & ASSOCIATES**
Chartered Accountants,

PLACE: CHENNAI
DATE : 31.07.2012

KRISHNAKUMAR B.Com., F.C.A

DUGAR HOUSING DEVELOPMENTS LIMITED

BALANCE SHEET AS AT 31 MARCH, 2012

Particulars		Note No.	As at 31 March, 2012	As at 31 March, 2011
			Rs.	Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	3	30,000,000	30,000,000
	(b) Reserves and surplus	4	(29,134,814)	(29,507,416)
			865,186	492,584
2	Non-current liabilities			
	(a) Deferred tax liabilities (net)	16.3		
	(c) Other long-term liabilities	5	7,959,550	12,690,999
			7,959,550	12,690,999
3	Current liabilities			
	(a) Other current liabilities	6	15,000	17,163
			15,000	17,163
	TOTAL		8,839,736	13,200,746
B	ASSETS			
1	Non - current assets			
	(a) Fixed assets			
	(i) Tangible assets	7	227,290	264,071
			227,290	264,071
	(b) Non-current Investments	8	2,764,525	2,764,525
	(c) Long-term loans and advances	9	5,562,411	9,319,911
			8,326,936	12,084,436
2	Current assets			
	(a) Cash and cash equivalents	10	20,557	16,050
	(b) Short-term loans and advances	11	264,953	836,189
			285,510	852,239
	TOTAL		8,839,736	13,200,746
See accompanying notes forming part of the financial statements		15 - 17		

In terms of our report attached.
For M. Krishnakumar & Associates,
 Chartered Accountants

For and on behalf of the Board of Directors

M. Krishna Kumar B.Sc., FCA.,
 Proprietor
 M.No. 203929 FRN : 006853S

N. Tarachand Dugar
 Chairman

T. Padam Dugar
 Director

Place : Chennai
 Date : 31-07-2012

Place : Chennai
 Date : 31-07-2012



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012

Particulars		Note No.	For the year ended 31 March, 2012	For the year ended 31 March, 2011
			Rs.	Rs.
1	REVENUE			
	Other income	12	975,762	916,754
2	Total Revenue		975,762	916,754
3	EXPENSES			
	(a) Employee benefits expense	13	-	123,807
	(b) Depreciation and amortisation expense	7	36,781	43,398
	(c) Other expenses	14	566,379	410,377
	Total expenses		603,160	577,582
4	Profit before tax (2 ± 3)		372,602	339,172
5	Tax expense :			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Net current tax expense		-	-
	(d) Deferred tax		-	-
			-	-
6	Profit for the year (4 ± 5)		372,602	339,172
7	Earnings per share (of Rs.10/- each) on Ordinary Activities:			
	Basic and Diluted	16.2	0.12	0.11
	Weighted Average number of Equity Shares (F.V of Rs.10/- each)		3,000,000	3,000,000
See accompanying notes forming part of the financial statements				

In terms of our report attached.
For M. Krishnakumar & Associates,
Chartered Accountants

M. Krishna Kumar B.Sc., FCA.,
Proprietor
M.No. 203929 FRN : 006853S

Place : Chennai
Date : 31-07-2012

For and on behalf of the Board of Directors

N. Tarachand Dugar
Chairman


T. Padam Dugar
Director

Place : Chennai
Date : 31-07-2012

DUGAR HOUSING DEVELOPMENTS LIMITED

Notes forming part of the financial statements

Note	Particulars
1	<p>Corporate information</p> <p>Dugar Housing Developments Limited (referred to as "DHDL" or the "Company") is engaged in the business of Property Development and Construction activities.</p> <p>The Company's registered office is in Chennai, Tamilnadu, India.</p>
2	Significant accounting policies
a	<p>Basis of accounting and preparation of financial statements</p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 except in the case of Revenue Recognition and Employee Benefits more fully explained in Notes 2 (d) and 2(i) below. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
b	<p>Use of estimates</p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
c	<p>Depreciation and amortisation</p> <p>Depreciation has been provided on the Written Down Value method as per the rates prescribed in the Income Tax Act 1961.</p> <p>Assets costing less than Rs.5,000 each are fully depreciated in the year of capitalisation</p>
d	<p>Revenue recognition</p> <p>Property Development</p>



In respect of Contract, the Company follows the Completed Contract of method of Accounting revenue and costs. Under the method, revenue is recognised only when the Project is completed or substantially completed.

Project Promotion fees is the fee charged to Customers on allotment of flats at a specific rate per Square Feet of Built up Area to be constructed in consideration of the various services rendered by the Company by promoting the respective projects. The same is recognised as Income upon signing the construction agreement with the Customers and is not linked to the status of completion of the Project.

e Other income

Other Income including Interest income is accounted on accrual basis.

f Fixed Assets

Fixed Assets are stated at Cost, less accumulated depreciation/amortisation. Costs include all expenses incurred to bring the asset to its present location and condition.

