

NATIONAL STANDARD (INDIA) LIMITED

**Annual Report
2012 - 2013**

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BOARD OF DIRECTORS

Mr. Pankajkumar Jain	Non Independent Director
Mr. Mangesh Puranik	Non Independent Director
Mr. N.P.S. Shinh	Non Independent Director
Mr. A.L. Ananthanarayanan	Non Independent Director
Mr. Deependra Gupta	Chairman and Independent Director
Mr. Sagar Gawde	Independent Director

COMPANY SECRETARY

Ms. Bhavika Gohil

MANAGER

Mr. Pinkesh Shah

REGISTERED OFFICE

Room No 6, 4th Floor, Commerce House,
2A, Ganesh Chandra Avenue,
Kolkata 700013, West Bengal.

AUDITORS

M/s. Shanker & Kapani,
Chartered Accountants,
N.T.C. House, 2nd Floor,
Narottam Morarjee Marg,
Ballard Estate, Mumbai - 400 038.

BANKERS

HDFC Bank Limited
Kotak Mahindra Bank Limited

SHARE TRANSFER AGENT

CB Management Services (P) Limited
P-22, Bondel Road, Kolkata-700 019

NOTICE

Notice is hereby given that the Fiftieth Annual General Meeting of the Members of National Standard (India) Limited will be held on Friday 27th September, 2013 at 12.00 noon at the Registered Office* of the Company at Room No# 6, 4th Floor, Commerce House, 2A, Ganesh Chandra Avenue, Kolkata 700013, West Bengal to transact the following businesses:

Ordinary Business:

1. To consider and adopt the audited Balance Sheet as at 31st March, 2013, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. N.P.S. Shinh, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Mr. Deependra Gupta, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. Shanker & Kapani, Chartered Accountants (Firm Registration No. 117761W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors”.

By Order of the Board of Directors

Place: Mumbai
Date: 29th August, 2013

Pankajkumar Jain
Director

Registered Office:

Room No#6,4th Floor, Commerce House 2A,
Ganesh Chandra Avenue,
Kolkata 700013, West Bengal
E-mail: Investors.NSIL@lodhagroup.com

* The Company has filed petition with the Hon'ble Regional Director, Kolkata ('RD') for shifting its registered office from State of West Bengal to the State of Maharashtra. The Company is awaiting approval from the RD in this regard. In case, process of shifting of registered office gets completed prior to Friday 27th September, 2013, date of Annual General Meeting ('AGM'); AGM will be held in Mumbai in the State of Maharashtra. Immediately upon completion of process of shifting of registered office, the Company will give necessary intimation to BSE Limited and Calcutta Stock Exchange Limited and also publish notice in this regard in Duranto Barta, local newspaper having circulation in the State of West Bengal, Apala Mahanagar, local newspaper having circulation in the State of Maharashtra and in all editions of Financial Express, English Newspaper, for the information of the stakeholders.

Notes:

- 1) **A Member entitled to attend and vote at the Annual General Meeting (“the Meeting”) is entitled to appoint one or more Proxy to attend and vote on a poll instead of himself and the Proxy need not be a Member of the Company. The Instrument appointing the Proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.**
- 2) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3) Mr. N.P.S. Shinh and Mr. Deependra Gupta, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. Brief resume of the said Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement, are provided in this Annual Report. The Board of directors of the Company commends their re-appointment.
- 4) Members are requested to bring their Attendance Slip along with their copy of the Annual Report to the Meeting.
- 5) Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. upto the date of the Meeting.
- 6) Register of Members and Transfer Books of the Company will remain closed from 23rd September, 2013 to 27th September, 2013 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
- 7) Members holding shares in identical orders of names in more than one folio are requested to write to the Company’s Registrar and Share Transfer Agent, C B Management Services (P) Limited, P-22, Bondel Road, Kolkata - 700 019, enclosing their original share certificates to enable them to consolidate the holdings into one folio.
- 8) As per the provisions of the Companies Act, 1956, the members of the Company are allowed to nominate any person to whom the share(s) shall be transmitted in the event of Member’s death. The Members are advised to contact the Company’s Share Transfer Agent, C B Management Services (P) Limited, to avail this facility.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, by writing a letter to/sending email to CB Management Services (P) Limited to this effect.

DIRECTORS' REPORT

TO THE MEMBERS,

The Directors present the Fiftieth Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Income	3,154.27	1,123.83
Less: Expenditure	2,443.83	1,602.27
Profit/(Loss) before exceptional item and taxation	710.44	(478.44)
Exceptional item / Tax expenses	(129.97)	693.64
Profit/(Loss) after exceptional items and taxation	580.47	215.20

FINANCIAL OVERVIEW

The Company's total income has increased from Rs. 1,123.83 lacs in the financial year 2011-12 to Rs. 3,154.27 lacs in the financial year 2012-13 on account of recognition of revenue as per accounting policy. Correspondingly, there has also been a increase in Company's total expenditure from Rs. 1,602.27 lacs for the financial year 2011-12 to Rs. 2,443.83 lacs for the financial year 2012-13. Consequently, the Company's Net Profit After Tax has also increased from Rs. 215.20 lacs for the previous financial year to Rs. 580.47 lacs for the financial year under review.

MANAGEMENT'S DISCUSSION AND ANALYSIS

General Performance Review

The Prime Minister's Economic Advisory Council (PMEAC) in its release of 2012-13 has emphasized a disconcertingly high difference between its earlier projection for the year and what has materialized. Slow growth has depressed corporate profitability, stressing balance sheets and weakening sentiments and expectations. The turn for a reform agenda picked in the second-half of FY13 and a continuance of such proactive measures is expected to boost growth. The growth trajectory is seen to pick gradually in H1 FY14. Political uncertainty in the face of General Elections is not seen to majorly hamper such improvement. The GDP growth in FY13 is estimated to be around 5.0% as per CSO's estimates. As per PMEAC's forecast the GDP is expected to grow at a rate of 6.4% in FY14 on the basis of better agricultural growth, revival in manufacturing sector and improved services sector activity.

Industry Overview

With developers getting clarifications about amendments on Development Control Regulation (DCR) of Greater Mumbai, there has been a number of launches in the market. Most of the launches have been at a discount to the average market prices to attract volumes. New product launches at attractive prices with discounts and schemes have attracted buyers and resulted in a pick-up of sales during the year. The Mumbai residential market has been able to maintain the price strength despite a number of launches due to the strong and consistent demand. The city's realty scenario is interestingly poised post clarity on new DCR rules emerging in the last couple of quarters. A number of projects which were stuck up at the approval stage in the last year are likely to be cleared, paving way for a large number of launches hitting the market.

Despite the recent pick up in absorption in the last two quarters, the Mumbai office absorption for FY13 was lower by 30% than in FY12. Uncertain economic environment has continued leading to reduced employment growth and therefore lower the fresh commercial property absorption. The tighter lending standards for commercial construction has not helped either. On the brighter note these market conditions continue to favour tenants in most of Mumbai's micro-markets by ways of a larger bunch of options, rational pricing and various concessions. The real estate market conditions are optimal for consolidation and relocation and many Mumbai-based occupiers will avail of this option throughout FY14.

BUSINESS OVERVIEW

The Company has undertaken an aspirational residential project by the name of Lodha Grandezza in Wagle Estate, opposite LBS Marg, Thane. The project comprises of two 18 storey towers with 2 and 3 BHK premium residences. The target client profile of this project is the high/upper middle income segment of the market. The Company has also launched a boutique office project under the highly successful Lodha's Supremus brand in Thane with spaces in the range of 2,000 square feet to 20,000 square feet.

Internal Control Systems and Their Adequacy

The Company has a proper and adequate system of Internal Controls which commensurate with the size and nature of business, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and commercial transactions are authorized, recorded and reported correctly. The internal control is supplemented by an extensive programme of internal and external audits. The Company accords great importance to the security of its information assets and has the requisite security controls and checks. Adequate storage and backup system is in place to ensure security and availability of data at all times.

Opportunities and Challenges**Opportunities:**

Despite the lack of a consistent and well articulated policies on the housing and real estate sector, your company still believes that the demand for Real Estate in Mumbai Metropolitan Region is inherently strong.

Challenges:

While the management of your Company is confident of exploiting the opportunities, it also finds the following challenges:

- Time required to obtain permissions.
- Swelling cost of construction.
- Acute shortage of skilled workforce at all levels.
- Very slow pace of growth in other infrastructure facilities.

Risks and Concerns

The Company is exposed to different types of risks viz., credit risk, market risk (including liquidity risk), operational risk and legal risk. The Company at regular interval monitors credit and market risk, Legal risk is subject to the review by the legal department. The Company is exposed to specific risks in connection with the management of investments and the environment within which it operates. The Company aims to understand measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks.

Cautionary Statement

This report may contain forward looking statements. All statements are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate and will materialize in the said order or manner or realized. The Company's performance and results or achievements could thus differ from those projected in any forward looking statements. The Company assumes no responsibility to publicly amend modify or revise such statements based on subsequent events or developments.

