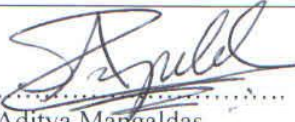





FORM A
Covering letter of the Annual Audit Report

1	Name of the Company	The Victoria Mills Ltd.
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Since Audit Report of 31.3.2009
5.	To be signed by-	
	CFO/Managing Director	 Aditya Mangaldas Managing Director
	CFO	 R.K. Shah CFO
	Auditor of the Company	 M. P. ANTIA (Partner) Sorab S. Engineer & Co. Chartered Accountants 
	Audit Committee Chairman	Not applicable (since paid up capital is less than Rs.3 crores)



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE VICTORIA MILLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **THE VICTORIA MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the accounting policies used and the reasonableness of the accounting estimates made by the 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 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit 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 it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (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 and with the returns received from the branches not visited by us.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.

- (e) On the basis of the written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 SORAB S. ENGINEER & CO.
Chartered Accountants
Firm Registration No. 110417W

sd

M.P. ANTIA
Partner

(Membership No.7825)

MUMBAI.
30th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

Re: The Victoria Mills Limited

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the major assets have been physically verified by the management during the year.
- (c) No substantial part of fixed assets have been disposed off during the year.
- (ii) (a) Inventory of the company comprises of work in progress of Real Estate Development which comprises of purchase of land and direct expenses on the project.
- (b) Due to reasons stated above there is no question of physical verification and discrepancies noticed on such verification.
- (iii) (a to d) The Company has given interest free demand loan to its wholly owned subsidiary. In the respect of the said loan, the maximum balance outstanding at any time during the year is Rs.2,95,00,000/- and the year end balance is Rs.2,95,00,000/-
- (e to g) The Company has not taken any loan during the year. Accordingly clause 4(iii) (e) to (g) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements that need to be entered into the register maintained under Section 301 of the Act, 1956 have so been entered.

- (b) Other than interest free demand loan given to the wholly owned subsidiary there are no other transactions during the year with the parties covered in the register maintained under Section 301 of the Act, 1956.
- (vi) The company has not accepted fixed deposits from public.
- (vii) The Company has an internal audit system, which in our opinion, is commensurate with the size of the Company and the nature of its business.
- (viii) Maintenance of cost records under section 209(1)(d) of the Companies Act 1956 is not applicable to the company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Investor Education and Protection Fund, Income-tax, Sales-tax, Excise Duty, cess, Service Tax and other material statutory dues applicable to it. There are no dues outstanding for more than six months from the date they became payable as at the last day of the financial year.

(b) There are no disputed statutory liabilities not paid by the company.
- (x) The Company does not have accumulated losses nor has it incurred cash losses during the year and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks.
- (xii) The Company has not granted any 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 provisions of Clause 4 (xiii) of paragraph 4 of the order are not applicable.
- (xiv) The Company is dealing in or trading in shares, temporarily through an Asset Management Company. Regular statements of accounts are received from this Asset Management Company.
- (xv) The Company has not given any guarantee on behalf of others.
- (xvi) The Company has not obtained any term loan during the year.
- (xvii) No funds were raised during the year.

- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the registered maintained under Section 301 of the Act during the year.
- (xix) The company has not issued any Secured Debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) No material fraud on or by the company has been noticed or reported during the year.

**FOR SORAB S. ENGINEERS & CO.,
Chartered Accountants**

sd

**M.P. ANTIA
Partner
Membership No.7825
Firm Reg.No.110417 W**

MUMBAI
Dated: 30.5.2013

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

BALANCE SHEET AS AT 31ST MARCH 2013

	Notes No	As at 2012-2013 Rupees	As at 2011-2012 Rupees
I EQUITY AND LIABILITIES			
1) SHAREHOLDER'S FUNDS			
a) Share Capital	1	9,856,000	9,856,000
b) Reserves & Surplus	2	186,068,882	187,718,090
2) NON-CURRENT LIABILITIES			
a) Deferred Tax Liabilities (Net)	3	75,000	75,000
b) Other Long Term Liabilities		2,054,775	2,054,775
c) Long -Term Provision		3,551,782	2,958,335
		<u>5,681,557</u>	<u>5,088,110</u>
3) CURRENT LIABILITIES			
a) Other Current Liabilities	4	55,120,250	12,722,568
b) Short Term Provisions	5	7,276,982	7,073,746
		<u>62,397,232</u>	<u>19,796,314</u>
TOTAL		<u>264,003,671</u>	<u>222,458,514</u>
II ASSETS			
1) Non-Current assets			
a) Fixed Assets			
1) Tangible Assets	6	4,323,480	4,893,217
b) Non -Current Investments	7	111,419,170	88,176,863
c) Long Term Loans & Advances	8	31,000	31,000
2) CURRENT ASSETS			
a) Current Investments	9	29,216,745	27,774,646
b) Inventories	10	32,000,640	12,110,393
b) Trade Receivable	11	24,637,363	31,687,363
c) Cash & Cash Equivalents	12	3,815,994	3,489,057
d) Short-Term Loans And Advances	13	51,962,830	48,174,883
e) Other Current Assets	14	6,596,449	6,121,092
		<u>148,230,021</u>	<u>129,357,434</u>
TOTAL		<u>264,003,671</u>	<u>222,458,514</u>
OTHER NOTES FORMING PART OF ACCOUNTS	18		
In the opinion of the Board, the Current Assets, Loans and Advances are approximately of value stated, if realised in the ordinary course of business			

As per our report annexed herewith
For Sorab S.Engineer & Co.
Chartered Accountants

sd
Partner
Dated: 30th May 2013

For The Victoria Mills Ltd.,

sd
Managing Director

sd
Chairman &
Managing Directors

Directors

1 *sd*
2 *sd*
3 *sd*
4

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

	Notes No	2012-2013 Rupees	2011-2012 Rupees
I) Revenue from Operations (Sale of Property Held as Stock In Trade)		2,900,000	-
II) Other Income	15	20,502,348	30,253,230
III) TOTAL REVENUE(I+II)		<u>23,402,348</u>	<u>30,253,230</u>
IV) EXPENSES			
Cost of Materials Consumed		1,962,000	-
Purchases of Stocks-in-Trade		19,890,247	12,110,393
Changes in Inventories of Finished Goods			
Work -in-Progress and Stock-in-Trade		(19,890,247)	(12,110,393)
Employee Benefits Expenses	16	5,410,670	5,409,223
Depreciation and Amortization Expenses		625,632	780,070
Other Expenses	17	10,940,809	16,708,040
TOTAL EXPENSES		<u>18,939,111</u>	<u>22,897,333</u>
V) Profit Before Exceptional And Extraordinary items and Tax (III-IV)		4,463,237	7,355,897
VI) Exceptional Items			
Provision for fall in value of Short Term Investment written back		-	1,587,492
		-	<u>1,587,492</u>
VII) Profit Before Tax and extraordinary items and tax (V-VI)		<u>4,463,237</u>	<u>8,943,389</u>
VIII) Extraordinary Items		-	-
IX) Profit before tax(VII-VIII)		<u>4,463,237</u>	<u>8,943,389</u>
X) Tax Expenses			
(1) Current Tax		385,000	1,100,000
(2) Deferred Tax		-	-
XI) Profit (Loss) for the period from continuing operations(VII-VIII-X)		<u>4,078,237</u>	<u>7,843,389</u>
XII) Profit (Loss) from discontinuing operations		-	-
XIII) Tax expense of discontinuing operations		-	-
XIV) Profit/(Loss) from Discontinuing operation (after tax) (XII-XIII)		<u>-</u>	<u>-</u>

XV) Profit (Loss) for the period (XI+XIV)	<u>4,078,237</u>	<u>7,843,389</u>
XVI) Earnings per equity share:		
(1) Basic	41.38	79.57
(2) Diluted	41.38	79.57

NOTES FORMING PART OF ACCOUNTS
As per our report annexed herewith
For Sorab S.Engineer & Co.
Chartered Accountants

18

sd
**Chairman &
Managing Directors**

sd
Partner
Dated:30th May 2013

For The Victoria Mills Ltd.,
sd
Managing Director

Directors
1 *sd*
2 *sd*
3 *sd*
4

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

**NOTES ANNEXED TO & FORMING PART OF THE
BALANCE SHEET AS AT 31ST MARCH 2013**

	2012-2013 Rupees	2011-2012 Rupees
NOTE-1 SHARE CAPITAL		
AUTHORISED CAPITAL		
2,00,000 Equity Shares of Rs.100/- each	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
a) ISSUED & SUBSCRIBED CAPITAL		
98,560 Equity Shares of Rs.100/- each fully paid up.	9,856,000	9,856,000
	<u>9,856,000</u>	<u>9,856,000</u>

b)Details of Shareholders holding more than 5% Share in the Company

Name of the Shareholder	31.3.2013		31.3.2012	
	No of Shares	%	No of Shares	%
Shri Aditya Mangaldas	42652	43.28	42652	43.28
Bromelia Trading Pvt Ltd	6100	6.19	6100	6.19

