

22nd
ANNUAL REPORT
2012-2013



COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director	Mr. Dalip Singh Dasila <i>Managing Director</i>
Non-Executive Directors	Mr. Deepak Jalan Mr. Piyush Prakash Mr. Amar Singh Mr. Sapan Mohan Garg Mr. Sanjeev Saxena Mr. Manoj Gupta

COMPANY SECRETARY

Mr. Sumeer Narain Mathur

REGISTRAR & SHARE TRANSFER AGENT

M/s Sky Line Financial Services Pvt Ltd
D-153-A, 1ST Floor, Okhla Industrial area Phase-I, New Delhi-110020
Tel:91-11-2681-2682 Fax:91-11-30857562 Email:admin@skylinerta.com
Web:www.skylinerta.com

AUDITORS

M/s Srivastava Kumar & Co
Chartered Accountants.

BANKERS

Kotak Mahindra Bank
Bank of Baroda

REGISTERED OFFICE

Shop# 1, Country Inn, Mehragoan,
Bhimtal-248179, Uttarakhand

CORPORATE OFFICE

B-210, Ansal Chamber-I,
Bhikaji Cama Place, New Delhi-110066

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NOTICE

To,
The Members,
Wellesley Corporation Limited

Notice is hereby given that the 22nd Annual General Meeting of the Company will be held on Friday, the 27th September, 2013, at 01:00 P.M at the registered office at Shop#1, Country Inn, Mehragoan, Bhimtal- 248179, Uttarakhand to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2013 and Profit & Loss Account for the financial year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr.Piyush Prakash who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Amar Singh who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s Srivastava Kumar & Co., Chartered Accountants (F.R No: 01120N) as Statutory Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board of Directors
Wellesley Corporation Limited

Sumeer Narain Mathur
Company Secretary

Date : 5th August, 2013
Place : New Delhi

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. A blank proxy form is alongwith the attendance slip is annexed herewith.
3. Members/Proxies are requested to bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members and share Transfer Books of the company shall remain closed from 26/9/2013 to 27/9/2013 (Both days inclusive).
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays up to the date of the Annual General Meeting.
6. The Register of Contract/arrangement and Register of Directors Shareholding shall be open for inspection by the members during the continuation of meeting.
7. Members desirous of any information concerning the accounts and operation of the Company are requested to send their queries to the Company at least one week before the meeting, so as to enable the management to keep information ready. Replies will be provided only at the meeting.

WELLESLEY CORPORATION LIMITED

DIRECTORS' REPORT

To

The Members,
Wellesley Corporation Limited

Your Directors have pleasure in presenting the 22nd Annual Report together with Audited Balance Sheet of the Company as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date and Auditor's Report thereon.

FINANCIAL HIGHLIGHTS

(Figures in Rupees)

Particular	Financial Year ended 31.3.2013	Financial Year ended 31.3.2012
Income	97,72,992	39,63,858
Expenditure	89,28,405	32,24,005
Profit before tax	8,44,587	7,39,853
Provision for tax (including deferred tax)	4,21,914	3,73,329
Profit after tax	4,22,673	3,66,524
Balance carried forward to Balance Sheet	(9,49,21,548)	(9,53,44,221)

DIVIDEND

In view of accumulated losses, the Directors do not recommend any dividend during the year.

OPERATION AND FUTURE OUTLOOK

The year 2012-13 under review was a sluggish year in terms of economic growth of the Country, largely because of high interest rates, inflation, lower GDP growth, political uncertainty, and current account deficit. This economic scenario has impacted sentiments and interest of the investors across all the business and more particularly in the Real estate sector. In spite of that your company focused on the services in the real estate sector and trading activities of the related products through NSEL during the year to maximize the cash flow.

Your company has recorded revenue of Rs 97.72 lacs in financial year 2012-13 as compared to Rs 39.63 lacs in financial year 2011-12, an increase of 146%. The gross operating profit has also increased to Rs 8.45 lacs from Rs 7.40 lacs an increase of 14%. The profit after tax has also recorded an increase of 15% ie Rs 4.22 lacs from Rs 3.66 lacs.

Your company expects that economic and business environment will improve from the second half of the financial year 2013-14. The company expects to start a new real estate project in the residential segment to maximize its cash flow.

DIRECTORS

Mr. Piyush Prakash and Mr. Amar Singh are retiring by rotation and being eligible offer themselves for re-appointment.

DEPOSITS

The Company has not invited or accepted any deposits from the public.

PARTICULARS OF EMPLOYEES

None of the employees of the company are in receipt of remuneration exceeding the limit as prescribed under Section 217 (2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed:



1. That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. 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 profit of the company for that period.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2013 on a going concern basis.

AUDITORS

M/s Srivastava Kumar & Co., Chartered Accountants, (Firm Registration No. 011204N), Statutory Auditors of the Company hold office up to the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received communication from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. They are proposed to be appointed as Auditors of the Company for the financial year 2013-14.

AUDITOR REPORT

The observation given in point no : "X" of the annexure 1 of Auditors Report read with financial statements are self explanatory and do not require any further comment.

CORPORATE GOVERNANCE

The principles of Corporate Governance are followed by the Company. As required under clause 49 of the Listing Agreement, Corporate Governance Report along with the necessary certificates and Management Discussion and Analysis Report are annexed as Annexure I & II and form an integral part of this Annual Report.

LISTING AT STOCK EXCHANGES

The Company is listed at Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE). The listing fees for the financial year 2013-14 have been paid to the stock exchanges.

DEMATERIALIZATION OF SHARES

The company has got its securities registered with both NSDL as well CDSL for dematerialization. As on 31st March, 2013, 2,53,400 equity shares are in dematerialized form. The custody fees for the financial year 2013-14 have been paid to NSDL & CDSL.

SHIFTING OF REGISTERED OFFICE

The company has shifted its Registered office from the state of Uttar Pradesh to the state of Uttarakhand w.e.f 01st April, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNING ETC

In absence of any manufacturing activities, no details have been given as required under Section 217(1) (e) of the Companies Act, 1956 and the rules framed there under. Foreign Exchange earnings / outgo: NIL

ACKNOWLEDGEMENTS

Your Directors wish to place on record their deep appreciation for the continued support received from the business associates of the Company.