DIVIDEND

The Board has not recommended any dividend for the year under review.

DIRECTORS

Mr. Deependra Gupta and Mr. N.P.S. Shinh retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommends the re-appointment of Mr. Deependra Gupta and Mr. N.P.S. Shinh.

SHIFTING OF REGISTERED OFFICE OF THE COMPANY

The Company has filed petition with the Hon'ble Regional Director, Kolkata ('RD') for shifting its registered office from State of West Bengal to the State of Maharashtra. The Company is awaiting approval from the RD in this regard. In case, process of shifting of registered office gets completed prior to 27th September, 2013, date of Annual General Meeting ('AGM'); AGM will be held in Mumbai in the State of Maharashtra.

Immediately upon completion of process of shifting of registered office, the Company will give necessary intimation to BSE Limited and Calcutta Stock Exchange Limited and also publish notice in this regard in Duranto Barta, local newspaper having circulation in the State of West Bengal, Apala Mahanagar, local newspaper having circulation in the State of Maharashtra and in all editions of Financial Express, English Newspaper, for the information of the stakeholders.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- I. in the preparation of the accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed and that there are no material departures from the same;
- II. the Directors have 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 as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- III. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. the Directors have prepared the accounts for the financial year ended 31st March, 2013 on a “going concern” basis.

AUDITORS & AUDITORS REPORT

M/s. Shanker and Kapani, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received a letter from the Statutory Auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act. A proposal seeking their appointment is provided as part of the Notice of the ensuing Annual General Meeting.

As regards Auditors' observations, they are self explanatory and do not call for any further comments.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 is attached with this report as Annexure –A.

LISTING FEE PAYMENT

The Company has made payment of listing fees upto the financial year 2012-13 to the Calcutta Stock Exchange Limited and BSE Limited.

PARTICULARS OF EMPLOYEES

The Company does not have any employees whose particulars are required to be given in terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreements entered into with the Stock Exchanges forms part of the Annual Report. Certificate confirming compliance of the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, forms part of this Annual Report.

ACKNOWLEDGEMENT

The Board also records its appreciation for the support and cooperation received from various stakeholders during the period under review.

On behalf of the Board of Directors

Date: 14th May, 2013

**Pankajkumar Jain
Director**

**Deependra Gupta
Director**

Annexure A

Disclosure of particulars under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

A	Conservation of Energy	
a)	Energy conservation measures taken	<p>The operations of the Company are not energy intensive. However the Company has taken following initiatives towards energy conservation measures:-</p> <ul style="list-style-type: none"> • Waste water is treated and recycled for usage in flushing and gardening. • Rain water harvesting is being implemented in order to conserve water and recharge ground water table. • Flyash (by product of power plants) is being used to replace cement in all concrete including high performance concrete and masonry / plaster activities. • Usage of natural sand has been brought to minimum. • Usage of burnt clay bricks has almost stopped. • Usage of energy efficient equipments at project site. • Variable frequency drives are being used in order to calibrate the usage of services based on increase or reduction in demand loads.
b)	Additional Investments and proposals, if any being implemented for reduction of conservation of energy	None
c)	Impact of measures for reduction of energy consumption	Economy in operations
d)	Total Energy Consumption and Energy Consumption per unit of production as per Form A of the Rules in respect of Specified Industries.	Details as per Form A not required since the Company is not covered in the list of specified industries.
e)	Environment protection	<ul style="list-style-type: none"> • All vehicles carrying mud or loose material are covered to prevent dust pollution at site and along the route of their travel. • Increased landscape in podium and open air spaces.
B	Technology Absorption	As per Form 'B' annexed.
C	Foreign Exchange Earnings and utgo	
f)	i) Activities relating to exports	The Company is engaged in development / construction of real estate in India and selling the immovable properties to various customers.
	ii) Initiatives taken to increase exports	As of now, the Company does not export any of its products. However the properties/units offered by the Company can also be acquired by the non-resident. The Company advertises the products on various portals and publications.
	iii) Development of new export markets for products and services	As a result of the above initiatives taken by Company, the properties being developed by the Company are attracting the eyeballs of overseas customers.
	iv) Export plans	None.
g)	Total Foreign Exchange earned and used	Nil

FORM – B

**Form for Disclosure of particulars with respect to Absorption
Research and Development (R&D)**

1.	Specific areas in which R & D carried out by the Company	The Company has not carried out any R&D activities during the year. However the Company carries out internal research for optimising its construction activities.
2.	Benefits derived as a result of the above R & D	Economy in operations
3.	Future plan of action	To constantly provide world class construction quality
4.	Expenditure on R&D	Nil
	(a) Capital	
	(b) Recurring	
	(c) Total	
5.	Total R&D expenditure as a percentage of total turnovers	Nil

Technology Absorption, Adaptation and Innovation

1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	The Company has successfully adopted new technologies in following areas:- <ul style="list-style-type: none"> • Waste water treatment has been provided to meet entire requirement of water for gardening and flushing. • High performance concrete is being used at works using significant quantity of fly ash. • Electrical system designed to limit losses less than 4%.Use of home automation in residential premises.
2.	Benefits derived as result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	Economy in operations
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished <ol style="list-style-type: none"> a) Technology imported b) Year of import c) Has technology been fully absorbed? d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action. 	Nil

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Code of Governance

The Company's philosophy on Corporate Governance envisages transparency, accountability and equity for its operations, and for interactions with its stakeholders.

2. Board of Directors – Composition and Particulars of Directors

Board Composition

As on 31st March, 2013, the board of directors of the Company ("the Board") comprised of 6 directors, out of whom 2 were Independent directors. None of the directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement) across all Public Limited companies in which he is a director.

Category	Name of the Director
Non-Independent, Non-Executive Directors	Mr. Mangesh Sudhakar Puranik Mr. Pankajkumar Rajendra Jain Mr. Narinder Pal Singh Shinh Mr. Ananthanarayanan Ariyanayakupuram Lakshminarayanan
Independent, Non-Executive Directors	Mr. Deependra Gupta Mr. Sagar Dhaku Gawde

None of the directors holds any share in the Company except Mr. NPS Shinh who holds 22,50,180 and Mr. A. L. Ananthnarayanan who holds 8,87,896 shares.

No director is related to any other director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956.

Directors Profile

Brief resume of Directors proposed to be appointed/ reappointed at the forthcoming Annual general meeting, nature of their expertise functional areas and names of companies in which they hold directorship/Chairmanships/memberships of Board Committees and their shareholding are provided below:

(a) **Mr. Deependra Gupta** is Science Graduate and Inter Chartered Accountant. He has vast experience in field of Finance, Account and Taxation.

Mr. Deependra Gupta is also on the Board of Sumangla Developers and Farms Private Limited, Shantipriya Developers & Farms Private Limited, Vamadevi Developers And Farms Private Limited, Shankarparvati Reality & Agro Private Limited, Maheshvilla Developers & Farms Private Limited, Susima Buildtech And Farms Private Limited, Mallinath Reality & Agro Private Limited, Kunthunath Facilities Management Private Limited, Suvrata Infrabuild And Farms Private Limited, Saikrupa Infotech Private Limited, Shivchhaya Developers & Farms Private Limited, Susima Infotech Private Limited, Suvidhinath Quality Construction Private Limited, Access Buildtech Private Limited, Suvidhinath Buildtech Private Limited, Sanathnagar Enterprises Limited, Nayan Infracon Private Limited, Vasupujya Developers And Farms Private Limited, Roselabs Finance Limited, Suvrata Software Development Private Limited, Sumatinath Reality & Agro Private Limited, Shravasti Developers And Agro Private Limited, Ramshyam Infracon Private Limited, Mahasen Developers And Farms Private Limited, Copious Developers And Farms Private Limited, Pushpadanta Developers & Farms Private Limited, Tanish Stone Crusher Private Limited, Shri Mangalya Constructions & Farms Private Limited, Sun Villa Estates Private Limited, Accent Buildtech Private Limited, Kritika Infrabuild And Farms Private Limited, Shri Bhairav Properties & Agrofarms Private Limited, Krutvarma Stalwart Developers And Farms Private Limited, Citicellar Constructions & Farms Private Limited, Flying Constructions Private Limited, Shankeshwer Paraswanath Developers And Farms Private Limited, Siddheshwer Real Estate Private Limited, Shree Shantinath Real Estate Private Limited, High Status Buildcon Private Limited, Maa Padmavati Township Private Limited, Balaji Hi-Tech Reality And Engineers Private Limited, Shankeshwer Paraswanath Builders Private Limited, Maa Padmavati Software Support And Services Private Limited, Township Development Private Limited, Brightgold Constructions Private Limited, Loknath Infracon Private Limited, FutureTech Constructions & Precast Private Limited, Deepankar Facility Services (India) Private Limited.

Mr. Deependra Gupta is Member/Chairman in following Companies:

Roselabs Finance Limited	Shareholders Investors Grievance Committee- Chairman
	Audit Committee - Member
Sanathnagar Enterprises Limited	Audit Committee - Chairman

Mr. Deependra Gupta does not hold any shares of the Company as on 31st March, 2013.