Fixed Assets individually costing Rs.5,000/- or less are fully depreciated during the year.

g Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

"Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss."

h Investments

"Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. "

i Employee benefits

Employee benefits include provident fund, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as

defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is not ascertainable as the Company is yet to evolve a scheme for the same.

Short-term employee benefits

"The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and (b) in case of non-accumulating compensated absences, when the absences occur."

Long-term employee benefits and post employment benefits

The Company does not have a Scheme for Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service. The Company does not have a scheme for providing Post Employment benefits to its employees.

j Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share, if any, is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

k Taxes on income

"Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is



convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company."

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

l Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

m Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the 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 disclosed in the Notes.

DUGAR HOUSING DEVELOPMENTS LIMITED
Notes forming part of the financial statements

Note 3 - Share capital

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	Rs.	Number of shares	Rs.
(a) AUTHORISED				
Equity shares of Rs.10/- each with voting rights	10,000,000	100,000,000	10,000,000	100,000,000
(b) ISSUED				
Equity shares of Rs.10/- each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000
(c) SUBSCRIBED AND FULLY PAID UP				
Equity shares of Rs.10/- each with voting rights	3,000,000	30,000,000	3,000,000	30,000,000
Total	3,000,000	30,000,000	3,000,000	30,000,000

Refer Notes (i) to (iv) below

(i) Reconciliation of number of Shares

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares	Rs.	Number of shares	Rs.
Equity Shares				
Opening Balance	3,000,000	30,000,000	3,000,000	30,000,000
Changes during the year	-	-	-	-
Closing Balance	3,000,000	30,000,000	3,000,000	30,000,000

(ii) Rights, preferences and restrictions attached to Shares

The Company has one class of Equity Shares having a face value of Rs.10/- each. Each Shareholder is eligible for one vote per Share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim Dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

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



Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of shares	Number of shares	% holding in that class of shares
Equity shares with voting rights				
N. Tarachand Dugar	200,500	6.68%	200,500	6.68%
Dugar Housing Limited	241,900	8.06%	241,900	8.06%
T. Pushpa Dugar	210,000	7.00%	210,000	7.00%

Note 4 - Reserves and surplus

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
Surplus/ (Shortfall) in Statement of Profit and Loss		
Opening balance	(29,507,416)	(29,846,588)
Add: Profit for the year	372,602	339,172
Total	(29,134,814)	(29,507,416)
Transferred to:		
General Reserve		
Closing balance	(29,134,814)	(29,507,416)
Total	(29,134,814)	(29,507,416)

Note 5 - Other Long Term Liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Trade Payables		
(i) Accepted	7,959,550	12,690,999
Total	7,959,550	12,690,999

Note 6 - Other current liabilities

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Other payables		
(i) Contractually reimbursable expenses	15,000	17,163
(ii) Receipts from customers pending reconciliation	-	-
Total	15,000	17,163

Note 7 - Non Current investments

Particulars	As at 31 March, 2012		As at 31 March, 2011	
	Quantity	Total	Quantity	Total
	No	Rs.	No	Rs.
Non Current Investments (At cost):				
(a) Investment in equity instruments (Quoted)				
Zen Global Finance Ltd	10,500	178,500	10,500	178,500
Dugar Finance India Ltd	547,175	1,641,525	547,175	1,641,525
IFB Securities Ltd	1,200	12,000	1,200	12,000
Mittal Securities Ltd	1,300	32,500	1,300	32,500
(b) Investment in equity instruments (Unquoted)				
Century Wood Ltd	90,000	900,000	90,000	900,000
Total - Trade (A)		2,764,525	-	2,764,525

Note 9 - Long-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Security deposits Unsecured, considered good	292,950	485,772
(b) Advance income tax	34,832	34,832
(c) Other loans and advances		
Unsecured, considered good with related parties	4,102,738	7,905,159
Unsecured, considered good	1,131,891	894,148
Total	5,562,411	9,319,911

Note 10 - Cash and Cash Equivalents

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Cash on hand	200	200
(b) Balances with banks		
(i) In current accounts	20,357	15,850
(ii) In deposit accounts (Refer Note (i) below)	-	-
Total	20,557	16,050

Note 11 - Short-term loans and advances

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(a) Sundry Debtors		
Secured, considered good	-	-
Unsecured, considered good	143,560	700,000
	143,560	700,000
(b) Others - Advances for Purchase of Goods and Services		
Secured, considered good	-	-
Unsecured, considered good	121,393	136,189
	121,393	136,189
Total	264,953	836,189