For and on behalf of the Board of Directors
Wellesley Corporation Limited

Dated : 6th May, 2013
Place : New Delhi

Dalip Singh Dasila
Managing Director

Deepak Jalan
Director

WELLESLEY CORPORATION LIMITED

Annexure-I

CORPORATE GOVERNANCE

A. BOARD OF DIRECTORS:

Composition of the Board

The composition of Board during the year ended 31st March, 2013 has been tabled below:

Structure of Board of Directors as on 31st March, 2013 and attendance at Board Meetings held during the financial year 2012-13 and Annual General Meeting (AGM) are given below:

Name	Category	Designation	Appointed on	Board Meeting	Annual General Meeting
Mr. Dalip Singh Dasila	ED*	Managing Director	05.09.2011	4	YES
Mr. Deepak Jalan	NE& ID**	Director	25.06.2007	4	YES
Mr. Amar Singh	NE& ID**	Director	20.08.2005	1	NO
Mr. Piyush Prakash	NE& ID**	Director	29.07.2010	4	YES
Mr. Sapan Mohan Garg	NE***	Director	29.07.2009	4	YES
Mr. Sanjeev Saxena	NE***	Director	29.07.2009	3	YES
Mr. Manoj Gupta	NE***	Director	29.07.2009	4	YES

* Executive Director

** Non Executive & Independent Director

*** Non Executive Director

No. of Board Meetings

During the year under review four Board Meetings were held on 26th May,2012, 7th August,2012 ,9th November, 2012 and 7th February, 2013. The time gap between the two meetings did not exceed the maximum prescribed time gap of four months.

None of the directors is a member of more than ten Board level Committees or acts as a chairman of more than five such Committees, as required under clause 49 of the Listing Agreement.

B. AUDIT COMMITTEE

The Company has an Audit Committee in accordance with the requirements of Section 292A of the Companies Act, 1956 & Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent Non Executive Director is the Chairman of the Committee. The Audit Committee met four times during the year on 26th May,2012, 7th August,2012 ,9th November,2012 and 7th February,2013

Attendance record of Audit Committee members

Name of Director	Meetings Attended
Mr Deepak Jalan	3
Mr Amar Singh	1
Mr Dalip Singh Dasila	4

C. REMUNERATION COMMITTEE:

The Company has a Remuneration Committee in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee. The Remuneration Committee met once during the year on 28th October,2012:

Attendance record of Remuneration Committee members

Name of Director	Meetings Attended
Mr. Deepak Jalan	1
Mr. Piyush Prakash	1
Mr. Sapan Mohan Garg	1

During the year under reference the Company has paid remuneration to the Executive Director viz, Managing Director amounting to Rs 3,82,320/- (Rupees Three lac eighty two thousand three hundred twenty only) and an amount of Rs. 19,483/- (Rupees Nineteen thousand four hundred eighty three only) as sitting fee to the Independent Directors for attending the meetings of the Board.

During 2012-13, the company did not advance any loan to any of its Directors except advance for travel or other purposes to discharge their official duties in the normal course of business.

D. SHAREHOLDER'S / INVESTOR GRIEVANCE COMMITTEE

The Company has a Shareholders/Investors Grievance Committee in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee.

The Shareholders/Investors Grievance Committee met four times during the year on 26th May, 2012, 7th August, 2012, 9th November, 2012 and 7th February, 2013

Attendance record of Shareholders/Investors Grievance Committee members

Name of Director	Meetings Attended
Mr. Deepak Jalan	3
Mr. Amar Singh	1
Mr. Dalip Singh Dasila	4

E. COMMITTEE OF DIRECTORS

The Company has a Committee of Directors in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee.

The Committee of Directors met eight times during the year on 20th August, 2012, 20th September, 2012, 26th September, 2012, 31st October, 2012, 10th November, 2012, 20th November, 2012, 24th January, 2013 and 30th January, 2013.

Attendance record of Committee of Directors

Name of Director	Meetings Attended
Mr Deepak Jalan	8
Mr Amar Singh	0
Mr Dalip Singh Dasila	8

F. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held:-

Financial Year (ended)	Venue	Date	Time
31st March, 2010	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	30.09.2010	11.00 A.M
31st March, 2011	36, Insaf Nagar, Sector-10, Indira Nagar, Lucknow (U.P.)	30.09.2011	11.00 A.M
31st March, 2012	36, Insaf Nagar, Sector-10, Indira Nagar, Lucknow (U.P.)	28.09.2012	11.00 A.M

G. DISCLOSURE

(i) Materially Significant Related Party Transaction

During the year there was no transaction with Related Parties as per requirements of Accounting Standard-18.

(ii) Details of Non-Compliance by the Company, penalties imposed by Stock Exchange/ SEBI/ Any Statutory Authority in any matter related to Capital Market during the last three years.

- No penalties etc were imposed on the Company by SEBI or any other Statutory Authority. However, the Bombay Stock Exchange levied a Listing Re-instatement Penalty of Rs 10.80 Lacs on the Company in the financial year 2010-11.
- The Company has paid listing fee to Bombay Stock Exchange and Delhi Stock Exchange for the financial year 2013-14.

H. MEANS OF COMMUNICATION

Information like quarterly/half yearly/annual financial results and press releases has been submitted to the stock exchanges. The quarterly/half yearly/annual financial results are published in English and Hindi Newspapers. These are also available on the company's website www.wellesleycorp.com.

WELLESLEY CORPORATION LIMITED

I. GENERAL SHAREHOLDER INFORMATION

(i) 22nd Annual General Meeting:

Date & Time of ensuing Annual General Meeting : 27.09.2013 at 01.00 A.M.

Venue of Annual General Meeting : Shop #1 Country Inn, Mehragoan, Bhimtal - 248179, Uttarakhand.