(b) **Mr. NARINDER PAL SINGH SHINH** holds degree in Commerce, Law and management from Delhi University. He has held senior positions in large industrial group in the Country.

Mr. Narinder Pal Singh Shinh is also on the Board of Avaya Holdings And Trading Private Limited, Sriman Mountain Holdings And Trading Private Limited, Ezra Trading And Finance Company Limited, Bakelite Coatings & Paints Private Limited, National Standard Tyre Moulds (India) Limited, Mountain Dew Properties Limited, Bakelite Hylam Limited, Bakelite Properties Private Limited Mystic Woods Holdings & Trading Private Limited, Shilpa Medicare Limited, Blitzkrieg Trading Private Limited, Adamas Trading Private Limited And Strawberry Trading Private Limited.

Mr. Narinder Pal Singh Shinh is Member/Chairman in following Companies:

National Standard Tyre Moulds (India) Limited	Shareholders Investors Grievance Committee - Member
	Audit Committee - Member
Bakelite Hylam Limited	Audit Committee – Chairman
	Shareholders Investors Grievance Committee - Chairman

Mr. Narinder Pal Singh Shinh holds 22,50,180 shares of the Company.

3. Attendance of Directors at Board Meetings, last Annual General Meeting and number of other Directorships and Chairmanships/ Memberships of Committees of each Director in various companies

The Board met at least once in each quarter and the maximum time gap between two Board Meetings did not exceed the limit prescribed in Clause 49 of the Listing Agreement. The details of participation of directors of the company at Board Meetings and Annual General Meeting during the financial year ended March 31, 2013 are enumerated as under:

Name of the Director	DIN No.	Attendance at meetings during 2012-13		Number of Other Directorship(s) (*)	No of Membership(s) / Chairmanship(s) of Board Committees of Other Companies (**)
		Board Meetings	Last AGM		
Mr. Deependra Gupta	2087691	5	1	2	3 (including 2 as Chairman)
Mr. Sagar Gawde	2082205	5	No	2	3 (including 1 as Chairman)
Mr. Mangesh Puranik	2283925	5	No	1	-
Mr. N.P.S. Shinh	23160	No	No	8	4 (including 2 as Chairman)
Dr. A. L. Ananthanarayanan	495490	No	No	9	3 (including 1 as Chairman)
Mr. Pankajkumar Jain	05114230	5	No	4	-

*The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

** In accordance with Clause 49, Memberships / Chairmanships of only the Audit Committees and Shareholders' / Investors' Grievance Committees of Indian Public Companies (excluding the Company) have been considered.

4. Number of Board Meetings held and the dates on which held

Five Board meetings were held during the year 2012-2013. The Company has held at least one Board meeting in every three months and the maximum time gap between any such two meetings was not more than four months. The details of the board meetings are as under:

Sr. No.	Date	Board Strength	No. of Directors Present
1	28 th May, 2012	6	4
2	10 th August, 2012	6	4
3	26 th October, 2012	6	4
4	23 rd January, 2013	6	4
5	14 th February, 2013	6	4

5. Board Committees

Details of the Committees of the Board and other related information are provided hereunder:

(a) **Audit Committee**The Audit Committee comprises of two independent directors viz. Mr. Deependra Gupta and Mr. Sagar Gawde and one non Independent Director viz. Mr. Mangesh Puranik and the same is in accordance with the provision of section 292A of the Companies Act, 1956 and clause 49 of Listing agreement. The Committee functions under the Chairmanship of Mr. Deependra Gupta.

The Company Secretary acts as the secretary to the Audit Committee.

The terms of reference includes in particular overseeing company's financial reporting process and disclosure of financial reporting information, recommending appointment and removal of External Auditor, reviewing statements before submission to the Board and other terms as per clause 49 of Listing agreement to the extent applicable to the Company.

Accordingly, Four Audit committee meetings were held during the year 2012-2013

Sr. No.	Date	Members Strength	No. of Directors Present
1	28 th May, 2012	3	3
2	10 th August, 2012	3	3
3	26 th October, 2012	3	3
4	14 th February, 2013	3	3

(b) Shareholders' / Investors' Grievance Committee

The Shareholders' / Investors Grievance Committee comprises two Directors, namely, Mr. Deependra Gupta and Mr. Sagar Gawde. The Committee functions under the Chairmanship of Mr. Deependra Gupta.

Accordingly, Four meetings were held during the year ended 2012-2013

Sr. No.	Date	Members Strength	No. of Directors Present
1	28 th May, 2012	2	2
2	10 th August, 2012	2	2
3	26 th October, 2012	2	2
4	14 th February, 2013	2	2

Compliance officer

Ms. Bhavika Gohil is the Compliance Officer of the Company for complying with the requirements of Securities Laws and the Listing Agreements with the Stock Exchanges in India.

Investor Grievance Redressal

The number of complaints received and resolved during the year under review (i.e. 2012-2013) and their break-up are as under:

Type of Complaints	No. of Complaints
Non-Receipt of Annual Reports	NIL
Non-Receipt of Dividend Warrants	NIL
Non-Receipt of Certificates	NIL
Total	NIL

6. General Body Meetings

The last three Annual General Meetings of the Company were held as under:

Year	Venue of the Meeting	Date	Time
2009-2010	Meeting Hall, Bidhan Shishu Udhyan, 1, Bindan Shishu Sarani, Kolkata – 700 054	30 th September, 2010	2.30 p.m.
2010-2011	Room No. 6, 4th Floor, Commerce House, 2A Ganesh Chandra Avenue, Kolkata – 700013, West Bengal	30 th September, 2011	12.00 noon
2011-2012	Room No. 6, 4th Floor, Commerce House, 2A Ganesh Chandra Avenue, Kolkata – 700013, West Bengal	27 th September, 2012	12.00 noon

Special Resolutions passed at the Last 3 Annual General Meetings

AGM Date	Item No.	Particulars
30 th September, 2010	-	No Special Resolution has been passed
30 th September, 2011	4	Appointment of Messrs Shanker & Kapani as Auditors of the Company in place of Messrs C.P. Ranka
	5	the Register of Members and Index of Members ('the document') be kept at CB Management Services (P) Limited

	8	Appointment of Mr. Mangal Prabhat Lodha as Managing Director of the Company.
27 th September, 2012	7	Alteration of Article of Association of the Company

7. Book Closure date

Register of Members and Transfer Books will remain closed from 23th September, 2013 to 27th September, 2013 (both days inclusive) for the purpose of the Annual General Meeting of the Company.

8. Disclosures

There were no monetary penalties imposed by SEBI or the stock Exchanges or by any statutory authorities for non-compliance on any matters related to capital markets.

Attention of Members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts forming part of the Annual Report.

None of the directors were paid any remuneration during 2012-13.

The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long term strategy for sectoral investments, optimization of market share and profitability, legal requirements, liquidity and capital resources. All related party transactions are negotiated at arms length and are only intended to further the interests of the Company.

9. Means of Communication

The Quarterly and annual results are published in Financial Express (all edition) and Duranto Barta (Kolkata). The financial results, shareholding patterns and annual report are also available on the website of the Company <http://www.nsil.net.in>. The Company has designated exclusive email ID viz., **Investors.NSIL@lodhagroup.com** for investor servicing.

10. General Shareholder Information

Company Registration Details	The Company is registered in the state of West Bengal, India. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L27109WB1962PLC025605.
Annual General Meeting	27 th September, 2013 at 12.00 Noon at registered office of the Company.
Financial Calendar	Financial Year April 1, 2012 to March 31, 2013
Book Closure Period	23 th September, 2013 to 27 th September, 2013
Dividend Payment Date	No Dividend on Equity is recommended by the Board.
E – mail address for shareholders	Investors.NSIL@lodhagroup.com
Listing of equity shares at stock Exchange (nation wise trading terminal) Stock code	Bombay Stock Exchange Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal street, Fort, Mumbai 400001
Trading Symbol	Bombay Stock Exchange Limited (Scrip Code : 504882) (Trading Suspended)
Outstanding GDRs/ADRs/Warrants/ Convertible Instruments	Not Applicable
Investors Correspondence for change in address, Change of Bank	CB Management Services (P) Limited Mandate, Nomination, Transfer, P-22, Bondel Road Dematerialization of shares. Kolkata 700019 Tel: 40116700 / 22806692/92/94/2486 Email: rta@cbmsl.com
Any Query on annual Report	10 th Floor, The Company Secretariat Department, Lodha Excelus, Apollo Mills compound, N.M Joshi Marg, Mahalaxmi, Mumbai 400011 Tel: +9122 2302 4517 Fax : +9122 2302 4550