NOTE 2: RESERVES AND SURPLUS

A : General Reserve	27,260,000	26,460,000
Transfer from Profit & Loss A/c	450,000	800,000
TOTAL	<u>27,710,000</u>	<u>27,260,000</u>
B : Profit & Loss A/c(As per Last Balance Sheet	160,458,090	159,142,146
Add: Profit for the year	4,078,237	7,843,389
	<u>164,536,327</u>	<u>166,985,535</u>
Less:Transfer To General Reserve	450,000	800000
Less:Proposed Dividened	4,928,000	4928000
Less:Tax On Dividened	799,445	799445
	<u>6,177,445</u>	<u>6,527,445</u>
	<u>158,358,882</u>	<u>160,458,090</u>
TOTAL	<u><u>186,068,882</u></u>	<u><u>187,718,090</u></u>

THE VICTORIA MILLS LTD

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NOTE-3 NON-CURRENT LIABILITIES

		2012-2013 Rupees	2011-2012 Rupees
a)	Deffered Tax Liabilities (Net)	75,000	75,000
b)	Other Long Term Liabilities (Deposits etc)	2,054,775	2,054,775
c)	Long -Term Provisions		
	Provision for Retirement Benefits		
	Gratuity	2067077	1,697,893
	Leave Encashment	1484705	1,260,442
		<u>3,551,782</u>	
		<u>5,681,557</u>	<u>5,088,110</u>

NOTE-4 - OTHER CURRENT LIABILITIES

a)	Short -Term Deposit	52,969,929	9,094,929
b)	Provision For Expenses	913,271	2,568,989
c)	Unpaid Dividened	1,237,050	1,058,650
		<u>55,120,250</u>	<u>12,722,568</u>

NOTE-5 - SHORT TERM PROVISIONS

a)	Proposed Dividened	4,928,000	4,928,000
b)	Tax On Dividened	799,445	799,445
c)	Provision for Retirement Benefits		
	Gratuity	891433	766,469
	Leave Encashment	658104	579,832
		<u>1,549,537</u>	
		<u>7,276,982</u>	<u>7,073,746</u>

THE VICTORIA MILLS LTD

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NOTE 6:a) FIXED ASSETS
1) TANGIBLE ASSETS

Sr. No.	Description	Gross Block on 1.4.2012	Addition	Deductions	Gross Block on 31.3.2013	Total Depr. upto 1.4.2012	Curr. Year Depr.	Depr. Wr Back	Total Depr. upto 31.3.2013	Net Block on 31.3.2013	Net Block on 31.3.2012
		Rs.			Rs.	Rs.			Rs.	Rs.	Rs.
1	Land	686	0	0	686	0	0	0	0	686	686
2	Building	3910831	0	0	3910831	1099501	140567	0	1240068	2670763	2811330
3	Plant & Machinery (Computers)	800720	55895	0	856615	699289	53092	0	752381	104234	101431
4	Electric Installation	1806898	0	0	1806898	1220140	81618	0	1301758	505140	586758
5	Furniture & Fixture	975370	0	0	975370	843195	23924	0	867119	108251	132175
6	Vehicles	3373071	0	0	3373071	2112234	326431	0	2438665	934406	1260837
Total		10867576	55895	0	10923471	5974359	625632	0	6599991	4323480	4893217
	Previous Year	10867576	0	0	10867576	5194289	780070	0	5974359	4893217	

THE VICTORIA MILLS LTD

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NOTE 7: NON -CURRENT INVESTMENTS (AT COST)

		2012-2013 Rupees	2011-2012 Rupees
1 INVESTMENT IN MUTUAL FUNDS (UNQUOTED)			
	Units		
Liquid Bees	1,880.7871	1,880,802	2,496,995
Birla Sun Life Short Term Opportunity Fund	79,411.8980	1,400,000	-
Canara Robeco Floating Rate Fund	80,379.3910	1,400,000	-
Fidelity Equity Fund (L & T Mutual Fund)	40,982.3060	1,300,000	1,300,000
Franklin India Prima Plus	57,019.6280	1,500,000	1,500,000
HDFC Balanced Fund	53,019.1580	1,000,000	1,000,000
HDFC Cash Management Fund	5,405,899.7520	57,500,000	52,000,000
HDFC FMP 371 Days June 2012(1)	500,000.0000	5,000,000	-
HDFC Short Term Opportunities Fund	116,155.5820	1,400,000	-
HDFC Top 200 Fund	6,591.7000	1,200,000	1,200,000
ICICI Prudential Income Opportunities Fund	181,880.7130	2,750,000	-
ICICI Prudential Infrastructure Fund	65,840.2870	800,000	800,000
ICICI Prudential Infrastructure Fund	6,591.9580	200,000	200,000
ICICI Prudential Monthly Income Plan	88,025.8440	1,000,000	1,000,000
ICICI Prudential FMP series 56-1year plan E	-	-	4,000,000
ICICI Prudential FMP series 63-1year plan E	-	-	7,500,000
IDFC FMP Plan 366 Days Series 74	500,000.0000	5,000,000	-
Kotak Bond Regular Plan	86,065.7920	2,750,000	-
Reliance Diversified Power Sector Fund	15,808.9360	1,000,000	1,000,000
Reliance Monthly Income Plan	88,779.9850	1,000,000	1,000,000
Reliance Vision Fund	46,906.6020	2,000,000	2,000,000
SBI Dynamic Bond Fund	200,527.9350	2,750,000	-
SBI Magnum Balanced Fund	80,276.9130	2,000,000	2,000,000
SBI Magnum Income Rund R&P SPB	80,623.7980	1,400,000	-
SBI MF MSFU Conta Fund	56,882.8210	1,500,000	1,500,000
Sundaram Flexible Fund	155,848.8860	2,750,000	-
Tata Infrastructure Fund	8,180.7400	300,000	300,000
Tata treasury Manager Fund	812.2860	700,000	700,000
UTI Short Term Fund	72,893.8870	1,400,000	-
		<u>102,880,802</u>	<u>81,496,995</u>
2 INVESTMENT IN DEBENTURE & BONDS (UNQUOTED)			
	Units		
NABARD	450.0000	3,938,368	3,938,368
Mannappuram Finance Ltd	-	-	2,641,500
Peninsula Land Ltd 2015	2.0000	2,000,000	-
Zero Coupon Trent Ltd	2.0000	2,500,000	-
		<u>8,438,368</u>	<u>6,579,868</u>
3 INVESTMENTS IN SHARES (UNQUOTED)			
	Shares		
Victoria Land Private Ltd	1,000	100,000	100,000
Rs 100/- each Fully Paid (A Subsidiary Company)			
Less : Provision for fall in Value		-	-
TOTAL RUPEES		<u><u>111,419,170</u></u>	<u><u>88,176,863</u></u>

	At Cost		At Market Rate	
	2012-2013 Rupees	2011-2012 Rupees	2012-2013 Rupees	2011-2012 Rupees
Aggregate amount of unquoted investments	111,419,170	88,176,863	-	-

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

NOTE-8 - LONG TERM LOANS & ADVANCES

(Unsecured, Considered Good)		
Security Deposits (Petrol , Telephone Etc)	31,000	31,000
	<u>31,000</u>	<u>31,000</u>

THE VICTORIA MILLS LTD

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NOTE 9: CURRENT INVESTMENTS (AT COST)

		2012-2013 Rupees	2011-2012 Rupees
INVESTMENT IN SHARES QUOTED			
NAME OF THE SECURITY	QUANTITY	COST	
Ador Fontech Ltd	2844	240063	-
Amar Raja Batteries Ltd	7336	603781	752085
Andhra Bank	8971	1131981	611206
Apollo Tyres Ltd	-	-	248692
Balkrishna Industries Ltd	743	183075	492800
Balmer Lawrie & Company Ltd	687	424433	-
Bank of Baroda	700	620413	-
Bharat Electronics Ltd	-	-	475354
Bharat Heavy Electricals Ltd	2735	1098376	1098376
Cairn India Ltd	1878	592766	304483
Canara Bank	1135	645452	645452
Carborundum Universal Ltd	4591	701680	258561
Central Bank of India	-	-	1165248
Corporation Bank	2755	1176368	742540
Eclerx Services Ltd	1322	956873	-
Engineers India	2424	565161	433049
Esab India Ltd	-	-	384406
FDC Ltd	3840	332128	346880
Gatway Distriparks Ltd	5361	771876	-
Gas Authority Of India Ltd	-	-	692032
Goodricke Group Ltd	-	-	1285594
Gruh Finance Ltd	18420	733594	733594
Gujarat State Petronet Ltd	9042	876073	876074
HBL Power Systems Ltd	-	-	464455
IL&FS Investment Managers Ltd	17441	566211	528271
Infosys Technologies Ltd	309	745266	1111464
Jagran Prakashan Ltd	-	-	155169
Kajeria Ceramics Ltd	821	38242	381630
LIC Housing Finance Ltd	1968	552162	-
Madras Cement Ltd	3787	694150	-
Mahindra & Mahindra Ltd	1260	921163	798247
Mangalam Cement Ltd	4772	750323	-
Navneet Publication (India) Ltd	569	32638	-
NIIT Technologies Ltd	2048	565956	-
Orient Cement Ltd	8972	369161	-
Orient Paper & Industries Ltd	8972	268312	-
Petronet LNG Ltd	5123	827552	811200
Punjab National Bank Ltd	896	879084	879084
Sanghvi Moovers Ltd	-	-	859095
Sundaram Finance Ltd	582	273910	-
Sundaram Fasteners Ltd	18730	1071237	827720
Syndicate Bank Ltd	7000	923580	-
TCPL Packagings Ltd	122500	5292603	5292603
Tata Consultancy Services Ltd	-	-	457448
Tata Motors DVR	-	-	769511
Tata Motors Ltd	1937	566204	-
Tata Sponge Iron Ltd	2547	850452	691996
Thermax Ltd	-	-	745658
Titagarh Wagons Ltd	2156	787952	787952
Vesuvius India Ltd	86	29370	-
Voltas Ltd	-	-	666717
Wyeth Ltd	592	557124	-
		29216745	27774646
Less : Provision for fall in Value		0	0
		29216745	27774646