(ii) **Book Closure** : 26th September, 2013 to 27th September, 2013 (Both days inclusive)

(iii) **Financial Calendar** : The next financial year of the company is 1st April, 2013 to 31st March, 2014

iv) STOCK MARKET DATA

No stock trade data for the shares of the Company is available for the last financial year as there was no trade on the stock exchanges.

v) DEMATERIALIZATION OF SHARES

The company has got its securities registered with both NSDL as well as CDSL for dematerialization. As on 31st March, 2013, 2,53,400 equity shares are in dematerialized format. The custody fees for the financial year 2013-14 have been paid to NSDL & CDSL.

vi) LISTING ARRANGEMENTS

The Company is listed at Bombay Stock Exchange and Delhi Stock Exchange. The listing fees for the financial year 2013-14 have been paid to the stock exchanges.

vii) DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2013

Category	No. of Shares Held	Percentage of Holding
Promoter's Holding	1,00,01,100	74.08
Institutional Investors, Banks etc	Nil	Nil
Public		
Domestic Companies	23,06,600	17.09
Indian Public	11,92,700	8.83
Total	1,35,00,400	100.00

viii) INVESTOR'S ASSISTANCE

a.	Registered Office	: Shop #1, Country Inn, Mehragoan, Bhimtal - 248179, Uttarakhand.
b.	Corporate Office	: B-210, Ansal Chamber - I, 3, Bhikaji Cama Place, New Delhi - 110 066
c.	Registrar & Share Transfer Agents for shares held in Physical Mode	: M/s. Skyline Financial Services Private Limited (Unit - Wellesley Corporation Limited) D-153A, 1st Floor Okhla Industrial Area, Phase-I, New Delhi - 110 020 Tel:- +91 - 11 - 26812682, 26812683 Fax: -- +91 - 11 - 3085 7562 Email: admin@skylinerta.com, Web: www.skylinerta.com

All queries pertaining to share transfer / transmission, change of address, bank mandate, nomination forms, loss of shares, issue of duplicate shares, Annual Report be forwarded directly to the Registrar and Share Transfer Agent at the above mentioned address.

In case of any specific query / complaint, the member may like to contact the Company at its Corporate Office at the above address.

ix) NON MANDATORY REQUIREMENTS

The Company has not adopted non mandatory requirements of the Corporate Governance during the year under report.

x) AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The auditor's certificate on compliance of clause 49 of the Listing agreement relating to corporate governance is annexed to this report.

xi) CEO CERTIFICATION AND CODE OF CONDUCT

The CEO certificate and Code of Conduct on compliance of clause 49 of the Listing agreement relating to corporate governance is annexed to this report.

For and on behalf of the Board of Directors
Wellesley Corporation Limited

Dated : 06th May, 2013
Place : New Delhi

Dalip Singh Dasila
Managing Director

Deepak Jalan
Director

Annexure-II**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The management of Wellesley Corporation Limited is pleased to present its analysis report on its performance and future outlook.

Industry Overview

As the economy showed signs of decreasing GDP growth rate, the Indian real estate industry faced its own share of concerns even as the latent demand, particularly in the residential segment, continued to be strong. After showing some signs of improvement post the global financial crisis, the real estate sector found itself in a difficult phase on account of unfavourable micro and macro factors. Sharp rise in interest rates and uncertainties in the economy took its heavy toll on the overall buyer sentiment, leading to weak movement in property sales. Residential sales remained slow in most of the cities during the year 2012-13. Residential project launches also showed a marked slowdown by the second quarter of the year. All this severely impacted the cash flow of developers, who were already struggling to overcome the tight liquidity condition. Some of the big developers were seen deleveraging their balance sheets by selling their non-core assets. But there was no distress kind of situation. Except in few micro markets, the prices corrected marginally. As banks maintained their cautious approach, the industry looked for other funding options in PE funds and NBFCs.

SWOT**Strengths**

Company has Land bank under JV Agreements with strong management team to execute the projects .

Weaknesses

Being in capital intensive industry, the company has massive capital outlay requirements, that is not easy to raise on the strength of the Balance sheet .

Opportunities

Except for recent hiccups ,the Indian growth story is intact which will continue to generate demand across all verticals of real estate, there is massive demand supply gap in housing segment .

Threats

Performance of Real estate sector is dependent on overall economic conditions. A continuous downturn can have serious impact on the company's business .Funding option is also limited as the real estate sector is yet to get industry status .

Future Outlook

As part of its strategic initiative and clear focus to strengthen the Balance Sheet ,the company has set up a team of experts to focus on settling the long pending litigation/disputed cases to unlock the value of Land bank strangled in the legal disputes.

Further with regards to the business activities, the Company firmly believes that the present slowdown is a temporary phenomenon and the scenario will improve considerably in coming quarters. With both operational and tactical measures and the strategic blueprint in place for future growth, combined with its legacy of trust, the Company is confident of making the most of emerging opportunities in the long run.

Operational and Financial Performance

The Financial Statement for the financial year ended on 31st March, 2013 have been prepared in compliance of the provisions of the Companies Act, 1956 and applicable Accounting Standards issued by the Institute of Chartered Accountants of India. The Board of Directors accepts the integrity and objectives of these financial statements.

During the year, company's turnover has increased to Rs. 97,72,992/- from the previous year's figure of Rs. 39,63,858/-. However company's profit after tax has decreased marginally to Rs.4,22,673/- from the previous year's figure of Rs. 3,66,524/-.

WELLESLEY CORPORATION LIMITED

Human Resources

Manpower forms a vital resource for the real estate sector. The company ensures that its employees are provided the best working environment and compensated with attractive remunerations. The people oriented approach, along with a conducive working environment, promotes a proactive approach to work and also encourages thought process and innovation.

Adequacy of Internal Control Systems

The company has in place adequate system of internal control, commensurate with the nature of business and its scale of operations. The Audit Committee regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with accounting standards, as well as reasons for changes in accounting policies and practices, if any. The Statutory Auditors of the Company have also, in their report to members for the financial year ended on 31st March 2013 confirmed the adequacy of internal control system of the Company.

Cautionary Statement

The statements in this Report, particularly which relate to Management Discussion and Analysis describing the current industry structure, outlook and opportunities reflects the company's assessment and perception of the situation within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement depending on the circumstances, which are beyond the control of the Company. The Company assumes no responsibility in respect of forward looking statements which may be amended or modified in the future on the basis of subsequent developments, information or events.

For and on behalf of the Board of Directors
Wellesley Corporation Limited

Dated : 06th May, 2013
Place : New Delhi

Dalip Singh Dasila
Managing Director

Deepak Jalan
Director



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members,

We have reviewed the compliance of conditions of Corporate Governance by Wellesley Corporation Limited having its registered office at Shop# 1, Country Inn, Mehragoan, Bhimtal-248179, Uttarakhand, for the year ended on 31st March, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

We have conducted our review on the basis of the relevant records and documents maintained by the company for the year 31st March, 2013 and furnished to us for the purpose of review and the information and explanations given to us by the company during the course of such review.

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

In our opinion and to the best of our information and according to the explanations given to us,

The Company's shares are listed on the Bombay Stock Exchange and Delhi Stock Exchange. The Company has paid listing fee the listing fees for the financial year 2013-14 .