Share transfer agent	CB Management Services (P) Limited P-22, Bondel Road Kolkata 700019 Tel: 40116700 / 22806692/92/94/2486 Email: rta@cbmsl.com
Share Transfer System	Share Transfers, which are received in physical form, are Processed and the share certificate are returned within a Period of 15 days, subject to the documents being valid and complete in all respects.
Distribution of shareholding and Shareholding pattern	Please see annexure 'A' and 'B'
Dematerialization of shares and Liquidity	All the shares of the company are in physical form and suspended from trading.
Site location	The company's project is at plot no F/4, road no. 22, Wagle Industrial Estate, Thane 400604, Maharashtra
Registered Office	Room no# 6, 4 th Floor, Commerce House 2A Ganesh Chandra Avenue, Kolkata 700013, West Bengal
Address for correspondence	Lodha Excelus, 10 th Floor, Company Secretariat, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai – 400011

Annexure 'A'

Distribution of shareholding as on 31st March, 2013

Range	No. of Shareholders		No. of shares	
	Total	% of Shareholders	Total	% to Share Capital
1-500	992	97.64	53,300	0.27
501-1000	5	0.49	3,227	0.01
1001-2000	-	-	-	-
2001-3000	-	-	-	-
3001-4000	1	0.10	3,952	0.02
4001-5000	-	-	-	-
5001-10000	1	0.10	8,068	0.04
10001 and above	17	1.67	1,99,31,453	99.66
Total	1016	100.00	2,00,00,000	100.00

Annexure 'B'

Categories of shareholding as on 31st March, 2013

Category	No. of Shares	%
Promoters & promoter group	1,47,88,099	73.94
Mutual Fund & Unit Trust of India	Nil	0.00
Banks, Financial Institutions & Insurance Companies	90	0.00
Foreign Institutional Investors	Nil	0.00
Bodies Corporate	14,67,476	7.34
Indian Public	37,44,071	18.72
Non Resident Individuals / Overseas Corporate Bodies	232	0.00
Foreign National	32	0.00
Total	2,00,00,000	100.00

11. Compliance Certificate

Certificate conforming compliance with the conditions of corporate governance as stipulated under Clause 49 of Listing Agreement, forming part of Annual Report.

12. CEO and CFO Certification

The Manager of the Company and the Chief Financial Officer of the company have given annual certification on financial reporting and internal control to the Board in terms of Clause 49 of Listing Agreement.

13. Capital Integrity Audit

The Company has been submitting quarterly reconciliation of Share Capital Audit Report to the Stock Exchanges in India where the equity shares of the company are listed.

14. Audit Fees

Audit fees to the Statutory Auditors for the year ended 31st March, 2013 was Rs. 3,00,000/- (excluding other fees, service tax and out of pocket expenses)

15. Non Mandatory Requirements

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

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management team, an affirmation, of compliance with the code of conduct for Directors and Senior Management in respect of financial year ended March 31, 2013.

Date: 14th May, 2013

**Pinkesh Shah
Manager**

CERTIFICATE ON CORPORATE GOVERNANCE

The Members

National Standard (India) Limited

I have examined the compliance of conditions of Corporate Governance by National Standard (India) Limited for the period ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges in India. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-referred Listing Agreement. I am informed that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

I 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.

Sd/-

Jinal Shah
Company Secretary in Practice
ACS: 20255 CP No.: 9830

Place: Mumbai

Date: 14th May, 2013

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

M/s. NATIONAL STANDARD (INDIA) LIMITED

We have audited the accompanying financial statements of **M/s. NATIONAL STANDARD (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, 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 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.

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 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 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 purposes 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 Act;
 - e. On the basis of written representations received from the Directors of the Company as on 31st March, 2013 and taken on record by the Board of Directors, we report that 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 Act;

- 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 Act, 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 **SHANKER AND KAPANI**
Chartered Accountants
FIRM REGISTRATION No.: 117761W

PLACE:- MUMBAI
DATE:- 14TH MAY, 2013

S. SANKAR
PARTNER
MEMBERSHIP NO: - 40476

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph (1) of our report of even date)

1. a. The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
b. As informed to us, all fixed assets have been physically verified by the management. No material discrepancies were noticed on such physical verification.
c. No fixed assets have been disposed off by the Company.
2. a. The inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
b. The procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
c. The Company is maintaining proper records of inventory. Discrepancies noticed on verification have been properly dealt with in the books of account.
3. As the Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Act, the provision of clause (iii) of paragraph 4 of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the internal control system is commensurate with the size of the Company and the nature of its business in respect of purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
5. a. According to the information and explanations given to us, the Company has entered the required particulars of contracts or arrangements in the register maintained as referred to in Section 301 of the Act.
b. In our opinion and according to the information and explanations given to us, there have been no transactions having aggregate value, exceeding Rs. 5,00,000 in respect of each party in pursuance of such contracts or arrangements.
6. As the Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or any other relevant provisions of the Act and Rules framed there under, the provision of clause (vi) of paragraph 4 of the Order is not applicable to the Company.
7. The Company has an internal audit system commensurate with its size and nature of its business.
8. According to the information and explanations provided to us, the Companies (Cost Accounting Records) Rules, 2011 have become applicable to the Company for its real estate operations; however, no specific formats for the maintenance of the cost records in respect of the real estate projects have been prescribed under the said rules. In terms of the clarification issued by the Ministry of Corporate Affairs vide notification No. F. No. 52/1/CAB/-2012, dated May 25, 2012, the management believes that the cost records currently maintained by the Company provide the information required under the said rules. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act in respect real estate operations, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

9. a. The Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with appropriate authorities. According to the information and explanations given to us, there are no undisputed statutory dues outstanding for a period of more than six months as at 31st March, 2013 from the date they became payable.
- b. According to the records of the Company, there are no dues in respect of Sales Tax, Income Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty and Cess, which have not been deposited on account of any dispute, except for the followings:

Particulars	Assessment Year	Forum where dispute is pending	Amount in Rs.
Excise Duty	1996-97	CESTAT, Mumbai	11,22,092
Income Tax	1995-96	High Court, Calcutta	38,89,974
Income Tax	2006-07	CIT (A)	1,38,51,042
Income Tax	2009-10	CIT (A)	3,55,52,668
Income Tax	2011-12	CIT (A)	48,95,449

Also refer clause 2 of note 22 of Financial Statements regarding Service Tax and MVAT.

10. The Company's accumulated losses as at 31st March, 2013 exceeds fifty percent of its net worth and has not incurred cash losses during the financial year ended on that date, however, had incurred cash losses in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company is generally regular in repayment of dues to Financial Institution. The Company has not issued any debentures.
12. As the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, the provision of clause (xii) of paragraph 4 of the Order is not applicable to the Company.
13. As the Company is not a chit fund or a nidhi / mutual benefit fund/society, the provision of clause (xiii) of paragraph 4 of the Order is not applicable to the Company.
14. As the Company is not dealing in or trading in shares, securities, debentures and other investments, the provision of clause (xiv) of paragraph 4 of the Order is not applicable to the Company.
15. As the Company has not given any guarantee / security for loan taken by others from banks or financial institutions, the provision of clause (xv) of paragraph 4 of the Order is not applicable to the Company.
16. In our opinion and according to the information and explanations and according to the records examined by us, the term loans have been applied for the purpose for which they were obtained, other than temporary deployment pending application.
17. According to the records examined by us as well as information and explanations given to us, we report that no funds, raised on short term basis, are outstanding as at the year end.
18. As the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act, the provision of clause (xviii) of paragraph 4 of the Order is not applicable to the Company.
19. As the Company has not issued any secured debentures, the provision of clause (xix) of paragraph 4 of the Order is not applicable to the Company.
20. As the Company has not raised any money through public issue, the provision of clause (xx) of paragraph 4 of the Order is not applicable to the Company.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **SHANKER AND KAPANI**
Chartered Accountants
FIRM REGISTRATION No.: 117761W

S. SANKAR
PARTNER
MEMBERSHIP NO: - 40476

PLACE:- MUMBAI
DATE:- 14TH MAY, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

	Notes	As at 31st March, 2013 ₹ in Lakhs	As at 31st March, 2012 ₹ in Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,000.00	2,000.00
Reserves and Surplus	3	(1,792.01)	(2,372.48)
		207.99	(372.48)
Non-Current Liabilities			
Other Long Term Liabilities	4	52.99	18.16
Current Liabilities			
Short-Term Borrowings	5	11,495.90	10,000.00
Trade Payables	6	487.91	227.81
Other Current Liabilities	7	5,301.54	1,361.04
		17,285.35	11,588.85
Total		17,546.33	11,234.53
ASSETS			
Non-Current Assets			
Fixed Assets (Net)			
Tangible Assets	8	73.12	105.89
Deferred Tax Assets	9	563.67	693.64
Long-Term Loans and Advances	10	23.94	13.12
		660.73	812.65
Current Assets			
Inventories	11	5,812.69	2,411.06
Trade Receivables	12	773.94	150.98
Cash and Bank Balances	13	206.76	76.99
Short-Term Loans and Advances	14	8,751.30	7,672.64
Other Current Assets	15	1,340.91	110.21
		16,885.60	10,421.88
Total		17,546.33	11,234.53
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the Financial Statements	1 - 22		