	At Cost		At Market Rate	
	2012-2013 Rupees	2011-2012 Rupees	2012-2013 Rupees	2011-2012 Rupees
Aggregate amount of quoted investment (shares)	29,216,745	27,774,646	32,889,169	28,460,451

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

	Rupees	2012-2013 Rupees	2011-2012 Rupees
Note 10 INVENTORIES			
(As per list certified and valued by the Company)			
Property held as stock-in-trade (At Cost)		5,964,600	7,926,600
Work In Progress (At Cost)		<u>26,036,040</u>	<u>4,183,793</u>
		<u>32,000,640</u>	<u>12,110,393</u>
Note 11 TRADE RECEIVABLE			
Exceeding six months:			
Considered Good	24,637,363		31,687,363
Considered Doubtful	<u>14,501,328</u>		<u>14,501,328</u>
	39,138,691		46,188,691
Less: Provision for doubtful debts	<u>14,501,328</u>		<u>14,501,328</u>
	24,637,363		31,687,363
Other (considered Good)	-		-
		<u>24,637,363</u>	<u>31,687,363</u>
Note 12 CASH AND CASH EQUIVALENTS			
Cash on hand		5896	2867
With scheduled Bank in :			
Current Account	1,470,924		1,412,599
Bank Guarantee Margin Account	1,102,124		1,014,941
Unclaimed Dividend A/c	<u>1,237,050</u>		<u>1,058,650</u>
		<u>3,810,098</u>	<u>3,486,190</u>
		<u>3,815,994</u>	<u>3,489,057</u>
Note 13 SHORT-TERM LOANS AND ADVANCES			
Loans & Advances :			
(Considered Good & Unsecured)			
To a Subsidiary Company	29,500,000		8,000,000
Inter Corporate Deposit	21,636,557		39,432,439
Prepaid Expenses	277,773		255,944
Staff Loan	<u>548,500</u>		<u>486,500</u>
		<u>51,962,830</u>	<u>48,174,883</u>
Note 14 OTHER CURRENT ASSETS			
Dividened Receivable	16,704		17,721
Interest Accrued	101,544		220,422
Accrued Leave & Licence Income	1,740,000		1,530,000
Advance Income Tax (Net Of Provision of Rs 7650000/- Current year, Rs 7265000/- Previous year)	<u>4,738,201</u>		<u>4,352,949</u>
		<u>6,596,449</u>	<u>6,121,092</u>
Advances Considered Doubtful	350,000		650,000
Less: Provision	<u>350,000</u>		<u>650,000</u>
		-	-

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS ON 31ST MARCH 2013

NOTE-15 OTHER INCOME

	2012-2013 Rupees	2011-2012 Rupees
Dividend	5,355,204	3,121,480
Interest		
a) On Inter Corporate Deposit (TAX DEDUCTED Rs 218768/-Previous year Rs 698605/-)	2,187,510	6,776,326
b) On Bank Guarantee Margin Account (TAX DEDUCTED Rs 9688/-Previous year Rs 8626/-)	96871	86258
Miscellaneous Income	29,525	10,070
Royalty Received	26,939	28,518
Income on Bill Discounting	974,135	1,265,187
Leave & Licence Income	5,601,582	9,602,712
Profit on Sales of Investment	179,547	-
Profit on Redemption of Mutual Funds Units	1,192,535	5,320,629
Profit on Redemption Of Non Convertible Debenture	358,500	-
Forfeited Security Deposit	4,200,000	-
Excess Provisions Written Back	300,000	4,042,050
TOTAL RUPEES	<u>20,502,348</u>	<u>30,253,230</u>

THE VICTORIA MILLS LTD

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NOTE-16 EMPLOYEE BENEFITS EXPENSES

	2012-2013 Rupees	2011-2012 Rupees
Salaries, Wages, & Bonus	1,717,947	2,151,827
Contribution to Superannuation scheme	72,349	65,141
Managing Director's Remuneration	2,693,688	2,298,445
Other Retirement Benefits	926,686	893,810
	<u>5,410,670</u>	<u>5,409,223</u>

NOTE-17 OTHER EXPENSES

	2012-2013 Rupees	2011-2012 Rupees
Motor car Expenses	529,242	404,645
Stationery & Printing	141,722	117,149
Travelling Expenses	767,921	18,681
Telephone Expenses	177,084	185,395
Legal & Professional	1,991,256	1,009,541
Insurance	46,465	41,258
Auditor's Remuneration		
i) Audit Fees	100,000	100,000
ii) In other capacity (Tax Audit, Certification etc.)	298,878	279,861
iii) Out of Pocking expenses	17,932	15,310
Electricity	166,406	147,846
Directors' Fees	140,000	170,000
Brokerage	-	-
Building Maintenance Expenses	262,440	196,830
Membership & Subscription	65,304	127,420
Miscellaneous Expenses	1,032,405	660,479
Demolition & Removal of Debris	120,300	
Rates & Taxes	5,083,454	4,388,474
Provision for Doubtful Debts	-	3,701,328
Bad Debts	-	3,692,050
Loss on Sale of Investment	-	1,451,773
	<u>10,940,809</u>	<u>16,708,040</u>

THE VICTORIA MILLS LIMITED

Hundredth Annual Report –2012-2013

NOTE –18 NOTES FORMING PART OF ACCOUNTS

1. Major Accounting Policies:-

a) Recognition of income expenditure

The company is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

b) Depreciation is provided at Written Down Value Method as per Schedule XIV of the Companies Act, 1956.

c) Valuation of Inventories:

Property held as stock in trade is valued at cost or market whichever is lower. Work-in-progress is valued at cost of property plus all direct expenditure pertaining to project. Finished goods stock is valued at cost or realizable value whichever is lower.

d) Fixed Assets

Fixed assets are stated at cost less depreciation.

e) Investment

Non Current investments are stated at cost or book value. Permanent diminution in value of each investment is being provided after taking into consideration value of each investment individually. Current investment are valued at cost or market value whichever is lower.

f) Accounting Policy regarding Retirement Benefits

- 1) Gratuity and Leave encashment is provided in the basis of valuation made by an Actuary
- 2) Superannuation Fund is contributed into Fund with LIC.

g) Taxation

i) Current Tax

Provision for Current Tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961.

ii) **Deferred Taxes**

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

2. **Earning per Share as computed in accordance with Accounting Standard 20.**

	2012-2013	2011-2012
(i) Net Profit after Tax (Rs.)	4078137	7843389
(ii) Number of Equity Shares of Rs.100/- each	98560	98560
(iii) Basic and Diluted Earnings per Share (Rs.)	41.38	79.57

3. **Segment Reporting :**

The Company is in the business of real estate development. In view of the above the company has only once identified reportable segment.

4. **Related Party Disclosure :**

Sr. No.	Nature of Transaction	Subsidiary	Associates	Key Management Personnel	Total
1.	Loans given during the year	2,15,00,000	-	-	2,15,00,000
2.	Managing Director's remuneration	-	-	26,93,688	26,93,688
3.	Outstanding balance received as on 31.3.2013	2,95,00,000	-	-	2,95,00,000
	Previous Year	80,00,000		22,98,445	1,02,98,445

Name of the related parties and relationship :

A) **Subsidiary**

Victoria Land Pvt.Ltd.

B) Associates

1. Galactic Enterprises Ltd.
2. Adarsh Enterprises
3. Fistuala Trading Pvt.Ltd.
4. Abhay Investments Pvt.Ltd.
5. Pawan Farms & Orachards
6. Bruhaspati Investment & Trading
7. Sutantu Agricultural Farm
8. Mangaldas Mehta & Co.Pvt.Ltd.
9. Bromelia Trading Pvt.Ltd.
10. Mangaldas Mehta & Co.

C) Key Mangement Personnel**1. SHRI ADITYA MANGALDAS**

	2012-13 Rs.	2011-12 Rs.
5. Expenditure in Foreign Currency on Travel.	171051	-
6. No amount of unpaid dividend has become due for payment into Investors Education and Protection Funds.		
7. As per revised Accounting Standard 15 applicable from this year, the liability for gratuity and leave encashment has been valued by an Actuary. Full provision for liability in this respect has been made in the accounts.		

Gratuity Disclosure statement as per AS-15.