The Company's shares are registered with NSDL and CDSL for demate. The Company has paid depository fees up to 31.3.2014 to NDSL and to CDSL upto December'2015.

All the transfers are recorded and necessary compliance has been done on time and no Investor Grievances are reported pending by the Registrar and Transfer Agent.

The Company is managed by Board of Directors, as on 31.03.2013 the Board of Directors comprised of following 7 Directors being Executive, Non Executive and Independent Directors. Mr. Dalip Singh Dasila, Managing Director is being Executive Director, Mr. Manoj Gupta, Mr Sanjeev Saxena and Mr. Sapan Mohan Garg has been a Non Executive Director and Mr. Deepak Jalan, Mr. Piyush Prakash and Mr. Amar Singh are Independent Directors. Mr. Deepak Jalan is the Chairman of the Board

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

For Srivastava Kumar & Co.
Chartered Accountants

Place: New Delhi
Date: 06th May, 2013

M. K. Jain
Partner
M No.88223
Fr no:011204N



WELLESLEY CORPORATION LIMITED

CEO CERTIFICATION

I, Dalip Singh Dasila, Managing Director of Wellesley Corporation Limited, certify to the Board that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31.03.2013 and that to the best of their knowledge and belief :
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - ii. These statements together present a true and fair view of the company's affairs and comply with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee that –
 - i. There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant changes in accounting policies during the year under requiring disclosure in the notes to the financial statements; and
 - iii. There has not been any instances during the year of significant fraud of which we had become aware and the Involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Wellesley Corporation Limited

Dalip Singh Dasila
Managing Director

Dated : 06th May, 2013
Place : New Delhi

CODE OF CONDUCT

Declaration under Clause 49(1)(D) of the Listing Agreement for compliance with the Code of Conduct

As per the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has laid down a Code of Conduct for its Board of Directors and Senior Management.

I, Dalip Singh Dasila, Managing Director of the Company confirm the compliance of this Code of Conduct by myself and other members of the Board of Directors and Senior Managerial personnel as affirmed by them individually.

For Wellesley Corporation Limited

Dalip Singh Dasila
Managing Director

Dated : 06th May, 2013
Place : New Delhi

INDEPENDENT AUDITORS' REPORT

To,

The Members of
Wellesley Corporation Limited

We have audited the accompanying financial statements of Wellesley Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **Srivastava Kumar & Company**
Chartered Accountants
(Firm Regn No 011204N)

(**M.K.Jain**)
Partner

Membership No.88223

Place : New Delhi
Date : 06th May, 2013



WELLESLEY CORPORATION LIMITED

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Wellesley Corporation Limited on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
- (ii) (a) As explained to us, stocks of finished goods & work in progress have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- (v) a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the company has not entered into transaction which requires to be recorded in a registered in pursuance of Section 301, of the Company Act. Consequently, the provision of clause V(b) of the order is not applicable to the company.
- (vi) The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
- (vii) As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.



- (viii) As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- (ix) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no disputed demand pending as at 31st March, 2013.
- (x) ***The company has accumulated losses of more than fifty percent of its net worth as at the end of the financial year 31st March, 2013 and the company has not incurred any cash losses during such financial year and also in the financial year immediately preceding such financial year.***
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or secured creditors as at 31st March, 2013.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
- (xiv) According to information and explanations given to us, the Company is not dealing or trading in Shares, Mutual funds & other Investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
- (xvi) Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
- (xvii) Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- (xviii) Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
- (xix) The Company has no outstanding debentures during the period under audit.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **Srivastava Kumar & Company**
Chartered Accountants
(Firm Regn No 011204N)

(M.K.Jain)
Partner
Membership No.88223

Place : New Delhi
Date : 06th May, 2013



WELLESLEY CORPORATION LIMITED

Balance Sheet as at 31st March 2013

Particulars	Note No	(In Rupees)	
		As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share Capital	3	135,004,000	135,004,000
(b) Reserves and Surplus	4	(94,921,548)	(95,344,221)
		40,082,452	39,659,779
(2) Share application money pending allotment			
		-	-
(3) Non-current liabilities			
(a) Other Long Term liabilities	5	2,500,000	5,000,000
		2,500,000	5,000,000
(4) Current liabilities			
(a) Trade payables	6	-	119,399
(b) Other current liabilities	7	104,349	98,848
(c) Short-term provisions	8	160,936	140,980
		265,285	359,227
	TOTAL	42,847,737	45,019,006
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	18,101	22,032
(ii) Intangible assets under development	9	143,000	143,000
(b) Deferred tax assets (net)	10	8,095,554	8,356,532
(c) Long-term Loans and Advances	11	28,601,743	28,614,371
(d) Other Non Current Assets	12	771,875	738,679
		37,630,273	37,874,614
(2) Current assets			
(a) Inventories	13	486,192	911,618
(b) Trade receivables	14	2,525,321	2,886,570
(c) Cash and cash equivalents	15	1,140,310	2,264,547
(e) Short term Loan and Advances	16	500,000	500,000
(d) Other Current assets	17	565,641	581,657
		5,217,464	7,144,392
	TOTAL	42,847,737	45,019,006

See accompanying notes to the financial statements

As per our report of even date attached

FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS
 (Firm Regn No 011204N)

For and on behalf of the board

(M K JAIN)
PARTNER
M NO 88223

DALIP SINGH DASILA
MANAGING DIRECTOR

DEEPAK JALAN
DIRECTOR

Place : New Delhi
 Date : 06th May, 2013

SUMEER NARAIN MATHUR
COMPANY SECRETARY

Statement of Profit and loss for the year ended 31st March 2013

Particulars	Note No	(In Rupees)	
		As at 31.03.2013	As at 31.03.2013
I. Revenue from operations	18	9,761,650	3,942,320
II. Other income	19	11,342	21,538
III. Total Revenue (I + II)		9,772,992	3,963,858
IV. Expenses:			
Cost of materials consumed		-	76,556
Purchases of Stock-in-Trade		6,828,990	1,424,779
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	425,426	621,129
Employee benefits expense	21	944,787	655,471
Depreciation and amortization expense		3,931	6,166
Other expenses	22	725,271	439,904
Total expenses		8,928,405	3,224,005
V. Profit before exceptional and extraordinary items and tax (III-IV)		844,587	739,853
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		844,587	739,853
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		844,587	739,853
X Tax expense:			
(1) Current tax		160,936	140,980
(2) Deferred tax		260,978	232,349
XI Profit (Loss) for the period from continuing operations (IX-X)		422,673	366,524
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		422,673	366,524
XVI Earnings per equity share:			
(1) Basic		0.03	0.03
(2) Diluted		0.03	0.03