As per our attached Report of even date
For SHANKER AND KAPANI
Chartered Accountants
Firm Registration Number : 117761W
S. Sankar
Partner

For and on behalf of the Board

Director

Director

Company
Secretary

Place : Mumbai
Date : 14th May, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	Notes	For the Year ended 31st March, 2013 ₹ in Lakhs	For the Year ended 31st March, 2012 ₹ in Lakhs
REVENUE			
Revenue from Operations	16	3,137.86	1,120.81
Other Income	17	16.41	3.02
Total		3,154.27	1,123.83
EXPENSES			
Cost of Projects	18	1,669.20	6.06
Purchase of Building Materials		-	1,115.50
Employee Benefits Expense	19	4.94	-
Finance Costs (Net)	20	439.49	217.66
Depreciation and Amortisation Expense	8	36.17	32.77
Other Expenses	21	294.03	230.28
Total		2,443.83	1,602.27
Profit / (Loss) Before Tax		710.44	(478.44)
Tax expense:			
MAT		(122.36)	-
MAT Credit eligible for Set off		122.36	-
Deferred Tax		(232.44)	153.07
Profit / (Loss) After Tax		478.00	(325.37)
Deferred Tax Credit for earlier years		102.47	540.57
Net Profit for the year		580.47	215.20
Earnings per Equity Share (in ₹) (Face value of ₹ 10 per Equity Share)			
Basic and Diluted		2.90	1.08
Summary of Significant Accounting Policies	1		
The accompanying notes form an integral part of the Financial Statements	1 - 22		

As per our attached Report of even date
For SHANKER AND KAPANI
Chartered Accountants
Firm Registration Number : 117761W
S. Sankar
Partner

For and on behalf of the Board

Director

Director

Company
Secretary

Place : Mumbai
Date : 14th May, 2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

		For the Year ended 31st March, 2013 ₹ in Lakhs	For the Year ended 31st March, 2012 ₹ in Lakhs
Cash Flows from Operating Activities:			
Profit / (Loss) for the year before tax		710.44	(478.44)
Adjustments for:			
Depreciation and Amortization		36.17	32.77
Sundry Balances written back (Current year ₹ 418/-)		-	-
Sundry Irrecoverable Balances written off (net)		-	2.99
Interest Income		(1,295.98)	(762.94)
Finance Costs (including Inventorised to Qualifying Assets)		1,887.29	1,044.66
Operating Profit / (Loss) before working capital changes		1,337.92	(160.96)
Increase in Inventories		(3,401.63)	(1,269.25)
Increase in Trade Receivables		(622.96)	(172.37)
(Increase) / Decrease in Loans and Advances and Other Current Assets		(98.46)	3.25
Increase in Trade Payables and Other Liabilities		4,089.25	165.26
Cash generated from / (used in) Operations		1,304.12	(1,434.07)
Income Tax Paid		(7.16)	(0.08)
Net Cash Flows from / (used in) Operating Activities	(A)	1,296.96	(1,434.15)
Cash Flows from Investing Activities:			
Purchase of Fixed Assets		(3.40)	(1.12)
Deposits with Bank as Margin Money		-	(62.47)
Loan Given (net)		(983.23)	(7,655.35)
Interest Received		7.16	762.94
Net Cash Flows used in Investing Activities	(B)	(979.47)	(6,956.00)
Cash Flows from Financing Activities:			
Proceeds from Borrowings		2,500.00	10,000.00
Repayment of Borrowings		(1,004.10)	(464.40)
Finance Costs paid (including Inventorised to qualifying Assets)		(1,683.62)	(1,131.75)
Net Cash Flows from / (used in) Financing Activities	(C)	(187.72)	8,403.85
Net Increase in Cash and Cash Equivalents	(A+B+C)	129.77	13.70
Add : Cash and Cash Equivalents at the beginning of the year		14.52	0.82
Cash and Cash Equivalents at the end of the year		144.29	14.52

Notes:			
1. Cash and Cash Equivalents includes:			
Cash and Bank Balances		206.76	76.99
Less: Other Bank Balances			
Deposits held as Margin money		(62.47)	(62.47)
Cash and Cash Equivalents at the end of the year		144.29	14.52
2. Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification.			

As per our attached Report of even date

For and on behalf of the Board

For SHANKER AND KAPANI

Chartered Accountants

Firm Registration Number : 117761W

S. Sankar

Director

Director

Company

Partner

Secretary

Place : Mumbai

Date : 14th May, 2013

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2013

Note: 1

Summary of Significant Accounting Policies

A. Basis of Accounting :

The Financial Statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles in India, the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, the Provisions of the Companies Act, 1956 and on the accounting principle of going concern. Expenses and Income to the extent considered payable and receivable, respectively, are accounted for on accrual basis, except those with significant uncertainties.

B. Use of Estimates :

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The estimates are made to the best of the management's knowledge considering all necessary information. Differences, if any, between actual results and estimates are recognized in the period in which the results are ascertained.

C. Fixed Assets :

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and interest in case of construction.

The carrying amount of cash generating units / assets is reviewed at the balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated at the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

D. Depreciation :

Depreciation on Fixed Assets is provided on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956 except for cost of 'site / sales office and sample flats' which is amortized equally over a period of five years or project completion / demolition whichever is earlier.

Depreciation on Additions / Deletions of assets during the year is provided on a pro-rata basis.

The depreciation on assets used for construction is treated as period cost.

E. Inventories :

- a. Stock of Building Materials is valued at lower of cost and net realizable value. Cost is generally ascertained on weighted average basis.
- b.
 - i. Work-in-Progress is stated at Cost or Net Realizable value, whichever is lower. Work-in-Progress includes costs of incomplete projects for which the Company has not entered into contracts and the costs incurred on the projects where the revenue is yet to be recognized.
 - ii. Completed unsold inventory is valued at lower of cost or net realizable value.
 - iii. Cost for this purpose includes cost of land and development rights, construction, and interest overheads and expenses incidental to the project undertaken.
 - iv. Net realizable value is the estimated selling price in the ordinary course of business.

F. Operating Cycle :

The Company's normal operating cycle varies from project to project depending on the size of the project, type of development, project complexities and related approvals. Assets and liabilities have been classified into current and non-current based on the operating cycle.

G. Revenue Recognition :

- a) Income from property development is recognized on the transfer of all significant risks and rewards of ownership to the buyers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration. However, if at the time of transfer, substantial acts are yet to be performed under the

contract, revenue is recognized on proportionate basis as the act are being performed and monies received i.e. on the percentage completion method on incurring at least 25% of estimated construction and development cost excluding land and borrowing cost, atleast 25% of the total saleable area is secured by contract with buyers and receipt of 10% of the sales consideration per contract. The percentage of completion is worked out based on the total project costs incurred to total estimated project costs including land.

As the projects necessarily extend beyond one year, revision in costs and revenues estimated during the course of the contract are reflected in the accounting period in which the said estimates are revised.

- b) Determination of revenue under the percentage of completion method necessarily involves making estimates by the Company, some of which are of technical nature, concerning, where relevant, the percentage of completion, costs to completion, and the expected revenues from the project and the foreseeable losses to completion. Provision for foreseeable losses, determination of profit from real estate projects and valuation of construction work in progress is based on such estimates.
- c) Revenue from Sale of Building materials is recognised when significant risks and rewards in respect of ownership of materials are transferred to customers.

H. Borrowing Costs :

Borrowing costs that are directly attributable to long term project management and development activities are inventorised as part of project cost. Other borrowing costs are recognised as expense in the period in which they are incurred.

Borrowing costs are inventorised as part of project cost when the activities that are necessary to prepare the inventory for its intended use or sale are in progress. Borrowing costs are suspended from inventorisation on the project when development work on the project is interrupted for extended periods and there is no imminent certainty of recommencement of work.

I. Foreign Exchange Transactions :

The transactions in foreign exchange are accounted at the exchange rates prevailing on the date of transactions. All monetary assets and liabilities in foreign currency are translated at the exchange rate prevailing at the date of the Balance Sheet. Any exchange gains or losses arising on the translation or settlement of such transaction are accounted for in the Statement of Profit and Loss.

J. Leases

Lease arrangements where the risks and rewards incidental to ownership of assets substantially vest with the lessor are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

K. Taxation :

Provision for the current income tax is made on the basis of the estimated taxable income for the current accounting year in accordance with Income Tax Act, 1961.