	2012-2013 Rs.
Present value of benefit obligation as at the beginning of the current period	24,64,362
Interest Cost	2,09,471
Current Service Cost	1,04,712
Transitional Liability incurred during the period	-
Past Service Cost (Not Vested Benefit)incurred during the period	-
Past Service Cost (Vested Benefit)incurred during the year	-

Liability Transferred in	-
(Liability Transfer out)	-
(Benefit paid)	(1,12,700)
Acturial (gain/loss on obligations)	2,92,665
Present value of benefit obligation as at the End of the current period	29,58,510

8. Previous year's figures are regrouped where necessary.

As per our report annexed herewith.

**For Sorab S.Engineer & Co.
Chartered Accountants**

sd
Partner
Date: 30.5.2013

For The Victoria Mills Ltd.,

sd
Managing Director

sd
**Chairman &
Managing Director**

Directors

1. *sd*

2. *sd*

3. *sd*

4.

THE VICTORIA MILLS LIMITED, MUMBAI

CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	2012-2013		2011-2012	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT/(LOSS) AFTER TAX & EXTRA-ORDINARY ITEM		4,078,237		7,843,389
Add/Less:				
a) Provision for Taxation	385,000		1,100,000	
b) Depreciation	625,632		780,070	
c) Bad Debts	-		3,692,050	
d) Provision for Doubtful Debts	-		3,701,328	
e) Provision for fall in value of Short Term Investment	-		-	
f) Loss on Sale of Investment	-		1,451,773	
g) Interest paid	-	1,010,632	-	10,725,221
		<u>5,088,869</u>		<u>18,568,610</u>
Add/Less:				
a) Dividend Income	5,355,204		3,121,480	
b) Interest received on others	2,284,381		6,862,584	
c) Bill Discounting Income	974,135		1,265,187	
d) Profit on Redemption Of Mutual Fund Investment	1,192,535		5,320,629	
e) Provision for fall in value of Short Term Investment written back			1,587,492	
f) Excess Provision written back	300,000		4,042,050	
g) Profit on Reedemption of NCD	358,500			
h) Profit on sale of Investment	179,547			
		<u>10,644,302</u>		<u>22,199,422</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		<u>(5,555,433)</u>		<u>(3,630,812)</u>
Add:				
a) (Increase) /Decrease in Trade Receivables	7,050,000		-	
b) (Increase)/Decrease in Inventories	(19,890,247)		(12,110,393)	
c) Increase) Decrease in Current Assets	(3,766,652)		(331,785)	
			<u>32,170,021</u>	
Less: Increase/(Decrease) in Trade & other Payables				19,727,843
Increase in Inventory	43,194,365	26,587,466	-	16,097,031
		<u>21,032,033</u>		
Deduct:				
Direct Taxes Paid/ Received	(770,252)		843,984	
		<u>(770,252)</u>		<u>843,984</u>
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES(A)		<u>20,261,781</u>		<u>15,253,047</u>

STATEMENT PURSUANT TO SECTION 212
OF THE COMPANIES ACT, 1956

Re: Victoria Land Pvt.Ltd.

- | | | | |
|---|---------------------------------|---|---|
| 1 | The Victoria Mills Limited held | : | 1000 Equity Shares of Rs.100/- each fully paid up valuing Rs.1,00,000/- being 100% of the total paid up capital in Victoria Land Pvt.Ltd. as at 31st March 2013 |
| 2 | Victoria Land Pvt.Ltd. | : | Made a Loss of Rs.(19,01,899/-) as at 31st March,2013 |

No adjustment has been made in the books of The Victoria Mills Limited in respect of the said above.

For The Victoria Mills Ltd.

sd

Aditya Mangaldas
Managing Director

Date: 30th May 2013

sd
Chairman &
Managing Director

Directors



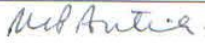
1 *sd*

2 *sd*

3 *sd*

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FORM A
Covering letter of the Annual Audit Report

1	Name of the Company	The Victoria Mills Ltd. (Consolidated)
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Repetitive since 31.3.2010 (Wholly on subsidiary company incorporated on 17.11.2009)
5.	To be signed by-	
	CFO/Managing Director	 Aditya Mangaldas Managing Director
	CFO	 R.K. Shah CFO
	Auditor of the Company	 M. P. ANTIA (Partner) Sorab S. Engineer & Co. Chartered Accountants
	Audit Committee Chairman	Not applicable





INDEPENDENT AUDITORS' REPORT

To The Board of Directors of The Victoria Mills Ltd.

We have audited the accompanying consolidated financial statements of **THE VICTORIA MILLS LIMITED** ("the Company") and its subsidiary, which comprise the consolidated Balance Sheet as at 31st March, 2013, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

We did not audit the financial statements of the subsidiary, Victoria Land Pvt.Ltd. which are audited by another auditor whose report is furnished to us.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

Based on our audit and on consolidation of Audit Report of another auditor, in our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

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

For SORAB S. ENGINEER & CO.
Chartered Accountants
Firm Registration No. 110417W

Sd.

M.P. ANTIA
Partner

(Membership No.7825)

MUMBAI.
30th May, 2013

THE VICTORIA MILLS LTD

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

	Notes No	As at 2012-2013 Rupees	As at 2011-2012 Rupees
I EQUITY AND LIABILITIES			
1) SHAREHOLDER'S FUNDS			
a) Share Capital	1	9,856,000	9,856,000
b) Reserves & Surplus	2	198,645,225	202,196,332
2) NON-CURRENT LIABILITIES			
a) Deferred Tax Liabilities (Net)	3	109,018	109,018
b) Other Long Term Liabilities		2,054,775	2,054,775
c) Long -Term Provision		3,551,782	2,958,335
		<u>5,715,575</u>	<u>5,122,128</u>
3) CURRENT LIABILITIES			
a) Other Current Liabilities	4	55,145,780	18,332,748
b) Short Term Provisions	5	7,276,982	7,073,746
		<u>62,422,762</u>	<u>25,406,494</u>
TOTAL		<u>276,639,562</u>	<u>242,580,954</u>
II ASSETS			
1) Non-Current assets			
a) Fixed Assets			
1) Tangible Assets	6	29,772,193	27,047,062
b) Non -Current Investments	7	111,319,170	88,576,863
c) Long Term Loans & Advances	8	56,000	56,000
2) CURRENT ASSETS			
a) Current Investments	9	29,216,745	27,774,646
b) Inventories	10	47,914,029	12,110,393
b) Trade Receivable	11	24,637,363	36,087,363
c) Cash & Cash Equivalents	12	4,043,783	3,901,330
d) Short-Term Loans And Advances	13	22,583,830	40,374,883
e) Other Current Assets	14	7,096,449	6,652,414
		<u>135,492,199</u>	<u>126,901,029</u>
TOTAL		<u>276,639,562</u>	<u>242,580,954</u>
OTHER NOTES FORMING PART OF ACCOUNTS	12		
In the opinion of the Board, the Current Assets, Loans and Advances are approximately of value stated, if realised in the ordinary course of business			

As per our report annexed herewith
For Sorab S.Engineer & Co.
Chartered Accountants

Sd
Partner
Dated: 30th May 2013

For The Victoria Mills Ltd.,
Sd
Managing Director

Sd
Chairman &
Managing Directors
Directors

1 *Sd*
2 *Sd*
3 *Sd*
4

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

	Notes No	2012-2013 Rupees	2011-2012 Rupees
I)Revenue from Operations(Sale of Property Held as Stock in Trade		2,900,000	105,522,298
II)Other Income	15	21,662,135	31,126,593
III)TOTAL REVENUE(I+II)		<u>24,562,135</u>	<u>136,648,891</u>
IV)EXPENSES			
Cost of Materials Consumed		1,962,000	81,905,168
Purchase of Stocks-in-Trade		35,803,636	12,110,393
Changes in Inventories of Finished Goods			
Work -in-Progress and Stock-in-Trade		(35,803,636)	(12,110,393)
Employee's Benefits Expenses	16	7,013,269	6,202,648
Depreciation and Amortization Expenses		1,772,808	998,854
Other Expenses	17	11,252,720	18,856,803
TOTAL EXPENSES		<u>22,000,797</u>	<u>107,963,473</u>
V)Profit Before Exceptional And Extraordinary items and Tax (III-IV)		2,561,338	28,685,418
VI)Exceptional Items			
b)Provision for fall in value of Short Term Investment		-	1,587,492
		-	1,587,492
VII)Profit Before Tax and extraordinary items and tax (V-VI)		<u>2,561,338</u>	<u>30,272,910</u>
VIII)Extraordinary Items		-	-
IX) Profit before tax(VII-VIII)		<u>2,561,338</u>	<u>30,272,910</u>
X) Tax Expenses			
(1) Current Tax		385,000	7,600,000
(2)Deferred Tax		-	34,018
XI) Profit (Loss) for the period from continuing operations(VII-VIII-X)		<u>2,176,338</u>	<u>22,638,892</u>
XII) Profit (Loss) from discontinuing operations		-	-
XIII) Tax expense of discontinuing operations		-	-
XIV)Profit/(Loss) from Discontinuing operation (after tax) (XII-XIII)		<u>-</u>	<u>-</u>

XV) Profit (Loss) for the period (XI+XIV)

2,176,338

22,638,892

XVI) Earnings per equity share:

(1) Basic

22.08

229.69

(2) Diluted

22.08

229.69

NOTES FORMING PART OF ACCOUNTS

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As per our report annexed herewith

For Sorab S.Engineer & Co.