See accompanying notes to the financial statements

As per our report of even date attached
FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS
 (Firm Regn No 011204N)

For and on behalf of the board

(M K JAIN)
PARTNER
M NO 88223

DALIP SINGH DASILA
MANAGING DIRECTOR

DEEPAK JALAN
DIRECTOR

Place : New Delhi
 Date : 06th May, 2013

SUMEER NARAIN MATHUR
COMPANY SECRETARY

WELLESLEY CORPORATION LIMITED

Cash Flow Statement for the year ended 31st March 2013

Particulars	(In Rupees)	
	For the year ended 31.3.2013	For the year ended 31.3.2012
A. CASH FLOW FROM OPERATING ACTIVITIES BEFORE INTEREST		
Net Profit before Tax and Extra-ordinary Items	844,587	739,853
Adjustment for :		
Depreciation	3,931	6,166
Operating Profit before working Capital changes	848,518	746,019
Decrease/(Increase) in Inventories	425,426	621,129
Decrease/(Increase) in Trade Receivables	361,248	1,336,022
Decrease/(Increase) in Other Current Assets	16,016	511,396
Decrease/(Increase) in Long Term Loan and Advances	12,628	-
Decrease/(Increase) in Other Non Current Assets	(33,196)	-
Increase/(Decrease) in Current Liabilities	(93,942)	(1,561,223)
Increase/(Decrease) in Other Long Term Liabilities	(2,500,000)	(272,430)
Taxes Paid	(160,936)	(140,980)
Cash Generated from operations	(1,124,237)	1,239,933
NET CASH FROM OPERATING ACTIVITIES (A)	(1,124,237)	1,239,933
B. CASH FROM INVESTING ACTIVITIES		
Expenses on Intangible Assets	-	(143,000)
Purchase of Fixed Assets	-	(24,250)
NET CASH FROM INVESTING ACTIVITIES (B)	-	(167,250)
C. CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH USED IN FINANCING ACTIVITIES (C)	-	-
Net Inc/(Dec) in Cash and Cash Equivalents(A+B+C)	(1,124,237)	1,072,683
Cash & Cash Equivalents as at the beginning of the year	2,264,547	1,191,864
Cash & Cash Equivalents as at the end of the year	1,140,310	2,264,547

As per our report of even date attached
FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS
 (Firm Regn No 011204N)

For and on behalf of the board

(M K JAIN)
PARTNER
M NO 88223

DALIP SINGH DASILA
MANAGING DIRECTOR

DEEPAK JALAN
DIRECTOR

Place : New Delhi
 Date : 06th May, 2013

SUMEER NARAIN MATHUR
COMPANY SECRETARY



Notes to the Financial Statements for the year ended 31st March, 2013

- I. The company was incorporated on 23.10.1991, and is in the business of Real Estate, Barter Trade & Trading of Chocolates and Beauty products .

2. **SIGNIFICANT ACCOUNTING POLICIES**

I. BASIS OF PREPARATION

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company

II. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liability at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

III. FIXEDASSETS

Tangible Assets.

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition to fixed assets which takes a substantial period of time to get ready for its intended use are also included to the extent they relates to the period till such assets are ready to be put to use.

Intangible Assets

Intangible assets are carried at cost less accumulated amortization and impairment losses,if any .The cost of an intangible asset comprises its purchase price,including any import duties and and other taxes (other than those subsequently recoverable from the taxing authorities)and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.subsequently expenditure on an intangible asset after its purchase /completion is recognized as an expenses when incurred unless its is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably ,in which cases such expenditure is added to the cost of the asset.

IV. DEPRECIATION

Depreciation on assets is provided using the Straight Line Method at the rates computed based on the estimated useful life of the assets, which are equal to corresponding rates prescribed under the Schedule XIV to the Companies Act, 1956.

V. IMPAIRMENT

The carrying amounts are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

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

VI INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investment is classified as long-term investment. Current investments are carried at the lower of cost and fair value determined on an individual investment basis. Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporarily in the value of the investments.

VII. RETIREMENT AND OTHER EMPLOYEE BENEFITS.

Defined Contribution Plan

Contributions to the provident and pension funds are made monthly at a predetermined rate to the Regional Provident Fund Commissioner and debited to the profit and loss account on an accrual basis. There are no other obligations other than the contribution payable to the respectable funds.



WELLESLEY CORPORATION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2013

Defined Benefit Plan

Gratuity liability is defined benefit obligations and liability toward gratuity is provided on the basis of an actuarial valuation as at balance sheet date using the Projected Unit Credit method and debited to the profit and loss account on an accrual basis. Actuarial gains and losses arising during the year are recognized in the profit and loss account.

Long term compensated absence is similarly valued on an actuarial basis. Short term compensated absence are provided for on estimates basis.

VIII. INVENTORIES

Inventories are stated at cost or net realizable value, whichever is lower. The cost is arrived at on first in first out method (FIFO).

IX. REVENUE RECOGNITION

Sales have been recognized on the basis of works completed, completion of services & dispatch of goods and billed to the customers.

X. PRIOR PERIOD ITEMS

Income and Expenses pertaining to the earlier year, if any, which have a material impact on the financial statements are disclosed separately.

XI. TAXATION

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

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax and deferred tax liabilities relate to the taxes on income levied by some governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

XII. EARNING PER SHARE

Basic earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

XIII. PROVISIONS

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined bases on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized not disclosed in the financial statement.

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE - 3

SHARE CAPITAL

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
AUTHORISED:		
1,50,00,000 Equity share of Rs 10 each (Previous Year 1,50,00,000 Equity share of Rs 10 each)	150,000,000	150,000,000
	150,000,000	150,000,000
ISSUED		
1,35,00,400 Equity shares of Rs 10 each fully paid up (Previous Year 1,35,00,400 Equity share of Rs 10 each)	135,004,000	135,004,000
	135,004,000	135,004,000
SUBSCRIBED AND FULLY PAID		
1,35,00,400 Equity shares of Rs 10 each fully paid up (Previous Year 1,35,00,400 Equity share of Rs 10 each)	135,004,000	135,004,000
TOTAL	135,004,000	135,004,000

3.1 The company has only one class of shares referred to as equity shares of Rs 10/- each and each holder of equity shares is entitled to one vote per share.