MAT credit asset is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

Deferred Tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the tax rate and tax laws enacted or substantively enacted at the balance sheet date, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual / reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

L. Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognized in the accounts in respect of present probable obligation, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

	As at 31st March, 2013 ₹ in Lakhs		As at 31st March, 2012 ₹ in Lakhs	
Note : 2				
Share Capital	Numbers		Numbers	
(A) Authorised				
Equity Shares of ₹ 10 each	20,000,000	2,000.00	20,000,000	2,000.00
Total		2,000.00		2,000.00
(B) Issued, Subscribed and Paid-up				
Equity Shares of ₹ 10 each fully paid up	20,000,000	2,000.00	20,000,000	2,000.00
Total		2,000.00		2,000.00
(C) Reconciliation of number of shares and amount				
As per Last Financial Statement	20,000,000	2,000.00	20,000,000	2,000.00
Add : Changes during the period	-	-	-	-
	20,000,000	2,000.00	20,000,000	2,000.00
(D) Rights and preferences attached to Equity Shares	<p>Each Shareholder is entitled for one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of directors and approved by the shareholders.</p> <p>In the event of liquidation, the shareholders will be entitled, in proportion to the number of equity shares held by them, to receive remaining assets of the Company, after distribution of all preferential amounts.</p>			
(E) Shareholders more than 5%	Numbers	%	Numbers	%
Anantnath Constructions and Farms Pvt. Ltd.	14,788,099	73.94%	14,788,099	73.94%
Gurpreet Kaur Shinh	1,174,118	5.87%	1,174,118	5.87%
(F) Shares held by the Holding Company				
Anantnath Constructions and Farms Pvt. Ltd.	14,788,099	73.94%	14,788,099	73.94%

	As at 31st March, 2013 ₹ in Lakhs	As at 31st March, 2012 ₹ in Lakhs
Note : 3		
Reserves and Surplus		
Capital Reserve		
As per last Financial Statement	11.44	11.44
	11.44	11.44
Capital Subsidy Reserve		
As per last Financial Statement	16.67	16.67
	16.67	16.67
Securities Premium Account		
As per last Financial Statement	0.02	0.02
	0.02	0.02
Deficit in the Statement of Profit and Loss		
As per last Financial Statement	(2,400.61)	(2,615.81)
Add: Profit as per annexed Statement of Profit and Loss	580.47	215.20
	(1,820.14)	(2,400.61)
Total	(1,792.01)	(2,372.48)

	As at 31st March, 2013 ₹ in Lakhs	As at 31st March, 2012 ₹ in Lakhs
Note : 4		
Other Long Term Liabilities		
Trade Payables	52.99	18.16
	<u>52.99</u>	<u>18.16</u>

Based on the information available with the Company, there are no dues outstanding in respect of Micro, Small and Medium Enterprises as of Balance Sheet date.

Note : 5		
Short-Term Borrowings		
Secured		
Term Loans		
From a Financial Institution	11,495.90	10,000.00
Secured by mortgage of its land situated at Thane, construction thereon of its realty project, exclusive charge on the Scheduled receivables, proceeds from Insurance both present and future and personal guarantee of two promoters of the Ultimate Holding Company.		
Repayable in monthly instalment of Rs. 25 crore each from October-2015 onwards		
Rate of Interest: (HDFC CPLR minus 300 bps, Currently 14.25%; Previous Year: 15.50%)		
Total	<u>11,495.90</u>	<u>10,000.00</u>

Note : 6		
Trade Payables		
Micro, Small and Medium Enterprises (Refer Clause 11 of Note 22)	1.33	-
Others	486.58	227.81
Total	<u>487.91</u>	<u>227.81</u>

Note : 7		
Other Current Liabilities		
Interest Accrued but not due on borrowings	146.18	-
Advance received from customers	4,814.58	1,199.35
Other Payables		
Temporary Book Overdraft	-	93.65
Duties and Taxes	238.45	51.33
Payable to customers towards cancelled flats	99.53	16.71
Other Liabilities	2.80	-
Total	<u>5,301.54</u>	<u>1,361.04</u>

Note : 8
Fixed Assets :

₹ in Lakhs

Particulars	Gross Block (At Cost)			Depreciation / Amortisation				Net Block		
	As at 1st April, 2012	Additions during the year	Disposal / (Adjust- ments)	As at 31st March, 2013	Upto 31st March, 2012	For the year	Deduction / (Adjust- ments)	Upto 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
Tangible Assets:										
Site / Sales Office and Sample Flat	154.01	-	-	154.01	61.61	30.80	-	92.41	61.60	92.40
Plant and Equipment	12.91	1.34	(3.62)	10.63	4.10	2.94	(3.62)	3.42	7.21	8.81
Furniture and Fix- tures	4.06	0.62	(0.98)	3.70	2.10	0.97	(0.98)	2.09	1.61	1.96
Office Equipment	4.35	1.44	(1.61)	4.18	1.63	1.46	(1.61)	1.48	2.70	2.72
Total	175.33	3.40	(6.21)	172.52	69.44	36.17	(6.21)	99.40	73.12	105.89
Previous Year	175.73	1.12	(1.52)	175.33	36.67	32.77	-	69.44	105.89	

	As at 31st March, 2013 ₹ in Lakhs	As at 31st March, 2012 ₹ in Lakhs
Note : 9		
Deferred Tax Assets		
Timing Difference on Account of		
Book and Tax Depreciation	18.18	11.39
Carried forward Losses	302.37	661.90
Unabsorbed Depreciation	243.12	20.35
Total	563.67	693.64
The Management is reasonably / virtually certain that sufficient future taxable income would be available for reversal of Deferred Tax Assets.		
Note : 10		
Long-Term Loans and Advances		
(Unsecured, Considered Good)		
Income Tax payments	7.24	0.08
(Including MAT credit eligible for set off of ₹ 122.36 Lakhs; Previous year Nil and net of Income Tax provision of ₹ 122.36 Lakhs; Previous year Nil)		
VAT Refund receivable	16.70	13.04
Total	23.94	13.12
Note : 11		
Inventories		
(at lower of cost and net realisable value)		
Building Materials	78.11	47.73
Land and Property Development Work-in-Progress	5,734.58	2,363.33
Total	5,812.69	2,411.06
Note : 12		
Trade Receivables		
(Unsecured, Considered good)		
Outstanding for a period less than six months from the date they became due for payment	773.94	150.98
Total	773.94	150.98
Note : 13		
Cash and Bank Balances		
Cash and Cash Equivalent		
Balances with Banks	143.47	11.53
Cash on hand	0.82	2.99
	144.29	14.52
Other Bank Balances		
Deposits held as Margin Money	62.47	62.47
	62.47	62.47
Total	206.76	76.99

	As at 31st March, 2013 ₹ in Lakhs	As at 31st March, 2012 ₹ in Lakhs
Note : 14		
Short-Term Loans and Advances (Unsecured, Considered Good)		
Loans and advances to Related Party in the nature of Loan (Refer Clause 6 (B) of Note 22)	8,638.58	7,655.35
Advances to Suppliers and Contractors	55.93	6.58
Prepaid Expenses	56.79	10.71
Total	8,751.30	7,672.64
Note : 15		
Other Current Assets		
Interest Receivables	1,288.82	-
Unamortised Other Borrowing Cost	52.09	109.58
Other Receivables	-	0.63
Total	1,340.91	110.21
	For the Year ended 31st March, 2013 ₹ in Lakhs	For the Year ended 31st March, 2012 ₹ in Lakhs
Note : 16		
Revenue from Operations		
Income From Property Development	3,047.73	-
Recovery towards Infrastructure and Development	56.88	-
Sale of Construction Materials	-	1,118.62
Other Operating Revenue	33.25	2.19
Total	3,137.86	1,120.81
Note : 17		
Other Income		
Sundry Balances written back (net) (₹ 418/-; Previous Year : Nil)	-	-
Miscellaneous Income	16.41	3.02
Total	16.41	3.02
Note : 18		
Cost of Projects		
Opening Stock	2,363.33	1,075.07
Add: Expenditure during the year:		
Construction Contracts	928.62	204.16
Project Consultancy	46.42	17.39
Building Materials Consumed	1,250.55	428.00
Insurance	1.75	1.21
Rates and Taxes	2,692.55	535.22
Electricity	39.95	22.54
Repairs and Maintenance	7.47	8.73
Other Construction Expenses	9.93	12.12
Overheads Allocated	76.31	64.95
	7,416.88	2,369.39
Less: Scrap Sales	(13.10)	-
	7,403.78	2,369.39
Less: Closing Stock	(5,734.58)	(2,363.33)
Total	1,669.20	6.06

	For the Year ended 31st March, 2013 ₹ in Lakhs	For the Year ended 31st March, 2012 ₹ in Lakhs
Note : 19		
Employee Benefits Expense		
Salaries and Wages	19.77	-
Less: Allocated to Cost of Projects	(14.83)	-
	4.94	-
Note : 20		
Finance Costs (Net)		
Interest Expenses on		
Borrowings and Others	1,816.16	985.38
Income Tax	5.82	-
Other Borrowing Costs	65.31	59.28
	<u>1,887.29</u>	<u>1,044.66</u>
Less:		
Interest Income on		
Loan Given	1,295.98	762.94
Customers' Overdues	56.43	4.22
Others	95.39	-
Less: Allocated to Cost of projects	-	59.84
Total	439.49	217.66
Note : 21		
Other Expenses		
Legal and Professional	23.72	2.19
Payments to Auditors (excluding Service Tax) as:		
Audit Fees	3.00	3.00
Taxation Matters	0.50	0.50
Printing and Stationery	34.81	0.57
Postage and Courier	0.35	1.06
Rent	0.86	0.49
Rates and Taxes	4.96	1.73
Advertisement and Publicity	151.86	30.32
Brokerage	30.83	25.56
Business Promotion	49.52	10.90
Compensation	-	130.81
Bank Charges	0.05	0.01
Stamp Duty and Registration	34.15	23.68
Sundry Balances written off (net)	-	2.99
Miscellaneous Expenses	20.90	1.58
	<u>355.51</u>	<u>235.39</u>
Less: Allocated to Cost of projects	(61.48)	(5.11)
Total	294.03	230.28

