

ENRICHING THE WAY YOU LIVE

ANNUAL REPORT
2011 - 2012



Ansal Estancia, Jammu



Estella, Gurgaon



Ansal Heights 92, Gurgaon



Ansal Emerald Heights, Agra

CONTENTS

| | |
|--|----|
| Corporate Information | 1 |
| Notice | 2 |
| Directors' Report | 8 |
| Corporate Governance | 16 |
| Auditors' Report | 29 |
| Balance Sheet | 32 |
| Profit & Loss Account | 33 |
| Cash Flow Statement | 34 |
| Notes to the Financial Statements | 36 |
| Statement relating to Subsidiary Companies | 59 |
| Consolidated Accounts | 61 |

CORPORATE INFORMATION

| | | |
|---|---|---|
| Board of Directors | Shri Deepak Ansal | <i>Chairman & Managing Director</i> |
| | Shri Sham Lal Chopra | <i>Director</i> |
| | Shri S.L. Kapur | <i>Director</i> |
| | Shri Ashok Khanna | <i>Director</i> |
| | Shri Pradeep Anand | <i>Director</i> |
| | Shri Kushagr Ansal | <i>Wholetime Director</i> |
| Executive Director | Shri K.K. Singhal | |
| President (Projects) | Shri Karun Ansal | |
| Advisor (Marketing & Business Development) | Shri Rajesh Katyal | |
| Sr. V.P. & Company Secretary | Shri Mohinder Bajaj | |
| Sr. V.P. (Finance) | Shri Sanjay Mehta | |
| V.P. (Services) | Col. P.K. Singhal | |
| V.P. (Finance) | Shri Tarun Kathuria | |
| V.P. (Hospitality) | Shri Tarun Sardana | |
| Addl. V.P. (Sales & Accounting) | Shri Vijay Mahajan | |
| Addl. V.P. (HR & Admn.) | Shri Sabu Thomas | |
| Sr. G.M. (Taxation) | Shri S. S. Kaushik | |
| Sr. G.M. (Marketing) | Shri Atit Arora | |
| Statutory Auditors | M/S Khanna & Annadhanam, Chartered Accountants, 706, Akash Deep, 26A, Barakhamba Road, New Delhi-110 001. | |
| Bankers | Canara Bank, Axis Bank Ltd., UCO Bank, Punjab National Bank, Vijaya Bank | |
| Financial Institutions | Housing Development Finance Corporation Ltd., SICOM Limited. | |
| Registered Office | 15 UGF, Indra Prakash, 21, Barakhamba Road, New Delhi-110 001 | |
| Branch Offices | Shop No.1 Block No. 22/1.5, Emporium Block, Sanjay Place, Agra-282 002 , Uttar Pradesh. | |
| | Sikar Bye Pass Road, Opp. AIT College, Nr. Dhev Dham Hostel, Ajmer-305 001 , Rajasthan. | |
| | 200Ft, Rajgarh Road, Near New Sadar Thana, Alwar , Rajasthan. | |
| | Bunglow No. 118, Ansals Pradhan Enclave, Near Dana Pani Restaurant, Bhopal-462 013 , M.P. | |
| | SCO-817, 1st Floor, N.A.C., Mani Majra, Chandigarh-160 101 . | |
| | Ansal Plaza, 2nd Floor, Sector-1, Vaishali, Ghaziabad . | |
| | Ansals Tanushree, Village Mehrauli, Near Indian Oil Petrol Pump, NH-24, Ghaziabad . | |
| | Ansals Elegance, Aavantika Extn., (Nr. Ansals Chiranjiv Vihar), Ghaziabad . | |
| | FF 112A, Shivam Building, Raj Nagar Distt. Centre, Ghaziabad . | |
| | Ansal Height, Pataudi Road, Sector - 92, Gurgaon . | |
| | Ansal Sidhartha, Estella, Village : Dhanwapur, Sector - 103, Gurgaon . | |
| | 11/A, Scheme No. 54, Opp. Satya Sai School, Above IDBI Bank, A. B. Road, Indore - 452010 . | |
| | Ansals Grace, Adjoining Sect – D, Nr. Heritage School, Sainik Colony, Srinagar Bypass Road, Jammu-180011 . | |
| | Shop No. 6, 1st Floor, Opp. MLB Medical College, Kanpur Road, Jhansi (UP) | |
| | Sector-36, (Adjacent Sector-4), Near Nameste Chowk, Karnal . | |
| | Ansals Herman City, HUDA, Sector – 31, Opp. Sector 2/3, G.T. Road, Kurukshetra . | |
| | 3/101, Vishwas Khand, Gomti Nagar, Lucknow . | |
| | 147, Ansal Bachittar Enclave, Bhamia, Chandigarh Road, Village Kuliawal, Ludhiana . | |
| | C-106, 1 st Floor, Metro Plaza, Delhi Road, Meerut . | |
| | Flat No. 02, Plot No. 07, Hill Crest Building, NS Road No.10, J.V.P.D. Scheme, Mumbai - 400018 . | |
| | Ansal Town Muzaffarnagar, Ground Floor, opp. Gandhi, Polytechnic, Bhopa Road, Muzaffarnagar . | |
| | Ansal Town, Opp. Sector-4, Bypass Road, Sector-19, Rewari, Haryana – 123 401 | |
| | SCO-179, Ground Floor, Commercial Belt, Sec-17, HUDA Jagadhari, Yamuna Nagar, Haryana - 135 003 . | |
| | Near PSEB Grid Nabha - Pabhat Road, Zirakpur | |
| Overseas | A-65, Perth Paradise, Gurugoda, Opp. Bodyline Factory, Horana Ratanpura Road, Horana, Srilanka . | |

Email : ahcl@ansals.com, Email ID : Investor Relations: sect@ansals.com, Web Site : www.ansals.com

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Members of the Company will be held on Wednesday, the 26th day of September, 2012 at 11.00 A.M. at Sri Sathya Sai International Centre and School, Pragati Vihar, Lodhi Road, New Delhi – 110 003 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the financial year ended on that date together with the Directors' Report and Statutory Auditors' Report thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2012.
3. To appoint a Director in place of Shri S.L. Chopra, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Pradeep Anand, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise Board of Directors to fix their remuneration. M/s Khanna & Annadhaman, the retiring Auditors are eligible for re-appointment.

SPECIAL BUSINESS

6. **To consider and if thought fit, to pass, with or without modification(S) the following Resolution as an ORDINARY RESOLUTION.**

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310,

311 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Members be and is hereby accorded to the re-appointment of Shri Deepak Ansal as a Chairman & Managing Director of the Company for a period of 5 (five) years with effect from 1st April, 2013 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board, if any, constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(S) or re-enactment thereof.

RESOLVED FURTHER THAT Shri Deepak Ansal shall not be entitled to any sitting fee or other payments for attending meetings of the Board, or where applicable, any committee/s thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to vary and/or revise the remuneration of Shri Deepak Ansal within the permissible Limits under the provisions of the Companies Act, 1956 or any statutory amendments thereto from time to time and to settle any question or difficulty in connection therewith or incidental thereto.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial

year during the currency of tenure of service of the Chairman & Managing Director, there shall be paid the minimum remuneration by way of salary and perquisites as specified above subject to the restrictions set forth in section II of part II of amended schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts and take all such steps as may be necessary proper or expedient to give effect to this Resolution.

7. **To consider and if thought fit, to pass, with or without modification(S) the following resolution as a SPECIAL RESOLUTION.**

"RESOLVED THAT subject to the provisions of section 314(1B) and other applicable provisions, if any, of the Companies Act, 1956 read with Directors' Relatives (Office or Place of Profit) Rules, 2011 and any amendments thereof approval of the Members of the Company subject to further approval of the Central Government, if required, be and is hereby given for the revision in the salary of Shri Karun Ansal, President (Projects) of the Company to Rs. 5,00,000/- per month w.e.f. 1st October, 2012 in pay scale / grade of ₹ 500000-100000-700000-125000-950000 and House Rent Allowance @50% of the Basic Salary plus usual perquisites admissible to the Sr. Executives in the Management Cadre including Gratuity, Superannuation Fund, Provident Fund, LTC, Medical Reimbursement and other benefits as per Rules of the Company from time to time.