Note 12 - Other income

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
Income from Services	975,762	916,754
Total	975,762	916,754

Note 13 - Employee benefits expense

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
Salaries and wages	-	123,807
Contributions to provident and other funds	-	-
Staff welfare expenses	-	-
Total	-	123,807

Note 14 - Other expenses

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
Advertisement	48,735	56,970
AGM Expenses	46,221	26,204
Bank Charges & Commission	2,035	44
Communication	29,278	-
Insurance	3,574	-
Legal and professional	109,773	16,030
Miscellaneous expenses	107,887	-
Payments to auditors (Refer Note (i) below)	15,000	15,000
Postage & Courier	26,011	-
Printing and stationery	38,986	23,105
Rates, taxes and Fees	136,879	263,418
Repairs and maintenance - Office	2,000	9,606
Total	566,379	410,377



Note 14 - Other expenses (contd.)

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	-	-
Total	-	-

Note 14 - Other expenses (contd.)

Particulars	As at 31 March, 2012	As at 31 March, 2011
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	-	-
Total	-	-

Note 15 - Additional information to the financial statements

Notes	Particulars	As at 31 March, 2012	As at 31 March, 2011
		Rs.	Rs.
15.1	Contingent liabilities and commitments (to the extent not provided for)	3,125,000.00	3,125,000.00
(i)	Contingent liabilities	-	-
(ii)	Commitments	-	-
15.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
		As at 31 March, 2012	As at 31 March, 2011
		Rs.	Rs.
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-

DUGAR HOUSING DEVELOPMENTS LIMITED

Notes	Particulars		
	Particulars	As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	-	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
		For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
15.3	Expenditure in foreign currency:	-	-
15.4	Earnings in foreign exchange	-	-
15.5	Amount of dividend remitted in foreign currency	-	-

Note 16 - Disclosures under Accounting Standards

Notes	Particulars		
	Particulars	For the year ended 31 March, 2012 Rs.	For the year ended 31 March, 2011 Rs.
16.1	Related party transactions		
16.1.a	Details of related parties:		
	Description of relationship	Names of related parties	
	Associates	Dugar Housing Limited Lazer Housing Private Limited Dugar Properties Private Limited Dugar Housing (Firm) Dugar Finance India Limited Dugar Insulations India Private Limited	



Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr.N.Tarachand Dugar, Chairman Mr.T.Padam Dugar, Director
Relatives of KMP	Mrs.T.Pushpa Dugar, wife of N.Tarachand Dugar Mrs.P.Annjana Dugar, wife of T.Padam Dugar Mrs.R.Sonali Dugar, wife of T.Ramesh Dugar

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2012 and balances outstanding as at 31 March, 2012:					Rs.
Particulars	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans and Services	80,000 -	625,291 -	15,000 -	- -	720,291 -

Note: Figures in bracket relates to the previous year

Notes	Particulars		
16.2	Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
		Rs.	Rs.
	Earnings per share		
	Net profit for the year	372,602	339,172
	Less: Extraordinary Items	-	-
	Net profit from Ordinary activities for the year attributable to the equity shareholders	372,602	339,172
	Weighted average number of equity shares	3,000,000	3,000,000
	Par value per share (Rs.)	10	10
	Earnings per Shares (including Extraordinary Items)	0.12	0.11
	Earnings per share (excluding Extraordinary Items)	0.12	0.11

Note 14 - Other expenses (contd.)

Note	Particulars
17	The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 7 - Fixed Assets

Tangible assets	Gross Block			Accumulated depreciation and impairment				Net Block		
	Balance as at 1 April, 2011	Additions	Disposals	Balance as at 31 March, 2012	Balance as at 1 April, 2011	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Other adjustments for Leased Assets	Balance as at 31 March, 2012	Balance as at 31 March, 2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Office equipment Owned	787,713	-	-	787,713	658,041	23,341	-	-	681,382	129,672
(d) Plant & Machinery Owned	905,570	-	-	905,570	816,404	8,917	-	-	825,320	89,167
(e) Furniture & Fixtures Owned	74,654	-	-	74,654	29,422	4,523	-	-	33,945	45,232
Total	1,767,937	-	-	1,767,937	1,503,867	36,781	-	-	1,540,647	264,071
Previous year	1,767,937	-	-	1,767,937	1,460,469	43,398	-	-	1,503,867	307,468

(ii) Details of assets acquired under hire purchase agreements:

Particulars	Gross Block		Net Block	
	31 March, 2012	31 March, 2011	31 March, 2012	31 March, 2011
	Rs.	Rs.	Rs.	Rs.