Note: 22

Other Notes on Accounts

1. Contingent liabilities not provided for in respect of:

(₹ in Lakhs)

	Particulars	As at 31st March, 13	As at 31st March, 12
(i)	Disputed Central Excise Duty	11.22	11.22
(ii)	Disputed Income Tax Liability	1,224.12	38.90
(iii)	Outstanding Bank Guarantees	54.31	54.31
(iv)	Disputed demands of few Customers asking for higher compensation for flats cancelled.	Amount unascertainable	Amount unascertainable

2. The constitutional validity of levy of MVAT on sale of under construction flats / units and service tax on Commercial or Industrial Construction Service or Construction of Residential Complexes Service in respect of 'under construction property' is pending before the Hon'ble Supreme Court. By virtue of the "Agreement for Sale" entered into by the Company with the purchasers of the Unit / Flat in commercial or residential complex under construction, the purchaser is liable to bear MVAT / Service tax and interest thereon and hence, no provision for interest for delays in payments has been considered necessary.
3. In the opinion of the management, the assets other than fixed assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
4. As the Company has only one segment, segment reporting in terms of Accounting Standard 17 as notified under the Companies (Accounting Standards) Rules, 2006, is not applicable.
5. Balances in certain accounts of Trade Payables are subject to reconciliation / confirmation.
- 6. Disclosure in respect of related parties pursuant to Accounting Standards 18:**

A. List of related parties:

(As identified by the management)

i) Individual Controlling the Company and his relatives:

Mr. Mangalprabhat Lodha, Controlling Shareholder

Mr. Abhishek Lodha, Relative

Mr. Abhinandan Lodha, Relative

ii) Entities as at 1st April, 2012

Ultimate Holding Company:

Lodha Developers Pvt. Ltd. (Formerly known as Lodha Developers Ltd.)

Holding Company:

Anantnath Constructions and Farms Pvt. Ltd., Holding Company

Fellow Subsidiaries:

Aasthavinayak Estate Company Pvt. Ltd.

Aasthavinayak Real Estate Pvt. Ltd.

Adinath Builders Pvt. Ltd.

Ajitnath Hi – Tech Builders Pvt. Ltd.

Arihant Premises Pvt. Ltd.

Chetna Infracon Pvt. Ltd.

Cowtown Land Development Pvt. Ltd.

Galaxy Premises Pvt. Ltd.

Gandhar Builders Pvt. Ltd.

Hotel Rahat Palace Pvt. Ltd.
Hi-Class Buildcon Private Limited
International Airport Builders & Management Services Pvt. Ltd.
Kidderpore Holdings Ltd.
Lodha Attentive Developers & Farms Pvt. Ltd.
Lodha Buildcon Pvt. Ltd.
Lodha Building and Construction Pvt. Ltd.
Lodha Crown Buildmart Pvt. Ltd.
Lodha Designer Construction Pvt. Ltd.
Lodha Developers UK Ltd.
Lodha Dwellers Pvt. Ltd.
Lodha Elevation Buildcon Pvt. Ltd.
Lodha Estate Pvt. Ltd.
Lodha Glowing Construction Pvt. Ltd.
Lodha Hi-Rise Builders Pvt. Ltd.
Lodha Home Developers Pvt. Ltd.
Lodha Home Finance Ltd.
Lodha Home Styles Pvt. Ltd.
Lodha Impression Real Estate Pvt. Ltd.
Lodha Land Developers Pvt. Ltd.
Lodha Novel Buildfarms Pvt. Ltd.
Lodha Pinnacle Buildtech and Farms Pvt. Ltd.
Lodha Prime Buildfarms Pvt. Ltd.
Macrotech Constructions Pvt. Ltd.
Mahavir Build Estate Pvt. Ltd.
Mahavir Premises Pvt. Ltd.
Microtec Constructions Pvt. Ltd.
Nabhiraja Software Design Pvt. Ltd. (Formerly known as Ma Padmavati Software Design Pvt. Ltd.)
Naminath Builders and Farms Pvt. Ltd.
Odeon Theatres and Properties Pvt. Ltd.
Palava Utilities Pvt. Ltd.
Sahajanand Hi-Tech Constructions Pvt. Ltd.
Sai Ishwer Finvest Pvt. Ltd.
Samvara Buildtech Pvt. Ltd. (Formerly known as Maa Padmavati Buildtech Pvt. Ltd.)
Sanathnagar Enterprises Ltd.
Sarvavasa Buildtech & Farms Pvt. Ltd. (Formerly known as Padmavati Buildtech & Farms Pvt. Ltd.)
Shantinath Designer Construction Pvt. Ltd.
Shreeniwas Cotton Mills Ltd.
Shri Kailash Properties and Agrofarms Pvt. Ltd.
Shri Nakoda Bhirav Realtors Pvt. Ltd.

Shri Vardhvinayak Builders Pvt. Ltd.
 Siddhnath Residential Paradise Pvt. Ltd.
 Simtools Pvt. Ltd.
 Sitaldas Estate Pvt. Ltd.
 Suryakrupa Farms and Constructions Pvt. Ltd.

Limited Liability Partnerships under control:

Ajeethnath Hi – Tech Buildtech LLP
 Lodha Dwellerz LLP
 Lodha Fincorp Distribution Services LLP

Partnership Firms under control:

Lodha Construction (Dombivli)
 Lodha Palazzo
 Mahavir Associates
 Shree Sainath Enterprises
 Vivek Enterprises

iii) Entities added during the year

Fellow Subsidiaries

	From Date
Dalhousie Leasing and Financial Services Pvt. Ltd.	20-Nov-12
Jawala Real Estate Pvt. Ltd.	31-Oct-12
Krona Realities Pvt. Ltd.	27-Dec-12
Manan Finserve Pvt. Ltd.	04-Jan-13
Proficient Buildwell Pvt. Ltd.	01-Aug-12
Shreeniwas Abode and House Pvt. Ltd.	01-Jan-13

iv) Entities ceased / Struck off during the year

Fellow Subsidiaries

	Upto Date
FutureTech Constructions & Precast Pvt. Ltd. (Formerly known as Bahubali Real Estate and Precast Pvt. Ltd.)	28-Feb-13
Hi-class Developers Pvt. Ltd.	06-Sep-12
Kundan Realtors Pvt. Ltd.	27-Mar-13
Lodha Pranik Landmark Developers Pvt. Ltd.	03-Aug-12
Lodha Ultimate Buildtech and Farms Pvt. Ltd.	24-Aug-12

v) Key Management Personnel:

Pinkesh Shah

B. Transaction during the year and Balances Outstanding as at the year end with related parties are as follows:

I. Transactions:

(₹ In Lakhs)

Particulars	Ultimate Holding / Holding Company / Individual Controlling the Company & his relative	Fellow Subsidiaries	Partnership Firm under Control
1. Purchase of Materials	1.72	237.50	0.36
	(-)	(332.48)	(25.53)

2. Sale of Materials	-	6.91	0.01
	(237.68)	(943.22)	(14.51)
3. Interest Income	1,295.98	-	-
	(762.53)	(-)	(-)
4. Interest Expense	-	15.57	-
	(-)	(1.55)	(-)
5. Reimbursements Given	19.77	66.76	0.10
	(-)	(117.85)	(0.17)
6. Reimbursements Taken	-	20.80	-
	(-)	(-)	(-)
7. Loan given	6,573.62	-	-
	(8,490.45)	(-)	(-)
8. Land Advance Given	-	-	-
	(10,185.85)	(-)	(-)
9. Land Advance taken	-	-	-
	(100.00)	(-)	(-)
10. Loan taken	-	-	-
	(174.68)	(-)	(-)
11. Guarantee taken	-	-	-
	(12,500.00)	(-)	(-)

II. Outstanding balances:

(₹ In Lakhs)

Particulars	Ultimate Holding / Holding Company / Individual Controlling the Company & his relative	Fellow Subsidiaries	Partnership Firm under Control
1. Loan Given	8,638.58	-	-
	(7,655.35)	(-)	(-)
2. Trade Payable	-	15.46	-
	(-)	(189.09)	(0.17)
3. Other Liabilities	-	2.80	-
	(-)	(-)	(-)
4. Trade Receivable	-	-	-
	(-)	(150.98)	(-)
5. Interest Receivable	1,288.82	-	-
	(-)	(-)	(-)
6. Guarantee taken	12,500.00	-	-
	(12,500.00)	(-)	(-)