3.2 The details of Shareholders holding more than 5% shares

Name of the Shareholder	As at 31.03.2013	
	No of Shares	% held
Usha General Food Ltd	10000000	74.07

3.3 Details of reconciliation of shares outstanding at the beginning and at the end of the reporting period

Type and Class of Shares	Outstanding at the beginning of the year No of Shares	Changes if any during the year No of Shares	Outstanding at the end of the year No of Shares
Equity Shares of Rs 10/- each fully paid up	13,500,400	NIL	13,500,400

3.4 The company has not allotted any fully paid up shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

NOTE - 4

RESERVES & SURPLUS

PARTICULARS	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Surplus as per Profit & Loss Account	(95,344,221)	(95,710,745)
Add : Surplus during the year .	422,673	366,524
TOTAL	(94,921,548)	(95,344,221)

WELLESLEY CORPORATION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE - 5

OTHER LONG TERM LIABILITIES

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
Others - Advance against Projects	2,500,000	5,000,000
TOTAL	2,500,000	5,000,000

NOTE - 6

TRADE PAYABLES

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
Micro, small and Medium Enterprises	-	-
Others	-	119,399
TOTAL	-	119,399

NOTE - 7

OTHER CURRENT LIABILITIES

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
Payable to Govt Authorities		
-P.F Payable	3,992	4,196
-Service Tax	1,483	-
TDS Payable	1,468	1,559
Salary Payable	69,316	66,293
Other Liabilities		
-Audit Fee payable	28,090	22,472
-Other Expenses payable	-	4,328
TOTAL	104,349	98,848

NOTE - 8

SHORT TERM PROVISIONS

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
Provision for Income Tax	160,936	140,980
TOTAL	160,936	140,980



Notes to the Financial Statements for the year ended 31st March, 2013

NOTE - 9

FIXED ASSETS

(In Rupees)

PARTICULARS	GROSS BLOCK-COST/BOOK VALUE				DEPRECIATION/AMORTISATION			NET BLOCK	
	Total as at 31 March 2012	Addition/Deletion Impairment (Reversal)/ Adjustment during the year	Total as at 31 March 2013	Total as at 31 March 2012	Provided During the year	Deductions/ Adjustments during the year	Total as at 31 March 2013	As at 31st March 2012	As at 31st March 2013
TANGIBLE ASSETS									
COMPUTERS	215,050	-	215,050	193,018	3,931	-	196,949	18,101	22,032
FURNITURE & FIXTURE	16,378	-	16,378	16,378	-	-	16,378	-	-
OFFICE EQUIPMENTS	56,340	-	56,340	56,340	-	-	56,340	-	-
	287,768	-	287,768	265,736	3,931	-	269,667	18,101	22,032
INTANGIBLE ASSETS (Under Development)									
BRAND/TRADE MARK	143,000	-	143,000	-	-	-	-	143,000	143,000
Total	430,768	-	430,768	265,736	3,931	-	269,667	161,101	165,032
Previous year	-	167,250	430,768	259,570	6,166	-	265,736	165,032	

9.1 Since the brand is in under development stage, no amortisation has been provided during the year.

NON CURRENT ASSETS

NOTE - 10

DEFERRED TAX

PARTICULARS	As at 31.03.2012 (Rs)	Movement During the year (Rs)	As at 31.03.2013 (Rs)
Deferred Tax Asset	8,359,591	260,319	8,099,272
Deferred Tax Liability	3,059	659	3,718
Net Deferred Tax Asset/(Liability)	8,356,532	260,978	8,095,554

NOTE - 11

LONG TERM LOANS & ADVANCES

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
<u>Unsecured considered good</u>		
Security Deposits	6,575,000	6,587,628
Other Loans and Advances	22,026,743	22,026,743
	28,601,743	28,614,371
<u>Unsecured considered doubtful</u>		
Other Loans and Advances	839,214	3,425,141
	839,214	3,425,141
Less:-Provision for doubtful advance	839,214	3,425,141
TOTAL	28,601,743	28,614,371

11.1 The Company had filed a suit for recovery of Rs. 12,00,000/- against Mr. Anil Parasar (Land Owner) in Tis Hazari Court, Delhi to recover the refundable security deposit paid by the Company on the completion of project "Usha Niketan, Bani Park, Jaipur" in terms of the collaboration agreement dated 7th Jan, 1994 as Mr. Anil Parasar had failed to refund Rs. 12,00,000/- even after the completion of the said project. The suit is pending for disposal. The same has been shown under the head "Other Loan and Advances"



WELLESLEY CORPORATION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2013

11.2 The Company had entered into an agreement dated 28th September 1993 with R. L. Baiswala & Sons HUF for purchase of a Plot No.D-71, Satya Villa, Jamuna Lal Bajaj Marg, C-Scheme, Jaipur for total sales consideration of Rs.65.45 Lacs and had paid Rs. 17 Lacs as an advance. But as the vendor of the land could not transfer the land and hand-over its possession, the company filed a suit against the vendor.

District Trial Court in Jaipur has decreed the suit to the extent of refund of Rs. 17 lacs to Company plus interest @18% plus cost of the suit but dismissed the prayer for specific performance. Thereafter the Company filed an appeal before the Rajasthan High Court for the specific performance of the agreement and for restraining the defendant for sale of property. The High Court has issued an injunction order dated 08.10.2001 in favour of the Company. The case is still pending before the Hon'ble High Court of Rajasthan. Rs 17,00,000/- towards security deposit and Rs 8,39,214/- towards project expenses including litigation expenses of Rs 7,55,000/- has been shown under the head "Security deposits" and "Other Loan and Advances" respectively .

11.3 The company had signed a Memorandum of Understanding (MOU) on 28.03.1995 with Mrs. P. Jayamma, Mrs. J. Savithamma, and Mrs. P. Nagarathna for the purpose of putting up residential and commercial complex on the property bearing S.No.170 and 172 of Kodihalli Village, Varthur, Hobli, Bangalore, South Taluk and paid Rs. 30 Lacs as refundable advance along with the MOU. On completion of the said project each party was to share 50% of the built-up area including terrace right.

Company had been forced to keep the project suspended because of the defect in title deeds of the property and acquisition of some part of property by the Bangalore Development Authority (BDA).Company had filed a legal suit against the party in the City Civil Judge at Bangalore, for the specific performance of the agreement and in the alternative for recovery of entire amount paid together with interest. Rs 30,00,000/- towards Security deposit and Rs 15,22,878/- towards Project expenses including Rs 5,20,000/- towards litigation expenses has been shown as "Security deposits" and "Other Loan & Advances" respectively.