RESOLVED FURTHER THAT the approval of the Members of the Company be and is hereby accorded, subject to the approval of the Central Government, if required under the provisions of section 314(1B) and other applicable provisions, if any,

of the Companies Act, 1956 read with Directors' Relatives (Office or Place of Profit) Rules, 2011 and any amendment thereof for payment of commission to Shri Karun Ansal @1% per annum of Net Profit of the Company for each Financial Year as computed under the provisions of section 349 & 350 of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to give from time to time such increments to Mr. Karun Ansal as they may deem fit within the aforesaid grade.

8. To consider and if thought fit, to pass, with or without modification(S) the following Resolution as a SPECIAL RESOLUTION.

“RESOLVED THAT pursuant to the provisions of sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with Article no.95 of Articles of Association of the Company and subject to Central Government's approval, if applicable, consent of the Members of the Company be and is hereby accorded for making payment of Commission to all Non-executive Directors of the Company, in aggregate, upto 1% of the net profit of the Company calculated in accordance with the provisions of section 349 & 350 of the Companies Act, 1956 and to be disbursed to the Non-executive Directors in such manner as may be determined by the Board of Directors of the Company, subject to the

conditions that the commission payable to each individual non-executive director shall not exceed ₹ 2,50,000/- per annum and such payments shall be made out of profits of the Company for each year, for a period of three years commencing from financial year 2012-2013 until Financial Year 2014-2015.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorized to determine, in its absolute discretion, the amount of commission which shall be payable to each such non-executive Director in each year, and to take all actions and do all such deeds, matters and things as may be necessary, proper or desirable in this regard”.

Regd. Office:

15 UGF, Indra Prakash, 21 Barakhamba Road,
New Delhi – 110 001

Place : New Delhi

Dated : 8th August, 2012

By Order of the Board
For ANSAL HOUSING & CONSTRUCTION LTD.

(Mohinder Bajaj)
Sr. V.P. & Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING 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 IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED;
2. The Board of Directors of the Company in their meeting held on 2nd December, 2011

had decided to Buy-back fully paid equity shares of ₹ 10/- each of the company for an amount not exceeding ₹ 11,25,00,000/- (Rupees Eleven Crores Twenty Five Lacs only) being within 10% of the paid-up capital and the free reserves as on 31st March, 2011 at a price not exceeding ₹ 45/- (Forty Five only) per equity share in accordance with the provisions of section 77A, 77AA & 77B of the Companies Act, 1956 and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulation 1998. During the year, the Company purchased 1,78,272 equity shares of ₹ 10/- each under the Buy-back Scheme out of which the company has

extinguished 1,16,848 equity shares upto March 31, 2012 and the remaining 61,424 equity shares have been extinguished subsequent to the close of the year.

3. The Register of Members and the Share Transfer Books of the Company shall remain closed from 20.09.2012 to 26.09.2012 (both days inclusive).
4. The Dividend on Equity Shares as recommended by the Board of Directors for the year ended 31st March 2012, if declared at the Annual General Meeting, will be paid to the Members whose name appear:-
 - i) As beneficial Owner as per list to be furnished by the Depositories in respect

- of the shares held in demat form, and
- ii) As Members on the Register of Members of the Company as on 26.09.2012 after giving effect to all valid share transfers in physical form which would be received by the Company upto the close of Business hours on 19.09.2012.
5. Shareholders are requested to note that no claims shall lie against the Company or the Investor Education and Protection Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims. However, it is intimated that the Company has transferred the unclaimed and unpaid interim dividend amount for the year 2004-2005 to the Investor Education and Protection Fund on 16.05.2012. Shareholders are also requested to please send their stale / outdated final dividend warrants issued by the Company on 26th October, 2005 for the financial year 2004-2005 to the Company for issuing pay orders / demand drafts as the case may be to the Shareholders from whom the requisite requests would be received otherwise the company would have no other option to transfer this amount to the Investor Education and Protection Fund by 01.12.2012 which is the last date for transfer of this amount. The letters in this respect have already been sent to the respective shareholders whose final dividend warrants are unpaid / unclaimed for the financial year 2004-2005 as per record of the Company. No further correspondence would be entertained after such unpaid/unclaimed dividend amount would be transferred to the Investor Education and Protection Fund
 6. Members who hold shares in dematerialized form may kindly note that their Bank Account details, as furnished by their Depositories to the company, will be printed on their Dividend Warrants as per the applicable regulations and the Company will not entertain any direct request from such Members for deletion of or for making change in such Bank Account details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held by them in electronic form. Members who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change with complete details of Bank Account.
 7. In accordance with the provisions of Article 104 of the Articles of Association of the Company, Shri S.L. Chopra and Shri Pradeep Anand will retire by rotation at this Annual General Meeting and, being eligible, they offer themselves for re-appointment.
 8. Information under clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment/reappointment at the Annual General Meeting is separately annexed hereto as Annexure – I.
 9. Corporate Members intending to send the authorized representative to attend and vote at the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
 10. Members having multiple accounts in identical names or joint accounts in same order are requested to intimate the Company the ledger folio of such accounts to enable the Company to consolidate all such shareholdings into one account, and to send the relevant Share Certificates.
 11. Pursuant to the directions of the Securities and Exchange Board of India (SEBI), trading in the shares of your Company is in compulsory dematerialized form for all investors. Members who have not yet got their shares dematerialized, are requested to opt for the same in their own interest and send their certificates through Depository Participant(s) with whom they have dematerialized account directly to the Registrar & Transfer Agent as appointed by the Company namely M/s Link Intime India Pvt. Ltd. (formerly known as M/s Intime Spectrum Registry Ltd.), A-40, 2nd Floor, Naraina Industrial Area, Phase - II, Near Batra Banquet Hall, New Delhi - 110 028.
 12. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
 13. Members/Proxies should fill in the Attendance Slip for attending the meeting.
 14. As per the Companies Act 1956 the facility for making nomination is now available to the shareholders in respect of the Equity Shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents, Viz. M/s Link Intime India Pvt. Ltd. (formerly known as M/s Intime Spectrum Registry Ltd.), A-40, 2nd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi-110028.
 15. Members desiring any information/clarification on the Annual Accounts are requested to write to the Company at its Registered Office at-least 7 days before the date of Annual General Meeting so that the same may be compiled well in advance.
 16. Photocopies of Attendance Slip will not be entertained for issuing Admission Cards for attending Annual General Meeting. However, in case of non-receipt of Notice of Annual General meeting, Members are requested to write to the Company at its registered office for issuing the duplicate of the same.
 17. Members may please note that no gifts will be distributed at the Meeting.

Members are requested to bring their copy of annual report at the meeting.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 6

The Board of Directors of the Company (the 'Board') at its meeting held on 8th August, 2012 has, subject to the approval of Members, re-appointed Shri Deepak Ansal as Chairman & Managing Director for a further period of 5(five) years from the expiry of his present term, which will expire on March 31, 2013.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Shri Deepak Ansal as Chairman & Managing Director in terms of the applicable provisions of the Companies Act, 1956 ("the Act").

Broad particulars of the terms of re-appointment and remuneration payable to Shri Deepak Ansal are as under:

1. BASIC SALARY

Basic Salary of ₹ 15,00,000/- (Rupees Fifteen Lacs only) per month in the grade of ₹ 1500000-250000-2000000-300000-2600000-400000-3000000.

2. COMMISSION ON NET PROFITS

Upto 2% of the net profits of the Company for each Financial Year as computed under provisions of Sections 349 and 350 of the Companies Act, 1956.

3. PERQUISITES

In addition to the above, he shall be entitled to the following perquisites;

CATEGORY 'A'

Housing: Residential Furnished Accommodation (Company Leased) or in lieu thereof House Rent Allowance at the rate of 50% of the salary.

Gas, Electricity, Water and furnishings: The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be valued as per the Income Tax Rules, 1962. This shall, however, be subject to a ceiling of 10% (ten percent of the Salary).

Medical Reimbursement : Expenses incurred for self and his family Members subject to a ceiling of one months' salary in a year or three months' salary over a period of three years.

Leave Travel Concession: For self and his family members once in a year incurred in accordance with the Rules specified by the Company.

Club Fees: Fees of clubs subject to a maximum of five clubs.

Personal Accident Insurance: Premium not to exceed ₹ 50,000/- per annum on any policy, if any, taken by the Company or reimbursement to him in this behalf.

CATEGORY 'B'

The following perquisites shall also be allowed and they will not be included in the computation of the ceiling on perquisites.

Company's contribution to provident Fund @12% of the salary or at such other rate as per the laws applicable in this behalf from time to time.