III. Disclosure in respect of material transactions with related parties:

(₹ In Lakhs)

Particulars	Name of the Company	For the Year ended	For the Year ended
		31 st March, 13	31 st March, 12
1. Purchase of Materials	Cowtown Land Development Pvt. Ltd.	175.83	332.42
	Simtools Pvt. Ltd.	5.78	0.06
	Arihant Premises Pvt. Ltd.	0.73	-
	Macrotech Constructions Pvt. Ltd.	8.40	-
	Lodha Buildcon Pvt. Ltd.	5.26	-
	Lodha Impression Real Estate Pvt. Ltd.	0.05	-
	Samvara Buildtech Pvt. Ltd.	0.02	-
	Odeon Theatres and Properties Pvt. Ltd.	0.27	-
	Lodha Land Developers Pvt. Ltd.	0.02	-
	Lodha Developers Pvt. Ltd.	1.72	-
	Lodha Novel Buildfarms Pvt. Ltd.	41.14	-
	Shree Sainath Enterprises	0.36	25.53
2. Sale of Materials	Simtools Pvt. Ltd.	0.37	2.05
	Lodha Developers Pvt. Ltd.	0.09	237.68
	Lodha Dwellers Pvt. Ltd.	0.10	408.63
	Microtec Constructions Pvt. Ltd.	0.09	48.27
	Lodha Buildcon Pvt. Ltd.	0.83	2.19
	Lodha Impression Real Estate Pvt. Ltd.	-	21.42
	Lodha Crown Buildmart Pvt. Ltd.	-	0.15
	Odeon Theatres and Properties Pvt. Ltd.	-	32.93
	Lodha Novel Buildfarms Pvt. Ltd.	-	403.74
	Shreeniwas Cotton Mills Ltd.	0.09	0.37
	Kidderpore Holdings Ltd.	-	23.47
	Arihant Premises Pvt. Ltd.	3.59	-
	Lodha Pranik Landmark Developers Private Limited	1.75	-
	Shree Sainath Enterprises	0.01	14.51
3. Interest Income	Lodha Developers Pvt. Ltd.	1,295.98	762.53
4. Interest Expense	Cowtown Land Development Pvt. Ltd.	15.57	1.55
5. Reimbursements Given	Cowtown Land Development Pvt. Ltd.	-	74.99
	Arihant Premises Pvt. Ltd.	-	0.12
	Macrotech Constructions Pvt. Ltd.	14.43	4.61
	Lodha Developers Pvt. Ltd.	19.77	-
	Adinath Builders Pvt. Ltd.	-	1.49
	Lodha Dwellers Pvt. Ltd.	19.20	16.63
	Nabhiraja Software Design Pvt. Ltd.	0.04	-
	Lodha Land Developers Pvt. Ltd.	-	2.37
	Lodha Crown Buildmart Pvt. Ltd.	30.77	17.65
	Lodha Novel Buildfarms Pvt. Ltd.	1.13	-
	Shreeniwas Cotton Mills Ltd.	1.19	-
Shree Sainath Enterprises	0.10	0.17	
6. Reimbursements taken	Macrotech Constructions Pvt. Ltd.	14.30	-
	Lodha Buildcon Pvt. Ltd.	0.22	-
	Lodha Impression Real Estate Pvt. Ltd.	0.01	-
	Lodha Dwellers Pvt. Ltd.	6.27	-

7. Loan given	Lodha Developers Pvt. Ltd.	6,573.62	8,490.45
8. Land Advance Given	Lodha Developers Pvt. Ltd.	-	10,185.85
9. Land Advance Taken	Anantnath Constructions and Farms Pvt. Ltd.	-	100.00
10. Loan Taken	Lodha Developers Pvt. Ltd.	-	174.68
11. Guarantee taken	Mr. Abhishek Lodha	-	12,500.00
	Mr. Abhinandan Lodha	-	

Note: No amount pertaining to related parties has been provided for as doubtful debts nor written off / back.

7. Disclosures as per clause 32 of the Listing Agreement:

Loans and Advances in the nature of Loans to Holding Company.

(₹ In Lakhs)

Particulars	Balance as at 31 st March, 13	Maximum Balance during the year
Lodha Developers Pvt. Ltd.	8,638.58 (7,655.35)	10,551.92 (7,655.35)

8. Building Materials Consumption:

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 13	For the Year ended 31 st March, 12
Cement	563.60	206.69
Steel	502.71	209.52
Others	184.24	11.79
Total	1,250.55	428.00

9. Building Materials (Traded):

(₹ In Lakhs)

Particulars	Purchase Value (₹ in Lakhs)	Sales Value (₹ in Lakhs)
Steel	-	-
	(1,115.50)	(1,118.62)

10. Value of Imported and Indigenous materials consumed:

(₹ In Lakhs)

Particulars	For the Year ended 31 st March, 13		For the Year ended 31 st March, 12	
	%	Rs.	%	Rs.
Building Materials				
Imported	-	-	-	-
Indigenous	100%	1,250.55	100%	428.00
Total		1,250.55		428.00

11. Details of dues to Micro, Small and Medium Enterprises as per The Micro, Small and Medium Enterprises Development Act, 2006 :

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding is given below:

(₹ In Lakhs)

Particulars	2012-13	2011-12
Amount unpaid as at year end - Principal	1.33	-
Amount unpaid as at year end - Interest	-	-

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

12. Calculation of Earnings per Share:

Particulars		For the Year ended 31 st March, 13	For the Year ended 31 st March, 12
Profit after Tax as per Statement of Profit and Loss	(₹ in Lakhs)	580.47	215.20
No. of Equity Shares as on April 1		20,000,000	20,000,000
Add: Shares allotted		-	-
No. of Equity Shares as on March 31		20,000,000	20,000,000
Weighted average no. of Equity Shares outstanding during the year		20,000,000	20,000,000
Face Value of Equity Shares	(₹)	10	10
Basic and Diluted earnings per share	(₹)	2.90	1.08

13. (i) Figures in bracket are related to previous year.

(ii) Previous year figures have been rearranged / regrouped wherever necessary.

**As per our attached Report of even date
For SHANKER AND KAPANI
Chartered Accountants
Firm Registration Number : 117761W**

For and on behalf of the Board

**S. Sankar
Partner**

Director

Director

**Company
Secretary**

**Place : Mumbai
Date : 14th May, 2013**

NATIONAL STANDARD (INDIA) LIMITED
Registered Office: Room No# 6,4th Floor, Commerce House 2A,
Ganesh Chandra Avenue Kolkata 700013, West Bengalh

PROXY FORM

I/We _____
of _____ being
member(s) of National Standard (India) Ltd., bearing folio no. _____ No. of Shares
held _____ hereby appoint _____
of _____
or failing him/her _____
of _____
or failing him/her _____
of _____
as my/our proxy to attend and vote for me/us and on my/our behalf as indicated below at the Fiftieth Annual General Meeting
of the Company to be held on Friday, 27th September, 2013 at 12.00 noon at the registered office of the Company and at any
Adjournment thereof.

Affix
revenue
stamp

Signed this of _____ day of _____
Signature

Note: A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies should be lodged with the company at least 48 hours before the time fixed for the meeting.

NATIONAL STANDARD (INDIA) LIMITED
Registered Office: Room No# 6,4th Floor, Commerce House 2A,
Ganesh Chandra Avenue Kolkata 700013, West Bengalh

Particulars to be filled in by member/proxy:

Name of the Member _____

Member's Regd. Folio No. _____

No. of Shares held _____

Name of Proxy, if attending on behalf of a Member _____

I hereby record my presence at the Fiftieth Annual General Meeting of the Company to be held on Friday, 27th September, 2013 at 12.00 noon at the registered office of the Company.

Signature of Member / Proxy

- Note: 1. Members/Proxies must fill in this attendance slip and hand it over at the entrance of the venue of the building.
2. Members/Proxies are requested to bring their copy of the Annual Report for the meeting and no copy of Notice/ Attendance slip will be supplied at the meeting

Book - Post

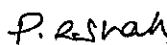


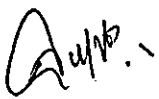
If Undelivered, please return to:

The Secretarial Department
NATIONAL STANDARD (INDIA) LIMITED
Room No# 6,4th Floor,
Commerce House 2A, Ganesh Chandra Avenue,
Kolkata 700013, West Bengal

NATIONAL STANDARD (INDIA) LIMITED

Lodha Excelus, N.M Joshi Marg, Mahalaxmi, Mumbai 400 011, India, Tel: +91.22.23024400 Fax: +91.22.23024550

FORM A

1.	Name of the Company:	National Standard (India) Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	N.A.
5.	<ul style="list-style-type: none">• CEO/Managing Director -  (Mr. Pinkesh Shah)• CFO -  (Mr. Rameshchandra Chechani)• Auditor of the company -  (Mr. S. Sankar)• Audit Committee Chairman -  (Mr. Deependra Gupta)	