11.4 The Company entered into an MOU for joint development of residential and/or commercial complexes at Hoodi Village, K.R.Puram, Bangalore, South Taluk on 26th August, 1999 with P Kalavati and others. They failed to perform his obligations under the MOU and therefore the company had filed a legal suit against them for specific performance of the agreement.

Subsequently the company has entered into a transfer agreement with M/s Windsor Infrastructure Ltd (WIL) for the said project on 22.10.2010 for transferring all its rights, claims, entitlements, liabilities etc for a total consideration of Rs 10 crores out of which Rs 50 Lacs is received from the transferee with the balance consideration of Rs 9.50 Crores shall be paid by WIL to the company on successful completion of the development and construction of project at schedule land without any legal hindrance. The company has to return the advance of Rs 50 Lacs to WIL without any interest or charges in case of any legal hindrance in developing the project.However ,during the year on the request of WIL,company has refunded Rs 25 lacs without having any affect on the transfer agreement .

Thereafter Honble' Senior Civil Judge, Bangalore Rural District Court passed an order on 29th November 2010 by directing Mr Y Rajendra and Others to refund the deposit amount along with interest @ 10 % p.a on the deposit amount from the date of termination of contract till the date of deposit of amount in court to the company against which the company and M/s Windsor Infrastructure Ltd jointly filed an appeal before the Hon'ble High Court of Karnataka which is pending.Rs 22,00,000/- towards Security Deposit amd Rs 12,73,721/- towards Project expenes including Rs 6,44,000/- towards litigation expenes has been shown as "Security deposits" and "Other Loan & Advances respectively

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE - 12

OTHER NON CURRENT ASSETS

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
Amount Recoverable	272,340	272,340
Prepaid Expenses	33,196	-
Advance Tax	466,339	466,339
TOTAL	771,875	738,679

12.1 The Company was allotted a plot No. 75 at Sector 26 at Parshik Hill, CBD Belapur Navi Mumbai by City and Industrial Development Corporation of Maharashtra Ltd. (CIDCO) and after the allotment the Company had paid Rs. 1,30,21,584.30 as a full premium but due to adverse market conditions the Company requested to CIDCO for the cancellation of allotment and refund of the money deposited after deducting the EMD i.e. of Rs.5 Lacs. The CIDCO has deducted arbitrarily 25% and refunded Rs.92,66,188/- after 7 years and therefore the Company has filed a recovery suit against the CIDCO for:

- The recovery of Balance amount of Rs. 32,55,396/- along with interest @12% p.a. being arbitrarily deducted by the CIDCO; and
- Interest on Rs.92,66,188/- from 15.10.1997 to 25.10.2004 @12% p.a.

An amount of Rs 272430/- towards the cost of litigation expenses and stamp fees has been shown under the head Amount Recoverable.

NOTE - 13

INVENTORIES

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
Work In Progress (At cost)	391,012	816,438
Stock in Trade (At Cost)	95,180	95,180
TOTAL	486,192	911,618

NOTE - 14

TRADE RECEIVABLES

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
<u>Unsecured, considered good</u>		
Over Six Months	1,590,821	1,662,549
Others Debts	934,500	1,224,021
TOTAL	2,525,321	2,886,570

14.1 Trade Receivables of over six months includes an award of Rs. 4,25,426/- passed by the arbitrator on 12.03.2009 in favour of the Company against Mr. Rakesh Sharma towards the amount recoverable on account of sale of a flat in Company's project

WELLESLEY CORPORATION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2013

located at Basant Kunj, Bhopal. The Company has filed an execution petition for the recovery of Rs. 4,25,426/- against Mr. Rakesh Sharma and the same is pending before District Court, Bhopal.

NOTE - 15

CASH AND CASH EQUIVALENTS

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
Cash on Hand	6,613	686,630
Balances with Banks (Current Account)	1,033,697	1,477,917
Balances with Banks (Fixed Deposits)	100,000	100,000
TOTAL	1,140,310	2,264,547

15.1 Bank Balances of Rs 54831/- and Rs 13,659/- are included in Balance with Banks (Current Account) representing seized bank accounts & non-operational bank accounts respectively.

15.2 Fixed deposit of Rs 1,00,000/- has been given as security against the bank guarantee submitted to Department of Trade and Taxes Delhi

NOTE - 16

SHORT TERM LOAN AND ADVANCES

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
<u>Unsecured, considered good</u>		
Other Advance	500,000	500,000
TOTAL	500,000	500,000

NOTE - 17

OTHER CURRENT ASSETS

PARTICULARS	As at 31.03.2013 (Rs)	As at 31.03.2012 (Rs)
<u>Unsecured, considered good</u>		
Imprest with Staff	-	17,000
TDS recoverable and Input VAT	497,637	552,800
Interest Accrued on Bank FDRs	20,190	11,857
Prepaid Expenses	47,814	-
TOTAL	565,641	581,657

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE - 18**REVENUE FROM OPERATIONS**

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Inventories at Close		
Sale of Products	8,792,150	2,761,070
Sale of Services	969,500	1,181,250
TOTAL	9,761,650	3,942,320

NOTE - 19**OTHER INCOME**

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Interest Income from Bank.	8,333	7,755
Amounts written off	-	11,607
Interest on Income Tax Refund.	3,009	2,176
TOTAL	11,342	21,538

NOTE - 20**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Inventories at Close		
Work in Progress	391,012	816,438
Stock In Trade	95,180	95,180
	486,192	911,618
Inventories at Commencement		
Work in Progress	816,438	1,532,747
Stock In Trade	95,180	-
	911,618	1,532,747
Decrease/(Increase) In Inventory	425,426	621,129

WELLESLEY CORPORATION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE - 21

EMPLOYEE BENEFITS EXPENSES

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Salaries including Remuneration to Managing Director	894,133	585,494
Contribution to Provident and other funds	44,344	31,261
PF Admn. Expenses	5,141	4,260
Leave Encashment	-	29,850
Staff Welfare	1,169	606
TOTAL	944,787	651,471

21.1 Remuneration to Managing Director included under various heads of Accounts.

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Salary	362,448	321,869
Contribution to P.F.	19,872	16,902
TOTAL	382,320	342,771