**Notes forming part of the financial statements
GN 8.7.1 Note 13 - Fixed assets (Contd.)**

Ref. No.	Particulars		
	Particulars	For the Year ended 31 March, 2012 Rs.	For the Year ended 31 March, 2011 Rs.
GN 9.5.6	C. Depreciation and amortisation relating to continuing operations:		
	Depreciation and amortisation for the year on tangible assets as per Note 12 A	36,781	43,398
	Depreciation and amortisation for the year on intangible assets as per Note 12 B		
	Less: Utilised from revaluation reserve		
	Depreciation and amortisation relating to discontinuing operations (Refer Note 30.11)		
	Depreciation and amortisation relating to continuing operations	36,781	43,398

Notes:

(i) Details of amounts written off on reduction of capital or revaluation of assets or sums added to assets on revaluation during the preceding 5 years:

Particulars	Year			
	31 March, 2012 Rs.	31 March, 2011 Rs.	31 March, 2010 Rs.	31 March, 2009 Rs.
Opening balance				
Written off on reduction of capital				
Date				
Amount				
Written off on revaluation				
Date				
Amount				
Added on revaluation				
Date				
Amount				
Balance as at 31 March				

(iii) Details of assets jointly owned by the Company:

Particulars	Extent of ownership by the Company		Proportion of the original cost		Accumulated depreciation		Net block	
	31 March, 2012 Rs.	31 March, 2011 Rs.	31 March, 2012 Rs.	31 March, 2011 Rs.	31 March, 2012 Rs.	31 March, 2011 Rs.	31 March, 2012 Rs.	31 March, 2011 Rs.

9. SIGNIFICANT ACCOUNTING POLICIES

a) The financial accounts are prepared under the accrual method, unless otherwise stated and at historical cost.

b) Revenue Recognition

1) Property Development.

i) In respect of contract the company follows completed contract method of accounting revenue and costs. Under this method, revenue is recognised only when the project is completed or substantially completed.

ii) Project promotion fess is the fee charged to customers on allotment of flats at a specific rate per square foot of built up area to be constructed in consideration of the various services rendered by the company by promoting the respective projects. The same is recognised as income upon signing of construction agreement with customers and is not linked to the status of the completion of project.

c) Fixed Assets and Depreciation :

i) Fixed assets are stated at cost less depreciation

ii) Depreciation on all assets has been provided on written down value method at the rates prescribed in Schedule XIV of the Companies Act 1956.

d) Current Assets.

i) Stock of shares is valued at cost. However in case of shares of Dugar Finance India Limited, the shares have been valued at a notional value of Rs.3/ Share.

ii) Work in progress is valued at cost, aggregate of materials, labour charges and cost of materials lying unused at the site.

iii) Real Estate debtors represent (i) values of sales less amount received and (ii) unrealized project promotion fees.

e) Deferred Taxation Liability

Deferred taxation Liability if any, has been determined as Rs. NIL in view of the continuous losses suffered by the Company and accordingly has not been provided for in the accounts.



DUGAR

HOUSING DEVELOPEMENTS LIMITED

Regd. Office : "Dugar Towers", New No.34, (Old No. 123), Marshalls Road, Egmore, Chennai - 600 008.

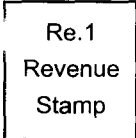
PROXY FORM

Reg. Folio No. No. of Shares.....

I / We being a Members(s) of the above named Company hereby appoint..... of of falling him of as my/our proxy to attend and vote for me/us on my/our behalf at the 20th Annual General Meeting of the Company to be held on Friday the 28th September 2012 at Nahar Hall, Deshbandhu Plaza, First Floor, 47, Whites Road, Royapettah, Chennai - 600 014 at 10.00 a.m and at any adjustment there of

Signed this.....day of September 2012.

Signature.....



Note: The Form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the Meeting.

DUGAR HOUSING DEVELOPEMENTS LIMITED

Regd. Office : "Dugar Towers", New No.34, (Old No. 123), Marshalls Road, Egmore, Chennai - 600 008.

ATTENDANCE SLIP

(20th Annual General Meeting - 28th September 2012)

Reg. Folio No. No. of Shares.....

I hereby record my presence at the 20th Annual General Meeting of the Company to be held on Friday 28th September 2012 at Nahar Hall, Deshbandhu Plaza, First Floor, 47, Whites Road, Royapettah, Chennai - 600 014 at 10.00 a.m.

.....
Member's / Proxy Name
in Block Letters

.....
Member's / Proxy Signature

Note: Please fill in this attendance slip and hand it over at the Entrance of the Meeting Hall.

NO COMPLIMENTS WILL BE GIVEN AT THE ANNUAL GENERAL MEETING



BOOK - POST

If undelivered, please return to



DUGAR
HOUSING DEVELOPEMENTS LIMITED

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Marshalls Road, Egmore, Chennai - 600 008.

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