Chartered Accountants

Sd
Chairman &
Managing Directors

Directors

For The Victoria Mills Ltd.,

1 *Sd*

Sd

Partner

Dated: 30th May 2013

Sd
Managing Director

2 *Sd*

3 *Sd*

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THE VICTORIA MILLS LTD

Hundredth Ninth Annual Report 2012-2013

**CONSOLIDATED NOTES ANNEXED TO & FORMING PART OF THE
BALANCE SHEET AS AT 31ST MARCH 2013**

	2012-2013 Rupees	2011-2012 Rupees
NOTE-1 SHARE CAPITAL		
AUTHORISED CAPITAL		
2,00,000 Equity Shares of Rs.100/- each	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
a) ISSUED & SUBSCRIBED CAPITAL		
98,560 Equity Shares of Rs.100/- each fully paid up	9,856,000	9,856,000
	<u>9,856,000</u>	<u>9,856,000</u>
b)Details of Shareholders holding more than 5% Share in the Company		
	31.3.2013	31.3.2012
Name of the Shareholder	No of Shares	%
	No of Shares	%
Shri Aditya Mangaldas	42652	43.28
Bromelia Trading Pvt Ltd	6100	6.19
NOTE 2: RESERVES AND SURPLUS		
A : General Reserve	27,260,000	26,460,000
Transfer from Profit & Loss A/c	450,000	800,000
TOTAL	<u>27,710,000</u>	<u>27,260,000</u>
B : Profit & Loss A/c(As per Last Balance Sheet	174,936,332	158,824,885
Add: Profit for the year	2,176,338	22,638,892
	<u>177,112,670</u>	<u>181,463,777</u>
Less:Transfer To General Reserve	450000	800000
Less:Proposed Dividened	4928000	4928000
Less:Tax On Dividened	799445	799445
	<u>6,177,445</u>	<u>6,527,445</u>
	<u>170,935,225</u>	<u>174,936,332</u>
TOTAL	<u>198,645,225</u>	<u>202,196,332</u>

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

NOTE-3 NON-CURRENT LIABILITIES

		2012-2013	2011-2012
		Rupees	Rupees
a)	Deffered Tax Liabilities (Net)	109,018	109,018
b)	Other Long Term Liabilities (Deposits etc)	2,054,775	2,054,775
c)	Long -Term Provisions		
	Provision for Retirement Benefits		
	Gratuity	2067077	1,697,893
	Leave Encashment	<u>1484705</u>	<u>1,260,442</u>
		<u>3,551,782</u>	<u>1,260,442</u>
		<u>5,715,575</u>	<u>5,122,128</u>

NOTE-4 OTHER CURRENT LIABILITIES

a)	Short -Term Deposit	52,969,929	9,094,929
b)	Provision For Expenses	938,801	8,179,169
c)	Unpaid Dividened	1,237,050	1,058,650
		<u>55,145,780</u>	<u>18,332,748</u>

NOTE-5 SHORT TERM PROVISIONS

a)	Proposed Dividened	4,928,000	4,928,000
b)	Tax On Dividened	799445	799,445
c)	Provision for Retirement Benefits		
	Gratuity	891433	766,469
	Leave Encashment	<u>658104</u>	<u>579,832</u>
		<u>1,549,537</u>	<u>579,832</u>
		<u>7,276,982</u>	<u>7,073,746</u>

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

NOTE 6:a) FIXED ASSETS
1) TANGIBLE ASSETS

Sr. No.	Description	Gross Block on 1.4.2012	Addition	Deductions	Gross Block on 31.3.2013	Total Depr. upto 1.4.2012	Curr. Year Depr.	Depr Wf Back	Total Depr. upto 31.3.2013	Net Block on 31.3.2013	Net Block on 31.3.2012
		Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	20145286	0	0	20145286	0	0	0	0	20145286	20145286
2	Building	3910831	0	0	3910831	1099501	140567	0	1240068	2670763	2811330
3	Plant & Machinery (Computers)	925747	55895	0	981642	752621	81770	0	834391	147251	173126
4	Electric Installation	1806898	0	0	1806898	1220140	81618	0	1301758	505140	586758
5	Furniture & Fixture	975370	0	0	975370	843195	23924	0	867119	108251	132175
6	Vehicles	3373071	4442044	0	7815115	2112234	1057419	0	3169653	4645462	1260837
7	Vehicle (yatch)	2127575	0	0	2127575	190025	387510	0	577535	1550040	1937550
Total		33264778	4497939	0	37762717	6217716	1772808	0	7990524	29772193	27047062
Previous Year		10923576	22341202	0	33264778	5218862	998854	0	6217716	27047062	

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

NOTE 7: NON -CURRENT INVESTMENTS (AT COST)

		2012-2013 Rupees	2011-2012 Rupees
1 INVESTMENT IN MUTUAL FUNDS (UNQUOTED)			
	Units		
Liquid Bees	1,880.7871	1,880,802	2,496,995
Birla Sun Life Short Term Opportunity Fund	79411.8980	1,400,000	-
Canara Robeco Floating Rate Fund	80379.3910	1,400,000	-
Fidelity Equity Fund (L & T Fund)	40,982.3060	1,300,000	1,300,000
Franklin India Prima Plus	57,019.6280	1,500,000	1,500,000
HDFC Balanced Fund	53,019.4500	1,000,000	1,000,000
HDFC Cash Management Fund	5,405,899.7520	57,500,000	52,500,000
HDFC FMP 371 Days June 2012(1)	500000.0000	5,000,000	-
HDFC Short Term Opportunities Fund	116,155.5820	1,400,000	-
HDFC Top 200 Fund	6,591.6950	1,200,000	1,200,000
ICICI Prudential Income Opportunities Fund	181880.7130	2,750,000	-
ICICI Prudential Infrastructure Fund	65,840.2870	800,000	800,000
ICICI Prudential Infrastructure Fund	6,591.9580	200,000	200,000
ICICI Prudential Monthly Income Plan	88,025.8440	1,000,000	1,000,000
ICICI Prudential FMP series 56-1year plan E	-	-	4,000,000
ICICI Prudential FMP series 63-1year plan E	-	-	7,500,000
IDFC FMP Plan 366 Days Series 74	500000.0000	5,000,000	-
Kotak Bond Regular Plan	86065.7920	2,750,000	-
Reliance Diversified Power Sector Fund	15,808.9360	1,000,000	1,000,000
Reliance Monthly Income Plan	88,779.9850	1,000,000	1,000,000
Reliance Vision Fund	46,906.6020	2,000,000	2,000,000
SBI Dynamic Bond Fund	200,527.9350	2,750,000	-
SBI Magnum Balanced Fund	80,276.9130	2,000,000	2,000,000
SBI Mangnum Income fund R&P SPB	80,623.7980	1,400,000	-
SBI MF MSFU Conta Fund	56,882.8210	1,500,000	1,500,000
Sundaram Flexible Fund	155,848.8860	2,750,000	-
Tata Infrastructure Fund	8,180.7400	300,000	300,000
Tata treasury Manager Fund	812.2860	700,000	700,000
UTI Short Term Fund	72893.887	1,400,000	-
		<u>102,880,802</u>	<u>81,996,995</u>
2 INVESTMENT IN DEBENTURE & BONDS (UNQUOTED)			
	Units		
NABARD	450.0000	3,938,368	3,938,368
Mannappuram Finance Ltd	-	-	2,641,500
Peninsula Land Ltd 2015	2.0000	2,000,000	-
Zero Coupon Trent Ltd	2.0000	2,500,000	-
		<u>8,438,368</u>	<u>6,579,868</u>
Less : Provision for fall in Value		-	-
TOTAL RUPEES		<u><u>111,319,170</u></u>	<u><u>88,576,863</u></u>

	At Cost		At Market Rate	
	2012-2013 Rupees	2011-2012 Rupees	2012-2013 Rupees	2011-2012 Rupees
Aggregate amount of unquoted investments	111,319,170	88,576,863	-	-

NOTE-8 LONG TERM LOANS & ADVANCES

	2012-2013 Rupees	2011-2012 Rupees
(Unsecured , Considered Good) Security Deposits (Petrol, Telephone Etc)	56000	56,000
	<u>56,000</u>	<u>56,000</u>

	At Cost		At Market Rate	
	2012-2013 Rupees	2011-2012 Rupees	2012-2013 Rupees	2011-2012 Rupees
Aggregate amount of quoted investment (shares)	29,216,745	27,774,646	32,889,169	28,461,451