Company's contribution towards Superannuation Fund as per the rules of the Company's Superannuation Scheme as may be applicable from time to time, provided, however that the Company's contribution to the Superannuation Fund together with the contribution to the Provident Fund shall not exceed 27% of the Salary or any other higher amount that may be permissible under the law.

Gratuity in accordance with the Rules of the Company as applicable to the Senior Executives of the Company for each completed year of service.

Encashment of leave at the end of the tenure.

CATEGORY 'C'

Provision of Car with Driver and free Telephone / Communication facilities at residence for business purposes.

4. GENERAL

i) The Chairman & Managing Director shall adhere to the Company's Code of Business Conduct and Ethics for Directors and Management personnel.

ii) Shri Deepak Ansal satisfies all the conditions set out in Part – I of Schedule XIII to the Act for being eligible for the re-appointment. He is not disqualified from being appointed as Chairman & Managing Director in terms of Section 274(1) (g) of the Act.

iii) The above may be treated as an abstract of the terms of re-appointment of Shri Deepak Ansal under section 302 of the Act.

iv) Shri Deepak Ansal and Shri Kushagr Ansal are interested in the resolution, as they are related to each other, which pertain to his re-appointment and remuneration payable to him.

v) None of the other Directors of the Company is, in any way, concerned or interested in the above Resolution.

The Board recommends the passing of the Resolution set out in item no. 6 for approval of Members.

ITEM NO. 7

Shri Karun Ansal, son of Shri Deepak Ansal, Chairman & Managing Director of the Company and is younger brother of Shri Kushagr Ansal, Wholetime Director of the Company was appointed as President (Projects) w.e.f. 1st October, 2008 of the Company after getting the approval by the shareholders in their meeting held on 23rd September, 2008.

The appointment and remuneration of Shri Karun Ansal as President (Projects) was considered and approved by "Selection Committee" of the Board comprising of two Independent Directors and an expert in their meeting held on 17th July, 2008. Based on the recommendation of the "Selection Committee", the Board of Directors had approved his candidature for appointment as President (Projects) of the Company in their meeting held on 28th July, 2008 subject to the approval of the Shareholders in the ensuing Annual General Meeting and of the Central Government, on the remuneration as stated in the Resolution.

The Central Government had accorded approval for appointment / remuneration of Mr. Karun Ansal as President (Projects) of the Company vide their letter no. A51651628-CL.VII dated 24th June, 2009 after approval of his appointment by the shareholders on 23rd September, 2008.

Shri Karun Ansal has done his Bachelor of Science, Marketing and Masters of Business Administration (Finance) from Bentley College,

Waltham, USA. He has attained State of the Art expertise in System Management in addition to exception skills in Finance etc. During the last four years of his association with the Company as President (Project) Shri Karun Ansal has displayed exceptional skills and achieved substantial progress in almost all the on going and new projects of the Company. The number of new projects during the last four years has also increased resulting in growth of overall business of the Company.

The substantial expansion of company's business requires close monitoring of the progress and implementation of various projects located in different States in the Country. In order to motivate and reward suitably for the services rendered to the company, it has become necessary to consider the revision in salary of Shri Karun Ansal as President (Projects) of the Company.

It is expected that the Company would benefit immensely with the hard work and continuous best efforts made by Shri Karun Ansal, President (Projects) of the Company. The Board considered and recommended the revision in the remuneration of Shri Karun Ansal, President (Projects) of the Company with effect from 1st October, 2012 as per item no. 7 set out in the Special Resolution.

None of the Directors of the Company except Shri Deepak Ansal and Shri Kushagr Ansal is concerned or interested in the said Resolution.

The Board recommends the passing of the Resolution set out in item no. 7 of accompanying Notice for approval of Members.

ITEM NO. 8

In accordance with provisions of Sections 198, 309 & 310 of the Companies Act, 1956 and Article 95 of the Articles of Association of the Company regarding Directors' remuneration, the Non-executive Directors of the Company are paid sitting fee @ Rs. 20,000/- per meeting for attending the meeting(s) of the Board or Committee(s) thereof. The Non-executive Directors of the Company also provide their valuable services beyond the meetings of the Board/Committee, and advise from time to time for the overall efficient working and growth of the company in the competitive economic scenario.

The Members of the Board of Directors in their meeting held on 31st July, 2009 had earlier approved the payment of commission in aggregate payable upto a sum not exceeding 1% of the net profit of the company to all non executive Directors of the Company for a period of three years commencing from the Financial Year 2009-2010 upto 2011-2012 in addition to the sitting fee, provided that the Commission payable to each non-executive Director shall not exceed ₹ 2,50,000/- per annum and such commission shall be paid out of the profits of the Company for each Financial Year. The same was approved by the shareholders of

the Company in their meeting held on 24th September, 2009. Now the terms for payment of commission stands expire and therefore, the Board of Directors has decided to extend the term for payment of commission to all non-executive directors for further period of three years commencing from the Financial Year 2012-2013.

Accordingly, the Board of Directors in the meeting held on 8th August, 2012, subject to the approval of Shareholders and Central Government if applicable, have approved the payment of commission, in aggregate, upto a sum not exceeding 1% of the net profits of the Company to all the Non-Executive Directors in such manner as may be determined by the Board of Directors for a period of three years commencing from the Financial year 2012-2013 upto 2014-2015, in addition to the sitting fees, provided that the commission payable to each non-executive director does not exceed ₹ 2,50,000/- per annum and such payments shall be paid out of the profits of the Company for each Financial Year.

All the Non-executive directors (i.e. other than Chairman & Managing Director and Whole time Director) may be deemed to be concerned or interested in this resolution to the extent of remuneration in the form of Commission as may be paid to them by the Company.

The resolution is accordingly recommended for approval of Members.

Regd. Office:

15 UGF, Indra Prakash, 21 Barakhamba Road,
New Delhi – 110 001

Place : New Delhi

Dated : 8th August, 2012

By Order of the Board
For ANSAL HOUSING & CONSTRUCTION LTD.

(Mohinder Bajaj)
Sr. V.P. & Company Secretary

MEMBERS' ATTENTION

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless Compliance 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 in respect of electronic holdings with the Depository through their concerned Depository Participants. Our company has also sent online letter on 20th May, 2011 and reminder on 30th June, 2012 through Registrar and Transfer Agent M/s Link Intime India Pvt. Ltd. to all the shareholders whose E-mail ID's are available with the RTA for giving confirmation for registration of online communication through email. Members who hold shares in physical form are requested to register their E-mail ID with M/s Link Intime India Pvt. Ltd., 2nd Floor, A-40, Naraina Industrial Area, Phase – II, Near Batra Banquet Hall, New Delhi – 110 028 on E-mail ID of the Registrar and Transfer Agent viz. ansalhousinggogreen@linkintime.co.in or of the Company viz. ahcl@ansals.com – giving their E-mail ID for service of documents etc. for the general meetings through E-mail. The hard copy of Annual Report will be supplied to the Members if still required by them and requisitioned from the Company.

ANNEXURE - I

Details of Directors seeking reappointment at the Annual General Meeting as per clause 49(IV)(G)(i) of the Listing Agreement (Item Nos 3 & 4).

| Particulars | Mr. S.L Chopra | Mr. Pradeep Anand |
|--|--|--|
| Date of Birth | 21.09.1921 | 15.01.1955 |
| Date of Appointment | 30.09.2005 | 27.09.2000 |
| Qualification | B.A., CAIIB, FCS (London), Business Management (DU) | Programme for Management Development from Harvard Business School, Boston |
| Experience | Having extensive experience of Banking and Finance and retired as Chairman and Managing Director from Punjab National Bank | Having rich and vast experience in variety of industries |
| Expertise in specific functional Area | Banking and Finance | Exceptional Entrepreneur/Business Management Skills |
| Directorships held in other Companies (excluding Foreign Companies) as at 31 st March, 2012 | <ul style="list-style-type: none"> ▪ Universal Cromptronics Ltd. | <ul style="list-style-type: none"> ▪ Asahi Meters Ltd. ▪ Rita Holdings Ltd. ▪ Shree Laxmi Holdings Ltd. ▪ Anand Zenner Company Pvt. Ltd. ▪ Asahi Battery Company Private Ltd ▪ Asahi Video Pvt. Ltd. ▪ Atam Impex Enterprises Pvt. Ltd. ▪ Innovative Interactive Infotainment Pvt. Ltd. (earlier known as CLA Investment & Trading Co. Pvt. Ltd.) ▪ Jyoti Construction Co. (New Delhi) Pvt. Ltd. ▪ Koshish Investment & Finance Pvt. Ltd. ▪ Tripta Impex Enterprises Pvt. Ltd. ▪ Anand Water Meter Manufacturing Company Pvt. Ltd. |
| Membership / Chairmanships of Committees of other public Companies(includes only Audit Committee and Shareholders / Investors Grievance Committee) as at 31st March, 2012 | NIL | NIL |
| Number of shares held in the Company as at 31st March, 2012 | Nil | Nil |

Regd. Office:

15 UGF, Indra Prakash, 21 Barakhamba Road,
New Delhi – 110 001

Place : New Delhi

Dated : 8th August, 2012

By Order of the Board
For ANSAL HOUSING & CONSTRUCTION LTD.