NOTE - 22

OTHER EXPENSES

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Legal & Professional	122,393	86,568
Payments to Auditor-As Auditor	28,090	22,472
Travelling and Conveyance Expenses	49,689	27,935
Fee to Stock Exchanges	68,540	93,755
Listing Fee penalty and Interest	-	18,413
Depository Fee(NSDL & CDSL)	44,382	-
Statutory Publication Expenses	65,791	55,632
Printing & Stationery	12,707	17,070
Advertisement Expenses	-	3,516
Directors Sitting Fees	19,483	4,000
Postage & Couriers	16,772	36,529
Trade Expenses	15,937	-
Bad Debts written off	197,537	-
Misc Expenses	83,950	78,014
TOTAL	725,271	443,904

Notes to the Financial Statements for the year ended 31st March, 2013

22.1 Details of Auditors Remuneration

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Statutory Audit Fees	25,000	20,000
Service Tax	3,090	2,472
TOTAL	28,090	22,472

22.2 Details of Directors Sitting Fees

PARTICULARS	For the year 2012-13 (Rs)	For the year 2011-12 (Rs)
Sitting Fees	18,000	4,000
Service tax under Reverse Charge Mechanism	1,483	-
Total	19,483	4,000

23. Contingent Liabilities:-

- a) LG Electronics India Pvt. Ltd (LG) had filed a suit against the company, Usha India Ltd., and others for the recovery of Rs. 4,65,02,400/- given as security deposit for the premises A-41, Mohan Co-operative Industrial Estate, New Delhi -110044 taken by it on lease from Usha India Ltd. and against the maintenance service agreement for the same premises entered into with the company. The company has denied its liability on the ground that it has already assigned the agreement to Lord Mahadev Trust on 6th August, 1997 and transferred the security deposit of Rs. 87,19,200/- received by the Company to the said Trust. However, Hon'ble High Court of Delhi has passed a part joint decree of Rs. 2,31,25,803/- in favour of LG and the LG filed an execution petition and subsequently the Court directed the ICICI Bank, New friends Colony, New Delhi to transfer a sum of Rs.4,50,000/- to LG. The liability on account of above decree has not been ascertained by the court among the parties to the suit. However, the management is of the opinion that the Company can be liable maximum to the extent of Rs. 87,19,200/- on account of the above recovery suit. Company is contesting the execution petition filed by LG electronics India Pvt. Ltd, Rs 4,50,000/- so transferred from the Company's Bank a/c to LG Electronics has been shown under the head of Long term Loan and Advances .
- (b) Other money for which the company is contingently liable :

Assessing officer has filed an appeal before the ITAT, New Delhi against the order of Commissioner of Income Tax (Appeals) allowing the appeal for deleting the demand of Rs 6,51,050/- towards the penalty imposed by the Assessing Officer U/s 271(1) (C) relating to the assessment year 2003-04. The case was remanded back to CIT(Appeals) for adjudication on merit vide order dated 06-06-2008 by ITAT. However the CIT(Appeals) has not taken the case till date.

24. Balances of Loans and Advances are subject to reconciliation and confirmation.

WELLESLEY CORPORATION LIMITED

Notes to the Financial Statements for the year ended 31st March, 2013

25. As per AS 17 on segment reporting the company has identified two reportable segments i.e Real Estate and Trading taking into account the nature of products and services.

Particulars	Current Year	Previous Year
Segment Revenue		
Real Estate	969500	1889911
Trading	8792150	2073947
Total Revenue	9761650	3963858
Inter Segment Revenue	NIL	Nil
Net Revenue	9761650	3963858
Segment Result		
Real Estate	76741	436513
Trading	767846	303340
Total	844587	739855
Segment Assets		
Real Estate	41830447	43852636
Trading	1017290	1166370
Total	42847737	45019006
Segment Liabilities		
Real Estate		5239828
Trading		119399
Total		5359227
Segment Capital Expenditure		
Real Estate		24250
Trading		143000

26. During the year there is no transactions with Related Parties as per the requirements of AS-18 Related Party Disclosures' issued by the Institute of Chartered Accountants of India.

27. Earning per share

	As on 31.03.2013	As on 31.03.2012
A) No. of Shares at the beginning and at the end of the year	13500400	13500400
B) Net Profits after Tax available for Equity Shareholders	4,22,673	3,66,524
C) Basic & Diluted Earning per share (Annualised)	0.03	0.03

28. Value of Imports on CIF basis : NIL (P. Year Nil)
29. Expenditure in foreign currency: NIL (P Year Nil).
30. Provision for gratuity and leave encashment has not been provided in the books as none of the employees of the company are eligible for these benefits as on 31.03.2013.
31. Previous year's figures have been regrouped / rearranged wherever necessary.
32. Figures in brackets denotes negative figures.

FOR SRIVASTAVA KUMAR & CO.
CHARTERED ACCOUNTANTS
(Firm Regn No 011204N)

(M K JAIN)
PARTNER
M NO 88223

For and on behalf of the Board

Place : New Delhi
Date : 06th May, 2013

DALIP SINGH DASILA
MANAGING DIRECTOR

DEEPAK JALAN
DIRECTOR

SUMEER NARAIN MATHUR
COMPANY SECRETARY

WELLESLEY CORPORATION LIMITED
TWENTY SECOND ANNUAL GENERAL MEETING
ATTENDANCE SLIP

I/We hereby record my/our presence at the 22nd Annual General Meeting of the Company held on Friday, the 27th September, 2013 at 1:00 PM at Shop#1, Country Inn, Mehragoan, Bhimtal- 248179, Uttarakhand.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

- Note :** 1. Please bring Annual report and duly filled in Attendance Slip when attending the meeting.
 2. Please do not bring with you any person who is not a member of the Company.

WELLESLEY CORPORATION LIMITED
TWENTY SECOND ANNUAL GENERAL MEETING
PROXY FORM

I/We.....of.....in the district of thebeing a member/members of Wellesley Corporation Limited, hereby appoint Mr./Miss/Mrs..... ofof falling him/her, Mr./Miss/Mrs.....in the district of.....as my/our proxy to vote for me/us on my/our behalf at the Twenty Second Annual General Meeting of the Company to be held on Friday, the 27th September, 2013 and at any adjournment thereof.

Signed thisday of2013

Affix
1 Rupee
Revenue
Stamp

Note : The Proxy must reach the Registered Office and /or Corporate Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

If Undelivered, Please return to:

WELLESLEY CORPORATION LIMITED

B- 210, Ansal Chamber - I, 3, Bhikaji Cama Place,
New Delhi - 110 066