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

	Rupees	2012-2013 Rupees	2011-2012 Rupees
Note 10 INVENTORIES			
(As per list certified and valued by the Company)			
Property held as stock-in-trade (At Cost)		20,694,600	7,926,600
Work In Progress		27,219,429	4,183,793
		<u>47,914,029</u>	<u>12,110,393</u>
Note 11 TRADE RECEIVABLE			
Exceeding six months:			
Considered Good	24,637,363		31,687,363
Considered Doubtful	14,501,328		14,501,328
	<u>39,138,691</u>		<u>46,188,691</u>
Less: Provision for doubtful debts	14,501,328		14,501,328
	<u>24,637,363</u>		<u>31,687,363</u>
Other (considered Good)	-		4,400,000
		<u>24,637,363</u>	<u>36,087,363</u>
Note 12 CASH AND CASH EQUIVALENTS			
Cash on hand		14036	6676
With scheduled Bank in :			
Current Account	1,690,573		1,821,063
Bank Guarantee Margin Account	1,102,124		1,014,941
Unclaimed Dividened A/c	1,237,050		1,058,650
		<u>4,029,747</u>	<u>3,894,654</u>
		<u>4,043,783</u>	<u>3,901,330</u>
Note 13 SHORT-TERM LOANS AND ADVANCES			
Loans & Advances :			
(Considered Good & Unsecured)			
Inter Corporate Deposit	21,636,557		39,432,439
Prepaid Expenses	277,773		255,944
Staff Loan	669,500		686,500
		<u>22,583,830</u>	<u>40,374,883</u>
Note 14 OTHER CURRENT ASSETS			
Dividened Receivable	16,704		17,721
Interest Accrued	101,544		220,422
Accrued Leave & Licence Income	1,740,000		1,530,000
Amount Receivable	-		31,322
Advance Income Tax Net Of Provision of Rs 7650000/- Current Year Rs 7265000/- Previous Year)	5,238,201		4,852,949
		<u>7,096,449</u>	<u>6,652,414</u>
Advances Considered Doubtful	350,000		650,000
Less: Provision	350,000		650,000
		<u>-</u>	<u>-</u>

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS ON 31ST MARCH 2013**NOTE-15 OTHER INCOME**

	2012-2013 Rupees	2011-2012 Rupees
Dividend	5,365,376	3,347,590
Interest		
a) On Inter Corporate Deposit (TAX DEDUCTED Rs 218768/-Previous year Rs 698605/-)	2,187,510	6,776,326
b) On Bank Guarantee Margin Account (TAX DEDUCTED Rs9688/-Previous year Rs 8626/-)	96871	86258
Miscellaneous Income	117,701	10,070
Royalty Received	26,939	28,518
Income on Bill Discounting	974,135	1,265,187
Leave & Licence Income	5,601,582	9,602,712
Profit on Sales of Investment	179,547	-
Profit on Redemption of Mutual Funds Units	1,197,748	5,967,882
Profit On Redemption of Non Convertible Debenture	358,500	-
Forfeited Security Deposit	4,200,000	-
Excess Provisions Written Back	1,356,226	4,042,050
TOTAL RUPEES	21,662,135	31,126,593

THE VICTORIA MILLS LTD

Hundredth Annual Report 2012-2013

NOTE-16 EMPLOYEE BENEFITS EXPENSES

	2012-2013 Rupees	2011-2012 Rupees
Salaries, Wages, & Bonus	3,320,546	2,945,252
Contribution to Superannuation scheme	72,349	65,141
Managing Director's Remuneration	2,693,688	2,298,445
Other Retirement Benefits	926,686	893,810
	<u>7,013,269</u>	<u>6,202,648</u>

NOTE-17 OTHER EXPENSES

	2012-2013 Rupees	2011-2012 Rupees
Motor car Expenses	529,242	404,645
Stationery & Printing	143,402	119,354
Travelling Expenses	767,921	1,047,197
Telephone Expenses	207,327	185,395
Legal & Professional	2,208,718	1,231,075
Insurance	61,650	41,258
Auditor's Remuneration		
i) Audit Fees	107,865	102,247
ii) In other capacity (Tax Audit, Certification etc.)	298,878	279,861
iii) Out of Pocking expenses	17,932	15,310
Electricity	166,406	147,846
Directors' Fees	140,000	170,000
Brokerage	-	674,160
Building Maintenance Expenses	262,440	196,830
Membership & Subscription	65,304	127,420
Miscellaneous Expenses	1,071,881	880,580
Demolition & Removal of Debries	120,300	-
Rates & Taxes	5,083,454	4,388,474
Provision for Doubtful Debts	-	3,701,328
Bad Debts	-	3,692,050
Loss on Sale of Investment	-	1,451,773
	<u>11,252,720</u>	<u>18,856,803</u>

THE VICTORIA MILLS LIMITED (CONSOLIDATED)

NOTE –18 NOTES FORMING PART OF ACCOUNTS

1. Major Accounting Policies:-

a) Recognition of income expenditure

The company and its subsidiary are in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

b) Depreciation is provided at Written Down Value Method as per Schedule XIV of the Companies Act, 1956.

c) Valuation of Inventories:

Property held as stock in trade is valued at cost or market whichever is lower. Work-in-progress is valued at cost of property plus all direct expenditure pertaining to project. Finished goods stock is valued at cost or realizable value whichever is lower.

d) Fixed Assets

Fixed assets are stated at cost less depreciation.

e) Investment

Non Current investments are stated at cost or book value. Permanent diminution in value of each investment is being provided after taking into consideration value of each investment individually. Current investment are valued at cost or market value whichever is lower.

f) Accounting Policy regarding Retirement Benefits

- 1) Gratuity and Leave encashment is provided in the basis of valuation made by an Actuary
- 2) Superannuation Fund is contributed into Fund with LIC.

g) **Taxation**

i) **Current Tax**

Provision for Current Tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961.

ii) **Deferred Taxes**

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

2. Earning per Share as computed in accordance with Accounting Standard 20.

	2012-2013	2011-2012
(i) Net Profit after Tax (Rs.)	2176338	22638892
(ii) Number of Equity Shares of Rs.100/- each	98560	98560
(iii) Basic and Diluted Earnings per Share (Rs.)	22.08	229.69

3. Segment Reporting :

The Company has discontinued in textiles and have started real estate development business.

4. Related Party Disclosure :

Nature of Transaction	Subsidiary	Associates	Key Management Personnel	Total
Managing Director's remuneration	-	-	26,93,688	26,93,688
Previous year			22,98,445	22,98,445

Name of the related parties and relationship :

A) Associates

1. Galactic Enterprises Ltd.
2. Adarsh Enterprises
3. Fistula Trading Pvt.Ltd.
4. Abhay Investments Pvt.Ltd.
5. Pawan Farms & Orachards
6. Bruhaspati Investment & Trading
7. Sutantu Agricultural Farm
8. Mangaldas Mehta & Co.Pvt.Ltd.
9. Bromelia Trading Pvt.Ltd.
10. Mangaldas Mehta & Co.

B) Key Mangement Personnel

1.SHRI ADITYA MANGALDAS

	2012-2013	2011-2012
	Rs.	Rs.
5. a) Expenditure in Foreign Currency on Travel	171051	408510

6. No amount of unpaid dividend has become due for payment into Investors Education and Protection Funds.

7. As per revised Accounting Standard 15 applicable from this year, the liability for gratuity and leave encashment has been valued by an Actuary. Full provision for liability in this respect has been made in the accounts.

Gratuity Disclosure statement as per AS-15.

	2012-2013
	Rs.
Present value of benefit obligation as at the beginning of the current period	24,64,362
Interest Cost	2,09,471
Current Service Cost	1,04,712
Transitional Liability incurred during the period	-

Past Service Cost (Not Vested Benefit)incurred during the period	-
Past Service Cost (Vested Benefit)incurred during the year	-
Liability Transferred in	-
(Liability Transfer out)	-
(Benefit paid)	(1,12,700)
Acturial (gain/loss on obligations)	2,92,665
Present value of benefit obligation as at the End of the current period	29,58,510

8. Previous year's figures are regrouped where necessary.

As per our report annexed herewith.

**For Sorab S.Engineer & Co.
Chartered Accountants**

Sd.
Partner
Date: 30th May, 2013

For Victoria Mills Ltd.,

Sd.
Managing Director

Sd.
**Chairman &
Managing Director**

Directors

1. *Sd.*

2. *Sd.*

3. *Sd.*

4.

THE VICTORIA MILLS LIMITED, MUMBAI

CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	2012-2013		2011-2012	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT/(LOSS) AFTER TAX & EXTRA-ORDINARY ITEM		2,176,338		22,638,892
Add/Less:				
a) Provision for Taxation	385,000		7,634,018	
b) Depreciation	1,772,808		998,854	
c) Bad Debts	-		3,692,050	
d) Provision for Doubtful Debts	-		3,701,328	
e) Provision for fall in value of Short Term Investment	-		-	
f) Loss on Sale of Investments	-		1,451,773	
g) Interest paid	-	2,157,808	-	17,478,023
		<u>4,334,146</u>		<u>40,116,915</u>
Add/Less:				
a) Dividend Income	5,365,376		3,347,590	
b) Interest received on others	2,284,381		6,862,584	
c) Bill Discounting Income	974,135		1,265,187	
d) Profit on Redemption Of Mutual Fund Investment	1,197,748		5,967,882	
e) Profit on Redemption Of NCD	358,500		-	
f) Provision for fall in value of Short Term Investment written back	-		1,587,492	
g) Excess Provision written back	1,356,226		4,042,050	
h) Profit on sale of Investment	179,547		-	
		<u>11,715,913</u>		<u>23,072,785</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGE		<u>(7,381,767)</u>		<u>17,044,130</u>
Add:				
a) (Increase) /Decrease in Trade Receivables	11,450,000		5,308,230	
b) Increase in Retirement Benefits	-		-	
c) (Increase) /Decrease in Inventories	(35,803,636)		28,842,096	
d) (Increase) /Decrease in Loans & Advances	17,791,053		27,637,228	
Less: Increase/(Decrease) in Current & Non Current Liabilities	37,609,715		(48,689,126)	
Increase in other Current Assets	(431,661)	30,615,471	(363,107)	12,735,321
		<u>23,233,704</u>		<u>29,779,451</u>
Deduct:				
Direct Taxes Paid/ Received	(770,252)		2,711,322	
		<u>(770,252)</u>		<u>2,711,322</u>
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES(A)		<u>24,003,956</u>		<u>27,068,129</u>