(Mohinder Bajaj)
Sr. V.P. & Company Secretary

DIRECTORS' REPORT

Dear Shareholder,

The Directors of your Company have pleasure in presenting their 28th Annual Report together with the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2012.

Financial Performance

Your Company's performance on standalone basis during the year as compared with that during the previous year is summarised:

| | (Figures in ₹ Lacs) | |
|---|---------------------|-----------|
| | 2011-12 | 2010-11 |
| 1. Sales & Other Income | 40,340.25 | 30,485.86 |
| 2. Gross Profit (Before Interest and Depreciation) etc. | 9,056.53 | 8,350.51 |
| Less : | | |
| - Interest & Finance Charges | 3,574.78 | 3,764.86 |
| - Depreciation | 355.69 | 3,930.47 |
| | | 264.39 |
| 3. Net Profit before Tax | 5,126.06 | 4,321.26 |
| Less : | | |
| - Provision for Tax | 1,720.78 | 981.15 |
| 4. Net Profit After Tax but before prior period items | 3405.28 | 3340.11 |
| Less: | | |
| - Tax Provisions for earlier year | 91.37 | 22.96 |
| - Prior Period Expenses | 38.43 | 80.03 |
| 5. Net Profit after tax and prior period items | 3,275.48 | 3,237.12 |
| Add : | | |
| Surplus Profit Brought forward for Previous Year | 14,468.68 | 12,017.41 |
| Balance available for appropriation | 17,744.16 | 15,254.53 |
| 6. Appropriations: | | |
| Proposed Dividend @ 10% | 200.41 | 154.97 |
| (Previous Year @ 8%) | | |
| Dividend Tax thereon | 32.51 | 30.88 |
| Transfer to General Reserve | 600.00 | 600.00 |
| Transfer to Capital Redemption Reserve | 17.83 | - |
| Dividend/Dividend Tax for earlier Years | 3.55 | 785.85 |
| 7. Surplus Profit Carried over to Balance Sheet | 16,889.86 | 14,468.68 |

Performance Review

Global economic uncertainties have affected India's economy including the Real Estate Sector. Macro-economic indicators are not healthy. Fiscal Deficit and interest rates are high and the rupee

has been depreciating continuously. All this does not go well for any industry especially the Real Estate Sector. Real Estate Developers are reeling under high debt and the situation is likely to continue in 2012.

Builders and Realtors face the problems with regard to availability of land, long drawn project approval procedures and licensing, abnormal Central and State Taxes, high cost of credit and lack of proactive state policies.

The real estate sector has contributed only 5% of India's Overall GDP this year as compared to a contribution of 10.6% in Financial Year 2010-2011 with the lack of cheap credit and increased debts servicing levels and with the declining rate of foreign direct investment in the real estate sector.

The world economy is passing through a very difficult phase and is expected to grow by 3.5% in 2012. The advanced economies remain worrisome because of sovereign debt crisis in the Euro zone, focus on fiscal consolidation and continued bank deleveraging. The key economies of developing world viz. China, India, Brazil and Russia are expected to record lower rate of growth.

Standalone Financials

The Financial Statements of your Company for the year ended 31st March, 2012 have been prepared in accordance with the Revised Schedule VI which has been made applicable by the Ministry of Corporate Affairs w.e.f. 1st April, 2011. The previous year's figures have been reclassified / regrouped to confirm to this year classification.

Net revenue from Operations for the standalone entity increased to ₹ 403.40 Crores from ₹ 304.86 Crores in the previous year – a growth of 32.32%. The operating Profit (EBITDA) increased by 8.46%, from ₹ 83.50 Crores to ₹ 90.56 Crores. The profit after tax for the current year is ₹ 32.75 Crores as against ₹ 32.37 Crores – a growth of 1.17%.

Consolidated Financials

The Consolidated Net Revenue from operations increased to ₹ 426.88 Crores from ₹ 348.54 Crores – growth of 22.48%.

Net profit after minority interest for the group for the current year is ₹ 35.89 Crores as against ₹ 29.17 Crores in the previous year – a growth of 23.05%.

Business Review

During the period under review the net revenues increased by 32.32% to ₹ 403.40 crores and net profit before tax increased by 18.62% to ₹ 51.26 crores. During the period new Residential Projects at Gurgaon, Meerut, Indore and Yamunanagar were launched. The Company also launched new commercial projects at Karnal and Yamunanagar. The company is currently developing / building various projects at Gurgaon, Agra, Alwar, Meerut, Indore, Karnal, Yamunanagar, Jammu, Zirakpur, Jhansi, Lucknow, Muzaffarnagar, Rewari, Shahpur, Ghaziabad and will soon be adding some more projects at new locations. The Company has already started giving possession of ready units in Zirakpur, Indore, Agra, Meerut, Jammu and Shahpur. The Real Estate Industry will continue to remain backbone of the economy and easy flow of funds and moderation in interest rates will help the sector grow further.

Transfer to Reserves

The Company proposes to transfer a sum of ₹ 600 Lacs (Previous Year ₹ 600 Lacs) to the General Reserve out of the amount available for appropriation. An amount of ₹ 16889.86 lacs is proposed to be retained in Profit and Loss Account.

Buy-Back of Equity Shares

Your Directors in their meeting held on 2nd December, 2011 had decided to Buy-back fully paid equity shares of ₹ 10/- each of the company for an amount not exceeding ₹ 11,25,00,000/- (Rupees

Eleven Crores Twenty Five Lacs only) being within 10% of the paid-up capital and the free reserves as on 31st March, 2011 at a price not exceeding ₹ 45/- (Forty Five only) per equity share in accordance with the provisions of section 77A, 77AA & 77B of the Companies Act, 1956 and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulation 1998. The Company has bought back 1,78,272 equity shares upto 31st March, 2012 at a total investment of ₹ 75.80 lacs. The Company has extinguished 1,16,848 equity shares of the company as on 31.03.2012 under the above Buy-back Scheme. Consequent to buy-back, the paid-up share capital of the Company has been reduced to ₹ 20,25,39,960/- as on 31st March, 2012.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 1.00 per Equity Share (@10%) on the paid up equity share capital of the Company for the financial year ended 31st March 2012. The total payout of the proposed dividend is ₹ 232.92 Lacs which includes Corporate Dividend Tax of ₹ 32.51 Lacs. The dividend will be paid to Members whose names appear in the Register of Members as on the record date for the purpose of dividend for the Financial Year 2011-2012. In respect of shares held in dematerialized form, it will be paid to the members whose names are furnished by National Security Depository Ltd. and Central Depository Services (India) Ltd. on behalf of owners as on that date. A motion for confirmation of the dividend for the year is being placed before the shareholders at the ensuing Annual General Meeting.

Unclaimed Dividend

Transfer of Amount to Investor Education and Protection Fund

Pursuant to the provision of section 205A (5) of the Companies Act, 1956, the relevant amount of ₹ 4,36,943.50 (Rupees Four Lacs Thirty Six Thousand Nine Hundred Forty Three and paise Fifty only) against the interim dividend for the Financial Year 2004-2005 which remain unpaid or unclaimed for a period of seven years have been transferred by the company to the Investor Education and Protection Fund on 16.05.2012.