THE VICTORIA MILLS LIMITED, MUMBAI

2012-2013

2011-2012

Rupees Rupees Rupees Rupees

B. CASH FLOW FROM INVESTING ACTIVITIES

INFLOW

a) Sale of Fixed Assets	-	-	-	-
b) Dividend Income	5,365,376		3,347,590	
c) Interest received on others	2,284,381		6,862,584	
d) Bill Discounting Income	974,135		1,265,187	
e) Profit on Sale of Investments Net	179,547		-	
f) Profit on Redemption of Mutual Funds Investment	1,197,748		-	
g) Profit on Redemption of NCD	358,500		-	
h) Sale of Investments	-	10,359,687	-	11,475,361

OUTFLOW :

a) Purchase of Fixed assets	(4,497,939)		(22,341,202)	
b) Purchase of Investments(Net)	(24,184,406)		(6,148,084)	
	<u>(28,682,345)</u>	<u>(28,682,345)</u>	<u>(28,489,286)</u>	<u>(28,489,286)</u>

Less: Fixed Assets Converted to stock in Trade

-	-	-	-	-
	<u>(18,322,658)</u>			<u>(17,013,925)</u>

C. CASH FLOW FROM FINANCING ACTIVITIES

a) Secured Loans	-		-	
b) Unpaid Dividend	(5,538,845)		(5,553,445)	
c) Interest Paid	-	(5,538,845)	-	(5,553,445)

NET CASH INFLOW/(OUTFLOW)IN FINANCING ACTIVITIES (C)

NET INCREASE/DECREASE IN CASH/CASH EQUIVALENTS (A+B+C)		<u>142,453</u>		<u>(4,500,759)</u>
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CASH AND CASH EQUIVALENTS AS AT

31ST MARCH 2012	3,901,330		8,402,089	
31ST MARCH 2013	<u>4,043,783</u>		<u>3,901,330</u>	
NET CASH INFLOW/(OUTFLOW)		<u>142,453</u>		<u>(4,500,759)</u>

For Sorab S. Engineer & Co.
Chartered Accountant

Sd
Partner

Dated:30th May 2013

For The Victoria Mills Ltd.,

Sd.
Managing Director

Sd.
Chairman &
Managing Director

Directors
1 *Sd.*

2 *Sd.*

3 *Sd.*

4

M. S. PARIKH & CO.
CHARTERED ACCOUNTANTS

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Annual Report 2012-2013

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE VICTORIA LAND PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **THE VICTORIA LAND PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the 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") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 the accounting policies used and the reasonableness of the accounting estimates made by the 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.



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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 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss 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 it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (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 and with the returns received from the branches not visited by us.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.



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- (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 M.S PARIKH & CO.
Chartered Accountants
Firm Registration No. 107558W



U.M. PARIKH

Partner

(Membership No. 34345)

MUMBAI.
30th May, 2013



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Annual Report 2012-2013

ANNEXURE TO THE AUDITORS' REPORT

Re: The Victoria Land Private Limited

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the major assets have been physically verified by the management during the year.
- (c) No substantial part of fixed assets have been disposed off during the year.
- (ii) (a) Inventory of the company comprises of work in progress of Real Estate Development which comprises of purchase of land and direct expenses on the project.
- (b) Due to reasons stated above there is no question of physical verification and discrepancies noticed on such verification.
- (iii) (a to d) The Company has given interest free demand loan to its wholly owned subsidiary. In the respect of the said loan, the maximum balance outstanding at any time during the year is Rs.2,95,00,000/- and the year end balance is Rs.2,95,00,000/-
- (e to g) The Company has not taken any loan during the year. Accordingly clause 4(iii) (e) to (g) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.



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- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements that need to be entered into the register maintained under Section 301 of the Act, 1956 have so been entered.
- (b) Other than interest free demand loan given to the wholly owned subsidiary there are no other transactions during the year with the parties covered in the register maintained under Section 301 of the Act, 1956.
- (vi) The company has not accepted fixed deposits from public.
- (vii) The Company has an internal audit system, which in our opinion, is commensurate with the size of the Company and the nature of its business.
- (viii) Maintenance of cost records under section 209(1)(d) of the Companies Act 1956 is not applicable to the company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Investor Education and Protection Fund, Income-tax, Sales-tax, Excise Duty, cess, Service Tax and other material statutory dues applicable to it. There are no dues outstanding for more than six months from the date they became payable as at the last day of the financial year.
- (b) There are no disputed statutory liabilities not paid by the company.
- (x) The Company does not have accumulated losses nor has it incurred cash losses during the year and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks.
- (xii) The Company has not granted any 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 provisions of Clause 4 (xiii) of paragraph 4 of the order are not applicable.



M. S. PARIKH & CO.
CHARTERED ACCOUNTANTS

Telephone: 2265 2389
2265 7536
Fax : 6631 1156

CA. A. M. PARIKH

B.Com., L.L.B., F.C.A.

CA. U. M. PARIKH

B.Com., L.L.B., F.C.A.

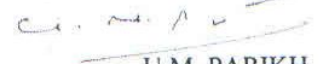
CA. D. A. PARIKH

B. Com., F.C.A.

A-5, Tamarind House,
36, Muddanna P. Shetty Marg,
Fort, MUMBAI: 400 023.

- (xiv) The Company is dealing in or trading in shares, temporarily through an Asset Management Company. Regular statements of accounts are received from this Asset Management Company.
- (xv) The Company has not given any guarantee on behalf of others.
- (xvi) The Company has not obtained any term loan during the year.
- (xvii) No funds were raised during the year.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the registered maintained under Section 301 of the Act during the year.
- (xix) The company has not issued any Secured Debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) No material fraud on or by the company has been noticed or reported during the year.

For M.S PARIKH & CO.
Chartered Accountants
Firm Registration No. 107558W


U.M. PARIKH
Partner
(Membership No. 34345)

MUMBAI
30th May, 2013



VICTORIA LAND PVT LTD

BALANCE SHEET AS AT 31ST MARCH 2013

	Notes No	As at 2012-2013 Rupees	As at 2011-2012 Rupees
I EQUITY AND LIABILITIES			
1) SHAREHOLDER'S FUNDS			
a) Share Capital	1	100,000	100,000
b) Reserves & Surplus	2	12,576,343	14,478,242
2) NON-CURRENT LIABILITIES	3		
a) Long-Term Borrowings		-	-
b) Deferred Tax Liabilities (Net)		34,018	34,018
c) Other Long Term Liabilities		-	-
d) Long -Term Provision		-	-
		<u>34,018</u>	<u>34,018</u>
3) CURRENT LIABILITIES	4		
a) Short -Term Borrowings		29,500,000	8,000,000
b) Other Current Liabilities		25,530	5,610,180
c) Short Term Provisions		-	-
		<u>29,525,530</u>	<u>13,610,180</u>
TOTAL		<u>42,235,891</u>	<u>28,222,440</u>
II ASSETS			
1) Non-Current assets			
a) Fixed Assets	5		
1) Tangible Assets		25,448,713	22,153,845
b) Non -Current Investments	6	-	500,000
c) Long Term Loans & Advances	7	25,000	25,000
2) CURRENT ASSETS			
a) Inventories	8	15,913,389	-
b) Trade Receivable	8	-	4,400,000
c) Cash & Cash Equivalents	8	227,789	412,273
d) Short-Term Loans And Advances	8	121,000	200,000
e) Other Current Assets	8	500,000	531,322
		<u>16,762,178</u>	<u>5,543,595</u>
TOTAL		<u>42,235,891</u>	<u>28,222,440</u>

OTHER NOTES FORMING PART OF
ACCOUNTS 12
In the opinion of the Board, the Current Assets,
Loans and Advances are approximately of value
stated, if realised in the ordinary course of
business

As per our report annexed herewith
For M. S. Parikh & Co.
Chartered Accountants

sd

Partner
Dated: 30th May 2013

sd
Chairman

sd
Directors

VICTORIA LAND PVT LTD

Annual Report 2012-2013

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2013

	Notes No	2012-2013 Rupees	2011-2012 Rupees
I)Revenue from Operations		-	105,522,298
II)Other Income	9	1,159,787	873,363
III)TOTAL REVENUE(I+II)		<u>1,159,787</u>	<u>106,395,661</u>
IV)EXPENSES			
Cost of Materials Consumed		-	81,905,168
Purchase of Stocks-in-Trade		15,913,389	-
Changes in Inventories of Finished Goods Work -in-Progress and Stock-in-Trade		(15,913,389)	-
Employee Benefits Expenses	10	1,602,599	793,425
Depreciation and Amortization Expenses		1,147,176	218,784
Other Expenses	11	311,911	2,148,763
TOTAL EXPENSES		<u>3,061,686</u>	<u>85,066,140</u>
V)Profit Before Exceptional And Extraordinary items and Tax (III-IV)		(1,901,899)	21,329,521
VI)Exceptional Items		-	-
VII)Profit Before Tax and extraordinary items and tax (V-VI)		<u>(1,901,899)</u>	<u>21,329,521</u>
VIII)Extraordinary Items		-	-
IX) Profit before tax(VII-VIII)		<u>(1,901,899)</u>	<u>21,329,521</u>
X) Tax Expenses			
(1) Current Tax		-	6,500,000
(2)Deferred Tax		-	34,018
XI) Profit (Loss) for the period from continuing operations(VII-VIII-X)		<u>(1,901,899)</u>	<u>14,795,503</u>
XII) Profit (Loss) from discontinuing operations		-	-
XIII) Tax expense of discontinuing operations		-	-
XIV)Profit/(Loss) from Discontinuing operation (after tax) (XII-XIII)		<u>-</u>	<u>-</u>