Shareholders are also requested to please send their stale / outdated final dividend warrants issued by the company on 26th October, 2005 for the financial year 2004-2005 to the Company for issuing pay orders / demand drafts as the case may be to the Shareholders from whom the requisite request are received otherwise the company would have no other option but to transfer this amount also to the Investor Education and Protection Fund by 01.12.2012 which is the last date for transfer of this amount. The letters in this respect have already sent to the respective shareholders whose final dividend warrants are unpaid / unclaimed for the financial year 2004-2005 as per record of the Company. No further correspondence would be entertained after such unpaid/unclaimed dividend amount are transferred to the Investor Education Protection Fund. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

Service of documents through electronic mode

In furtherance of the Green Initiative

in Corporate Governance announced last year by the Ministry of Corporate Affairs, the Company had requested the shareholders to register their email addresses with the Registrar / Company for receiving the Report and Accounts, Notices etc. in electronic mode. Shareholders who have not registered their email addresses are once again requested to register the same with the Registrar / Company. The email request with regard to form for such registration can be sent to ansalhousingggogreen@linkintime.co.in.

Management discussion and analysis report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented hereunder forming part of the Annual Report.

i) Segment-wise analysis

Revenue of the Company is generated from two segments namely Development of Real Estate and Restaurants (Hospitality).

The Hospitality Division is performing well with a turnover of approx. Rs. 10 Crores with reasonable profits in the Financial Year 2011-2012. Total 150 employees are engaged in the Division. The Division has the Brands mainly "Super Stars" and "The Great Kabab Factory" which have been franchised from Radisson Hospitality Worldwide. The Division is spreading its wings by opening new Restaurants named "Food Garh" and "Qzine Diner".

ii) Outlook

Inflation and high interest rates have

affected the real estate industry. The Government regulations are becoming strict. The lowering of home loan interest rates can boost the Housing Industry. The good performance of IT Sectors will also help the Housing Sector. The easing of ECBs by the Government has not helped much the Housing Industry. It is expected that Housing will further flourish in Tier-II & Tier - III cities and the liberal flow of funds with moderation in rates of interest will help its progress further.

iii) Internal Control systems and their adequacy.

Risk Management

The roles and responsibilities of the various entities in relation to the risk management ranging from strategic to operational levels is carried out by the designated entities. Their effective implementation and independent monitoring is done by Internal Audit. The Audit Committee of the Board reviews the Internal Audit findings and provides guidance on internal controls. It ensures that Internal Audit recommendations are effectively implemented. The Senior Management periodically reviews the risk management so as to address the emerging challenges from time to time. The Audit Committee of your Board met four times during the Financial Year 2011-2012.

It reviewed, inter-alia the adequacy and effectiveness of the Internal Control Systems and monitored implementation of Internal Audit recommendations and oversaw other financial disclosures. Your Company has in place adequate

internal control systems and procedures commensurate with the size and nature of business. These procedures are designed to ensure that:

- Effective & Adequate internal control environment is maintained across the Company.
- All assets and resources are acquired economically, used efficiently and are adequately protected.
- Significant financial, managerial and operating information is accurate, reliable and is provided timely; and
- All internal policies and statutory guidelines are complied with.

iv) Risks and Concerns

- Liquidity risk
The time required for liquidity of real estate property can vary depending on the quality and location of the property.
- Regulatory risks
In terms of property ownership, permission from the Reserve Bank of India is required for foreign investors. For capital repatriation, investors need to apply for approval from the RBI, and foreign direct investment is limited to a limited set of opportunities (e.g. townships).
- Macroeconomic risks
Interest rates, inflation and exchange rate risks are amongst the important macroeconomic indicators and have shown decreased volatility.
- Owner Ship & Land Title Issue
Lack of information in the real estate segment in India, coupled with the age old property related issues discourages the investment of the

large players in the semi urban and rural areas thus slacking an overall growth of the real estate sector.

- The sanctioning procedures and involvement of multiple agencies in sanctioning would also cause damage to the growth of the Real Estate Industry. Average time taken to get clearance for a project is increasing by every passing year thereby escalating costs for the Developers.

The Company has broad based and strong in-house Legal Department to take care of Legal and Regulatory Risks. The requisite insurance covers are also taken by the Company for covering the disasters etc.

The Audit Committee and the Board of Directors of the Company have been adopting adequate and timely risk management measures to take care of the risks.

v) Conclusion

The Indian real estate sector promises to be a lucrative destination for Indians as well as foreign investors into the country. The Indian realty sector, if channelized properly, could catapult the growth of several other sectors in India through its backward and forward linkages. Maturity of the real estate markets will lead to infusion of foreign investment and adoption of international best practices by real estate players. Developers will get more organized, and become more transparent to avail opportunities emerging in the market. With the Indian securities market regulator SEBI allowing real estate mutual funds

(REMFs) in India, equity investors will have an exit option available to them. All these factors will contribute in making the Indian real estate market more organized and structured, thus providing better investment opportunities.

Award of ISO 9001: 2008

Your Company continues to enjoy the privilege of certificates ISO 9001:2008 Certification granted to it on 16th April, 2005 through well known certification agency "DET NORSE VERITAS". It will be the constant endeavour of the management to continuously stress on systems/quality for ultimate delivery of its products.

Human Resources Development and Industrial Relations

The Company achieved higher turnover and profitability in the year under review backed by a dedicated and talented team.

Mutual trust and unity of purpose are the pillars on which the corporate edifice is built and true to its philosophy, the Company is committed to maintain harmonious relationship with its work force, it being the active partner in its growth and development.

The company conducts consultations, dialogue, deliberations, negotiations and meetings in a congenial environment and arrives at amicable solutions to issues that crop from time to time.

As on March 31, 2012 the company had a workforce of 529 employees in addition to 156 employees of Hospitality division of the Company.

Particulars of Employees

In accordance with Section 217(2A) of the

Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 2011, a Statement of particulars of Employees) forming a part of this Report is annexed herewith under Annexure.

Change In Capital Structure

Issue and allotment of Equity Shares during the Financial Year 2011-2012

The Company had issued and allotted 12,00,000 convertible warrants on 30th October, 2010 at ₹ 70/- per warrant to the promoters of the Company on Preferential basis. Out of the aforesaid warrants, the company has allotted 10,00,000 equity shares having face value of ₹ 10/- each at a premium of ₹ 60/- per equity share on 8th August, 2011 to the Promoters of the Company on conversion of equal number of warrants on receipt of balance amount payable on these warrants.

The Company has cancelled 2,00,000 outstanding convertible warrants on 11th January, 2012 out of 12,00,000 convertible warrants issued to the Promoters of the Company on 30th October, 2010 @ ₹ 70/- per warrant and has intimated the same to BSE and NSE vide its letter no. SECY/S-16/2012 dated 11th January, 2012. The aforesaid was done as promoters had intimated the company for non-subscription of outstanding warrants.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo

Conservation of Energy, Technology Absorption

Your Company is not engaged in any manufacturing activity; as such particulars relating to Conservation of Energy and Technology Absorption as per section

217(1)(e) are not applicable. However in hospitality division, your company has appointed energy auditor and has implemented the suggestions given by energy auditor to save energy bills. The regular energy audit is carried out to identify the areas where energy can be utilised in an optimal manner.

Foreign Exchange Earnings and Outgo

| | |
|--|---|
| a) Activities Relating to exports | } As the company operates into Real Estate & Restaurants segment, the company is not involved in any activity relating to export. |
| b) Initiatives taken to increase exports | |
| c) Development of new export markets for products and services | |
| d) Export plans | |

Particulars of Foreign Exchange Earnings and Outgo –

| | |
|--|--------------|
| a) Foreign Exchange Earnings - through Credit Cards as per bank certificates/advices | ₹ 95.85 Lacs |
| b) Foreign Exchange Outgo | |
| - Value of Import calculated on CIF basis in respect of Project Material. | ₹ 12.53 Lacs |
| - Travel Expenses | ₹ 39.25 Lacs |
| - Property Exhibition | ₹ 22.04 Lacs |

Subsidiary Companies

The following may be read in conjunction with the Consolidated Financial Statements enclosed with the Accounts prepared in accordance with the Accounting Standard 21.