XV) Profit (Loss) for the period (XI+XIV)	<u>(1,901,899)</u>	<u>14,795,503</u>
XVI) Earnings per equity share:		
(1) Basic	(1,902.00)	14795.50
(2) Diluted	(1,902.00)	14795.50

NOTES FORMING PART OF ACCOUNTS 12
As per our report annexed herewith
For M. S. Parikh & Co.
Chartered Accountants

Sd.
Chairman

Sd.
Directors

Sd.
Partner
Dated: 30th May 2013

VICTORIA LAND PVT LTD

Annual Report 2012-2013

NOTES ANNEXED TO & FORMING PART OF THE
BALANCE SHEET AS AT 31ST MARCH 2013

	2012-2013 Rupees	2011-2012 Rupees
NOTE-1 SHARE CAPITAL		
AUTHORISED CAPITAL		
1,000 Equity Shares of Rs.100/- each	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
a) ISSUED & SUBSCRIBED CAPITAL		
1,000 Equity Shares of Rs.100/- each fully paid up	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
b)Details of Shareholders holding more than 5% Share in the Company		
	31.3.2013	31.3.2012
Name of the Shareholder	No of Shares	%
The Victoria Mills Ltd	1000	100
	1000	100
NOTE 2: RESERVES AND SURPLUS		
A : General Reserve		-
Transfer from Profit & Loss A/c	<u> </u>	<u> </u>
TOTAL	-	-
B : Profit & Loss A/c(As per Last Balance Sheet	14,478,242	(317,261)
Add: Profit for the year	<u>(1,901,899)</u>	<u>14,795,503</u>
	<u>12,576,343</u>	<u>14,478,242</u>
Less:Transfer To General Reserve		-
Less:Proposed Dividened		-
Less:Tax On Dividened	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
TOTAL	<u>12,576,343</u>	<u>14,478,242</u>
	<u>12,576,343</u>	<u>14,478,242</u>

VICTORIA LAND PVT LTD

Annual Report 2012-2013

NOTE-3 NON-CURRENT LIABILITIES

	2012-2013 Rupees	2011-2012 Rupees
a) Deffered Tax Liabilities (Net)	34,018	34,018
b) Other Long Term Liabilities (Deposits etc)	-	-
c) Long -Term Provisions Provision for Retirement Benefits	-	-
	<u>34,018</u>	<u>34,018</u>

NOTE-4 -CURRENT LIABILITIES

a) Short -Term Deposit	29,500,000	8,000,000
b) Other current Liabilities(Provision For Expenses)	25,530	5,610,180
	<u>29,525,530</u>	<u>13,610,180</u>
c) Short Term Provisions Proposed Dividened Tax On Dividened	-	-
	<u>-</u>	<u>-</u>
	<u>29,525,530</u>	<u>13,610,180</u>

VICTORIA LAND PVT LTD

Annual Report 2012-2013

NOTE 5:a) FIXED ASSETS
1)TANGIBLE ASSETS

Sr. No.	Description	Gross Block on 1.4.2012	Addition	Deductions	Gross Block on 31.3.2013	Total Depr. upto 1.4.2012	Curr. Year Depr.	Depr. Wr Back	Total Depr. upto 31.3.2013	Net Block on 31.3.2013	Net Block on 31.3.2012
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	20144600	0	0	20144600	0	0	0	0	20144600	20144600
2	Computer	125027	0	0	125027	53332	28678	0	82010	43017	71695
3	Vehicles(yatch)	2127575	0	0	2127575	190025	387510	0	577535	1550040	1937550
4	Vehicles(Motor Car)	0	4442044	0	4442044	0	730988	0	730988	3711056	0
Total		22397202	4442044	0	26839246	243357	1147176	0	1390533	25448713	22153845
Previous Year		56000	22341202	0	22397202	24573	218784	0	243357	22153845	

VICTORIA LAND PVT LTD

Annual Report 2012-2013

NOTE 6: NON -CURRENT INVESTMENTS (AT COST)

		2012-2013 Rupees	2011-2012 Rupees
1 INVESTMENT IN MUTUAL FUNDS (UNQUOTED)			
HDFC Cash Management Fund	Units -	-	500,000
TOTAL RUPEES		<u>-</u>	<u>500,000</u>

	At Cost		At Market Rate	
	2012-2013 Rupees	2011-2012 Rupees	2012-2013 Rupees	2011-2012 Rupees
Aggregate amount of unquoted investments	-	500,000	-	-

NOTE 7: LONG TERM LOANS & ADVANCES

	2012-2013 Rupees	2011-2012 Rupees
(Unsecured , Considered Good) Security Deposits (Petrol, Telephone Etc)	25000	25000
	<u>25000</u>	<u>25000</u>

VICTORIA LAND PVT LTD

Annual Report 2012-2013

NOTE -8 CURRENT ASSETS

Rupees	2012-2013 Rupees	2011-2012 Rupees
a) INVENTORIES		
(As per list certified and valued by the Company)		
Property held as stock-in-trade (At Cost)	14,730,000	-
Work In Progress	1,183,389	-
	<u>15,913,389</u>	<u>-</u>
b) TRADE RECEIVABLE		
Unsecured Considered Goods (Within six month)	-	4,400,000
c) CASH AND CASH EQUIVALENTS		
Cash on hand	8140	3809
With scheduled Bank in :		
Current Account	<u>219,649</u>	<u>408,464</u>
	<u>219,649</u>	<u>408,464</u>
	<u>227,789</u>	<u>412,273</u>
d) SHORT-TERM LOANS AND ADVANCES		
Staff Loan	<u>121000</u>	<u>200000</u>
	<u>121,000</u>	<u>200,000</u>
e) OTHER CURRENT ASSETS		
Amount receivable	0	31322
Advance Income Tax Net Of Provision	<u>500000</u>	<u>500000</u>
	<u>500000</u>	<u>531322</u>

VICTORIA LAND PVT LTD

Annual Report 2012-2013

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT AS ON 31ST MARCH 2013

NOTE-9 OTHER INCOME

	2012-2013 Rupees	2011-2012 Rupees
Dividend	10,172	226,110
Excess Provision Written Back	1,056,226	-
Miscellaneous Income	88,176	-
Profit on Redemption of Mutual Funds Units	5,213	647,253
TOTAL RUPEES	1,159,787	873,363

VICTORIA LAND PVT LTD

Annual Report 2012-2013

NOTE-10 EMPLOYEE BENEFITS EXPENSES

	2012-2013 Rupees	2011-2012 Rupees
Salaries	1602599	793425
	<u>1,602,599</u>	<u>793,425</u>

NOTE-11 OTHER EXPENSES

	2012-2013 Rupees	2011-2012 Rupees
Auditor's Remuneration		
Audit Fees	7865	2247
Brokerage	-	674160
Foreign Travel	-	1028516
Insurance	15185	
Miscellaneous Expenses	39476	220101
Legal & Professional Charges	217462	221534
Stationery & Printing	1,680	2,205
Telephone Expenses	30243	-
	<u>311,911</u>	<u>2,148,763</u>

NOTE –12 NOTES FORMING PART OF ACCOUNTS

Major Accounting Policies:-

1) Recognition of income expenditure:

The company is in the business of real estate development. Real estate income is recognized as revenue on the completion of sale of property. Other income and cost/expenditure are generally accounted on accrual as they are earned or incurred.

2) Basic of Accounting:

The Company maintains its Accounts on account on accrual basis following historical cost convention in compliance with Accounting Stands specified to be mandatory by the institute of Chartered Accountant of India and the relevant provisions of the Companies Act, 1956.

3) Fixed Assets:

Fixed Assets are stated at original cost net of tax/duty credits availed. If any, cost comprises of the purchased price and any other attributable cost of bringing the assets to its working condition for its intended use.

4) Depreciation:

Depreciation is calculated on W.D.V. method as provided in Scheduled XIV to the Companies Act, 1956. On addition/deletions of fixed assets depreciation is provided on pro rata basis.

5) Investments:

Investment are started at cost.

For M.S.PARIKH & CO.,
CHARTERED ACCOUNTANTS,

Sd

PARTNER
Membership No.
Firm Reg.No.107558W

For VICTORIA LAND PVT.LTD.

Sd.

CHAIRMAN

Director 1. *Sd.*

Dated: 30.05.2013