As on date your Company has fourteen wholly owned Subsidiary Companies. In terms of the General Circular No. 2/2011 dated 8th February, 2011 read together with General Circular No. 3/2011 dated 21st February, 2011 issued by the Government of India – Ministry of Corporate Affairs

under Section 212(8) of the Companies Act, 1956 granting general exemption to companies from attaching financial statements of subsidiaries, subject to fulfilment of conditions stated in the circular, copies of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and Auditors Report of the subsidiary companies for the year ended 31st March, 2012 are not attached to the Balance Sheet of the Company as the Company has/shall fulfil the following conditions:

- (i) The Board of Directors of the Company has vide resolution dated 26th May, 2012 consented for not attaching the balance sheet(s) of the concerned subsidiary(ies);
- (ii) The Company has presented in its Annual Report, the consolidated financial statements of holding Company and all of its subsidiaries duly audited by its statutory auditors;
- (iii) The Consolidated financial statement has been prepared in strict compliance with applicable Accounting Standards and where applicable, Listing Agreement as prescribed by the Securities and Exchange Board of India;
- (iv) The Company has disclosed in the consolidated balance sheet the following information in aggregate for each subsidiary including subsidiaries of subsidiaries :- (a) Capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (except in case of investment in subsidiaries) (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation (j) proposed dividend, as applicable;

- (v) The annual accounts and other related detailed information of the following subsidiaries shall be made available to shareholders of the holding company and subsidiary companies seeking such information at any point of time;
1. M/s Housing & Construction Lanka Pvt. Ltd.
 2. Geo Connect Ltd.
 3. Maestro Promoters Pvt. Ltd.
 4. Wrangler Builders Pvt. Ltd.
 5. Anjuman Buildcon Pvt. Ltd.
 6. Third Eye Media Pvt. Ltd.
 7. A.R Infrastructure Pvt. Ltd.
 8. A. R Paradise Pvt. Ltd.
 9. Fenny Real Estate Pvt. Ltd.
 10. Aevee Iron & Steel Works Pvt. Ltd.
 11. Sunrise Facility Management Pvt. Ltd.
 12. Enchant Constructions Pvt. Ltd.
 13. Sonu Buildwell Pvt. Ltd.
 14. Rishu Buildtech Pvt. Ltd.
- (vi) Further, the annual accounts of the subsidiary companies shall also be kept for inspection by any shareholder at the head office / registered office of the Company and of the subsidiary companies concerned and the Company shall furnish a hard copy of the details of accounts of subsidiaries to any shareholder on demand;
- (vii) The holding as well as subsidiary companies in question shall regularly file such data to the various regulatory and Government authorities as may be required by them.
- (viii) The Company has given Indian rupee equivalent of the figure given in the

foreign currency appearing in the accounts of the subsidiary companies alongwith the exchange rate as on closing day of the financial year;

As a measure of Corporate Governance, a Statement pursuant to Sections 212(3) and 212(5) of the Companies Act, 1956 containing the details of subsidiaries of the Company, forms part of the Annual Accounts of the Company.

Fixed Deposits

Fixed Deposits from the Public, Shareholders and Employees as on 31st March, 2012 stood at ₹ 9746.49 Lacs as against ₹ 8768.98 lacs in the previous year. There were unclaimed Deposits amounting to ₹ 144.53 Lacs pertaining to 280 depositors as on that date and out of above 113 depositors having deposits aggregating to ₹ 61.75 lacs have subsequently claimed refund or renewed their deposits. However, the balance amount of ₹ 82.78 Lacs still remains unclaimed.

Corporate Governance

Your Company attaches considerable significance to good Corporate Governance as an important step towards building strong investors' confidence, improving investor protection and maximising long-term shareholder value. Pursuant to clause 49 of the Listing Agreement with the Stock Exchanges, a Compliance Report on Corporate Governance, from the auditors on compliance of mandatory requirements have been annexed as part of this Report.

In order to comply with the provisions of newly inserted Clause 47(f) in the Listing Agreement with the Stock Exchange(s),

the Company has designated an e-mail ID – sect@ansals.com which is exclusively for the clarifications / queries / grievance redressal of the investors of the Company.

Listing of Equity Shares

The Securities of the Company are listed and traded at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Ltd. (NSE). The Company has paid listing fee to Bombay Stock Exchange Ltd. as well as National Stock Exchange of India Ltd. for the Financial Year 2012-13.

Directors

In accordance with the relevant provisions of Sections 255 & 256 of the Companies Act, 1956 and Article 104 of the Company's Articles of Association, Shri S.L. Chopra and Shri Pradeep Anand are liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. The brief resume and other details relating to directors, who are to be re-appointed as stipulated under Clause 49(IV) of the Listing Agreement, are furnished in the Corporate Governance Report forming part of the Annual Report.

The Board of Directors of the Company at its meeting held on 8th August, 2012 has, subject to the approval of Members, re-appointed Shri Deepak Ansal as Chairman & Managing Director for a further period of 5 (five) years from the expiry of his present term, which will expire on 31st March, 2013.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Shri Deepak Ansal as Chairman & Managing Director in terms of the applicable provisions of the Companies Act, 1956.

Auditor's Report

- a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues relating to provident fund, investor education and protection fund, employees state insurance, income-tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, wherever applicable. However, in some cases there were delays in deposit of service tax on construction services and sales tax during the year. No undisputed amounts payable in respect of these dues were outstanding at the year end for a period of more than six months from the date they became payable.
- b) According to the records of the Company examined by us and the information and explanations given to us, in a few cases during the year there have been delays in repayment of dues to banks amounting to Rs. 515.69 lacs ranging from 1 day to 22 days. The delays pertain to repayments due upto September 2011 which have been regularized by the Company by October, 2011. Except for above, the Company has not defaulted in the repayment of dues to banks and

financial institutions covered by the Order during the year.

Auditors

M/s Khanna & Annadhanam, Chartered Accountants, who retire at the conclusion of this 28th Annual General Meeting and being eligible for reappointment, have expressed their willingness to be re-appointed as Statutory Auditors of the Company. They have given certificate to the effect that the appointment, if made, would be within the limit prescribed under section 224 (1B) of the Companies Act, 1956. Your directors recommend their appointment for another one year.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm the following in respect of the Audited Annual Accounts for the Financial Year ended 31st March, 2012:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed with no material departures;
- ii) that the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the Financial Year ended 31st March, 2012 and of the profit of the Company for that period;

- iii) that the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that the accounts for the year ended 31st March, 2012 have been prepared on a going concern basis.

Appreciation

Directors wish to place on record their deep thanks and gratitude to;

- a) The Central and State Government as well as their respective Departments and Development Authorities connected with the business of the Company, Bankers of the Company, Housing Finance as well as other Institutions for their co-operation and continued support.
- b) The Shareholders, Depositors, Suppliers and Contractors for the trust and confidence reposed and to the Customers for their valued patronage.
- c) The Board also takes this opportunity to express its sincere appreciation for the efforts put in by the officers and employees at all levels in achieving the results and hopes that they would continue their sincere and dedicated endeavour towards attainment of better working results during the current year.

Regd. Office :

15 UGF, Indra Prakash
21, Barakhamba Road,
New Delhi - 110 001

Place : New Delhi

Dated : 08th August, 2012

For and on behalf of the Board of Directors

(Deepak Ansal)

Chairman and Managing Director

ANNEXURE TO DIRECTORS' REPORT

Information as per Section 217(2A) read with the Companies (Particulars of Employees) Rules, 2011 and forming part of the Directors' Report for the period ended 31st March, 2012.

A. Employed for the Whole Year

| Name of the Employee | Designation | Nature of Duties | Nature of Employment | Gross Remuneration (₹) | Qualification | Experience (Years) | Date of Commencement of employment | Age (Years) | Last Employment & Position held | Relationship with Director | %age of Equity Shares held by the employee in the Company as on 31.03.12 |
|----------------------|------------------------------|--|----------------------|------------------------|---|--------------------|------------------------------------|-------------|---|--|--|
| Deepak Ansal | Chairman & Managing Director | Overall day to day management of the Company. | Contractual | 2,78,70,203 | B. Sc. Engg. (Civil) | 35 | 01.04.1990 | 59 | Wholetime Director Ansal Properties & Industries Ltd. | Father of Shri Kushagr Ansal, WTD | 10.25 |
| Kushagr Ansal | Wholetime Director | Supervision / Looking after of Sales & Marketing Division of the Company. | Contractual | 149,85,596 | B. Com (H) MBA (Finance) | 13 | 01.04.2006 | 33 | President Ansal Housing & Construction Ltd. | Son of Shri Deepak Ansal, CMD | 4.81 |
| K.K. Singhal | Executive Director | Supervision / Looking after of Business Development and Finance Division of the Company. | Non-Contractual | 85,85,618 | B. Com (H) FCA | 30 | 09.02.1987 | 54 | Asstt. Manager Ansal Properties & Infrastructure Ltd. | N.A. | 0.005 |
| Karun Ansal | President (Projects) | Implementation/ Supervision of various projects of the Company and I.T. Division of the Company. | Non-Contractual | 1,21,45,371 | Bachelor of Science (Marketing) & Master of Business Administration (Finance) | 5 | 01.10.2008 | 29 | Vice President GEO Connect Ltd. | Son of Shri Deepak Ansal, CMD and brother of Shri Kushagr Ansal, WTD | 5.04 |

B. Employed for part of Financial Year - Nil

NOTES:

- Gross remuneration includes Basic Salary, Commission, House Rent Allowance, Employer's Contribution to Provident Fund, Superannuation Fund and Perquisites.
- Other terms and conditions of employment are as per Service Rules of the Company.

CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance is aimed at strengthening the confidence of the shareholders in the Company and building a long term relationship of trust with them by maintaining transparency and periodical disclosures. The Company believes in maintaining high standards of quality and ethical conduct in its operations.

It is Company's belief that good ethics make good business sense and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards.

Corporate Governance at Ansal is an ongoing process and the Company continuously strives to improve upon its practices in line with the changing

demands of the business environment. These governance structures and systems are the foundation that provide adequate empowerment across the organization helping leverage opportunities for rapid sustainable growth of the Company. The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability.

The Company firmly believes that good corporate governance stems from the management's ideas and thoughts, which cannot be regulated by legislation alone. The Company not only ensures compliance with various statutory and regulatory requirements applicable to it, but also goes beyond to ensure exemplary Corporate Governance.

Your Company's policy with regard to

Corporate Governance is an integral part of Management and in its pursuit of excellence, growth and value creation, it continuously endeavors to leverage resources to translate opportunities into reality.

2. Board of Directors

a) Composition, Meetings and Attendance

The Board of Directors consists of two promoter Directors (One Executive Chairman and Managing Director and one Wholetime Director) and four Non-Executive Directors as on 31.03.2012.

The Composition of Directors, their attendance at Board Meetings during the Financial Year 2011-12 and last Annual General Meeting and their other Directorships / Committee Memberships in other Companies are as follows:

As on March 31, 2012

| Name of Director | Category | Attendance | Particulars | Directorships / Chairmanship held in other Companies* | | Committee Memberships / Chairmanship held in other Companies** | |
|------------------------|----------|----------------|-------------|---|-------------|--|-------------|
| | | Board Meetings | Last AGM | As Director | As Chairman | As Member | As Chairman |
| Shri Deepak Ansal | P-E CMD | 7 | Yes | 1 | -- | -- | -- |
| Shri Kushagr Ansal *** | P-E WTD | 6 | Yes | -- | -- | -- | -- |
| Shri Sham Lal Chopra | I-NED | 8 | Yes | 1 | -- | -- | -- |
| Shri Ashok Khanna | I-NED | 8 | No | 5 | 3 | -- | -- |
| Shri Pradeep Anand | I-NED | 7 | No | 3 | -- | -- | -- |
| Shri S.L. Kapur | I-NED | 7 | Yes | 6 | 2 | 5 | 2 |

Note : (i) Where a Director is Chairman in other Companies, he has been included in both 'As Director' and 'As Chairman'.

(ii) None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are Directors.

P-ECMD Promoter & Executive Chairman and Managing Director.

P- E WTD Promoter & Executive Wholetime Director.

I- NED Independent & Non-Executive Director.

* Excludes Directorships/Chairmanships held in Private Limited Companies, Foreign Companies, Companies U/s 25 of the Companies Act, 1956 and Memberships/ Chairmanships of Managing Committees of various Chambers/ Institutions.

** Memberships/Chairmanships of Audit Committee, Shareholders' Grievance Committee have been considered.

*** Shri Kushagr Ansal, Wholetime Director is the son of Shri Deepak Ansal, Chairman & Managing Director of the Company.

b) Details of Board Meetings and the attendance of directors during Financial Year 2011-2012

| Date of Board Meetings | No. of Directors Present |
|------------------------|--------------------------|
| 26.04.2011 | 6 |
| 30.05.2011 | 5 |
| 02.07.2011 | 5 |
| 08.08.2011 | 6 |
| 09.11.2011 | 6 |
| 02.12.2011 | 5 |
| 02.12.2011 | 5 |
| 14.02.2012 | 5 |

c) Executive Chairman & Managing Director

The Company has one Executive Chairman & Managing Director Shri Deepak Ansal who is responsible for overall planning, policy, strategy, operations and marketing activities of the Company.

d) Wholetime Director

The Company has one Wholetime Director, Shri Kushagr Ansal, who is responsible for overall marketing and business development operations of the Company.

e) Retirement of Directors

Shri Deepak Ansal, Chairman and Managing Director of the Company was re-appointed for a period of 5 years with effect from 1st April, 2008 and that he is not liable to retire by rotation. Shri Kushagr Ansal, Wholetime Director of the Company was appointed for a period of 5 years by the Shareholders on 28th September 2011 as Wholetime Director w.e.f. 1st October, 2011 and he is not liable to retire by rotation.

The non-executive and independent directors are liable to retire by rotation as per provisions of the Companies Act, 1956. Accordingly, Shri S.L. Chopra and Shri Pradeep Anand are liable to

retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

MR. S.L. CHOPRA

Mr. S.L. Chopra is former Chairman and Managing Director of Punjab National Bank having extensive experience of Banking and Finance and is on Board of other renowned Companies.

MR. PRADEEP ANAND

Mr. Pradeep Anand is the Chairman of Ashi Battery Company Pvt. Ltd. and Ashi Meters Ltd. He has rich and vast experience in variety of Industries. He was earlier Vice Chairman and Managing Director of Punjab Anand Batteries Ltd. (India).

3. Board Committees

During the FY 2011-12 the Board had seven committees: Audit Committee, Committee of the Board, Share Transfer and Redressal of Shareholders Grievances Committee, Selection Committee, Remuneration Committee, Committee of Board of Directors for Preferential Issue of equity shares/warrants, and Committee of Buy-back of Equity Shares. Most of the committees consist of independent directors.

The Board is responsible for constituting,

assigning, co-opting and fixing terms of service for committee members.

The Chairperson of the Board, in consultation with the Company Secretary and the committee chairperson, determine the frequency and duration of the committee meetings. Recommendations of the committees are submitted to the full Board for perusal / approval.

The quorum for meetings is either two members or one-third of the members of the committee, whichever is higher.

a) Audit Committee

To oversee the Company's financial reporting process and disclosure of its financial information including Internal Control System, reviewing the Accounting Policies and Practices, report of the Company's Internal Auditor and Quarterly/Half Yearly/Yearly Financial Statements as also to review financial management & policies, the Company has set up an Audit Committee at the Board level on 30th January, 2001. The terms of reference of Audit Committee are in accordance with Section 292A of the Companies Act, 1956 and the guidelines set out in Clause 49 of the Listing Agreement.

The Audit Committee comprises of following four Independent Directors:

| | | |
|-----|----------------------|----------------------|
| I | Shri Sham Lal Chopra | Independent Director |
| II | Shri Pradeep Anand | Independent Director |
| III | Shri Ashok Khanna | Independent Director |
| IV | Shri S.L. Kapur | Independent Director |

Shri Sham Lal Chopra acts as the Chairman of the Committee and the Company Secretary is the Secretary of the Committee.

Four Audit Committee Meetings were held during the Financial Year 2011-12 on 30.05.2011, 08.08.2011, 09.11.2011 & 14.02.2012 respectively.

Attendance of each Member at the Audit Committee Meetings held during the financial year 2011-2012:

| Name of the Member | No. of Meetings attended |
|----------------------|--------------------------|
| Shri Pradeep Anand | 3 |
| Shri Ashok Khanna | 4 |
| Shri Sham Lal Chopra | 4 |
| Shri S.L. Kapur | 3 |

Role of the Audit Committee

Audit Committee of the Board of Directors was constituted on 30th January, 2001. The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreement with the Stock Exchange(s) read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee inter-alia includes:

1. review the compliance with Internal Control Systems;
2. review the findings of the Internal Auditor relating to various functions of the Company;
3. hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, Internal Control Systems, scope of audit and observations of the Auditors/Internal Auditors;
4. review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
5. make recommendations to the Board on any matter relating to the financial

management of the Company, including Statutory & Internal Audit Reports;

6. recommending the appointment of statutory auditors and fixation of their remuneration.

7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

8. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with regard to significant adjustments made in the financial statements arising out of audit findings, compliance with listing and other legal requirements relating to financial statements, disclosure of any related party transactions and qualifications in the draft audit report.

9. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.). the statement of funds utilized for purposes and making appropriate recommendations to the Board to take steps in this matter.

10. Discussion with Internal Auditors

any significant findings and follow up thereon.

11. Approval of appointment of CFO after assessing the qualifications, experience & background etc. of the candidate.

12. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

b) Committee of the Board

The Committee of the Board was constituted on 30th May, 1997 in pursuance of Article 116 of the Articles of Association of the Company with specific powers to look after the business delegated to it which falls between two Board Meetings and are emergent and cannot be postponed. The following are the members of the Committee as on date.

| | | |
|-----|----------------------|---|
| i) | Shri Sham Lal Chopra | Independent Director |
| ii) | Shri Deepak Ansal | Member (Executive Chairman & Managing Director) |

Two meetings of Committee of the Board were held on 05.01.2012 & 06.01.2012

during the Financial Year 2011-12. Two meetings of Committee of the Board were held on 05.01.2012 & 06.01.2012 during the Financial Year 2011-12.

Attendance of each Member at the Committee of Board Meetings held during the Financial Year 2011-2012.

| Name of the Member | No. of Meetings attended |
|----------------------|--------------------------|
| Shri Sham Lal Chopra | 2 |
| Shri Deepak Ansal | 2 |

c) Share Transfer and Redressal of Shareholders Grievance Committee

The Board of the Company has constituted a Committee of Directors to specifically look after share transfer work and to look into the redressal of complaints like transfer of shares, non-receipt of annual report and non-receipt of dividend etc. named 'Share Transfer and Redressal

of Shareholders Grievance Committee'. The Committee consists of the following Directors.

| | |
|-------------------------|---|
| i) Shri Sham Lal Chopra | Chairman (Independent Director) |
| ii) Shri Pradeep Anand | Member (Independent Director) |
| iii) Shri Deepak Ansal | Member (Executive Chairman & Managing Director) |

Shri Sham Lal Chopra acts as Chairman of the Share Transfer and Redressal of Shareholders Grievance Committee. The Company Secretary is the Secretary of the Committee. The Board has designated Shri Mohinder Bajaj, Sr. Vice President & Company Secretary as the Compliance Officer of the Company. No such meeting was held during the Financial Year 2011-2012 as the grievances of the Shareholders were taken-up on regular basis in the meetings of the Board of Directors. The

physical transfer of Shares had also been approved by the Committee of Senior Executives appointed for the purpose on every fortnight basis.

In order to process routine transfers a committee of two Members viz. Shri K.K. Singhal, Executive Director and Shri Mohinder Bajaj, Sr. V.P. & Company Secretary was formed on 19th June, 2002.

Twenty Four Meetings of Senior Executives of Share Transfer Committee were held during the Financial Year 2011-2012.

The Share Department of the Company and the Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd. (Formerly known as M/s Intime Spectrum Registry Limited) attend to all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, and Registrar of Companies etc.

The total number of complaints received and resolved to the satisfaction of Investors during the Financial Year 2011-2012 are as follows:

| Particulars | Received | Resolved | Pending |
|--|----------|----------|------------|
| Non-receipt of Share Certificates after transmission | 1 | 1 | Nil |
| Non-receipt of Dividend | 3 | 3 | Nil |
| Non-receipt of Rejected Demat | 1 | 1 | Nil |
| Non-receipt of Annual Report | 1 | 1 | Nil |
| Issue of Duplicate Share Certificates | 1 | 1 | Nil |
| Total | 7 | 7 | Nil |

The Executive Committee reports to the Board / Share Transfer Committee on the Share Transfers and redressal of the grievances of the shareholders.

d) Selection Committee

The Board of Directors of the Company have constituted "Selection Committee" of the Board on 30th June, 2003. The Selection Committee comprises of two independent Directors, viz. Shri Sham Lal Chopra and Shri S.L. Kapur. Shri S.L. Kapur

was appointed as Member of the Selection Committee by the Board of Directors in their meeting held on 26.08.2006.

The Committee looks into the appointments of relatives of Directors in the Company. No meeting of Selection Committee was held during the Financial Year 2011-12.

e) Remuneration Committee

The Board of Directors of the Company have constituted "Remuneration Committee" of the Board on 29th July, 2004. The

Remuneration Committee comprises the following four Independent Directors:

1. Shri Sham Lal Chopra
2. Shri Pradeep Anand
3. Shri Ashok Khanna
4. Shri S.L. Kapur

Shri Sham Lal Chopra acts as the Chairman of Remuneration Committee.

The Committee looks into the remuneration of Executive Directors in the Company. No

meeting of the Remuneration Committee was held during the Financial Year 2011-12.

Broad terms of reference of the Remuneration Committee are as under:

a) to approve the remuneration and commission / incentive remuneration payable to the Managing Director for each financial year as per the provisions of the Companies Act, 1956 and Schedule XIII thereof.

b) such other matters as the Board may from time to time request the Remuneration committee to examine and recommend / approve.

Remuneration Policy

While recommending/determining the remuneration packages, the Committee takes into account:

a) financial position of the Company, trend in the industry, appointee's qualification,

experience, past performance, past remuneration etc;

b) the Company tries to keep itself in a position to bring objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders;

Remuneration to the Executive Directors for the Financial Year 2011-12

| Name of the Director | Designation | Basic Salary (₹) | Allowances & Perquisites (₹) | Commission (₹) | Contribution to Provident Fund, Gratuity, Superannuation Fund and other benefits (₹) | Total (₹) |
|----------------------|-----------------------------------|---------------------|------------------------------------|-------------------|---|--------------|
| Shri Deepak Ansal | Chairman and Managing Director | 17100000 | 373544 | 6385740 | 4010819 | 27870103 |
| Shri Kushagr Ansal | Wholetime Director | 7875000 | 7478 | 5574021 | 1529097 | 14985596 |

Sitting Fee to Non-Executive Directors for the meetings of the Board of Directors

The Company has been paying sitting fee @ ₹ 20,000/- for each meeting of the Board of Directors and meetings of the Committees of the Board to all directors other than Chairman and Managing Director and Wholetime Director. The sitting fee paid to the Non-Executive Directors for attending the meetings of Board of Directors and the meetings of the Committees of the Board for the year ended 31st March, 2012 is as follows.

| Name of Director | Amount of Sitting Fee paid (₹) |
|----------------------|-----------------------------------|
| Shri Sham Lal Chopra | 3,00,000 |
| Shri Ashok Khanna | 2,40,000 |
| Shri Pradeep Anand | 2,00,000 |
| Shri S.L. Kapur | 2,00,000 |
| Total | 9,40,000 |

Commission paid to Non-executive Directors for the Financial Year 2011-2012

The Shareholders in their Annual General

Meeting held on 24th September, 2009 have approved the payments of Commission to all Non-executive Directors of the Company for a period of 3 years calculated in aggregate upto 1% of the net profit of the company calculated for each Financial Year starting 2009-2010 and until Financial Year 2011-2012, subject to the condition that the commission payment to each individual non-executive Director shall not exceed to Rs. 2,50,000/- per annum. The Company had paid commission of Rs. 2,50,000/- to each of the non-executive Directors for the Financial Year 2011-2012 as per details given below:

| Name of the Non- executive Director | Commission (₹) |
|--|-------------------|
| Shri Sham Lal Chopra | 250000 |
| Shri S.L. Kapur | 250000 |
| Shri Ashok Khanna | 250000 |
| Shri Pradeep Anand | 250000 |
| Total | 1000000 |

f) Committee of the Board of Directors for Preferential Issue of equity shares / warrants.

The Board of Directors in their meeting held on 30th June, 2009 constituted a new Committee of Directors for performing various functions including allotment etc. for issue / allotment of equity shares / warrants.

The Committee comprises of the two non-executive Directors.

1. Shri Sham Lal Chopra
2. Shri S.L. Kapur

The scope of the work in addition to the day-to-day issues under the provisions of the SEBI (DIP) Guidelines, 2000 was to approve allotment of convertible warrants into one equity share each to the Promoters and others on Preferential basis.

Shri Sham Lal Chopra acts as the Chairman of the Committee and the Company Secretary is the Secretary of the Committee.

No meeting of Committee of Directors for issue of Preferential Issue of Equity shares / warrants was held during the year 2011-2012.

g) Committee of the Board of Directors for Buy-back of Equity Shares

The Board of Directors in their meeting held on 2nd December, 2011 constituted a new Committee of Directors for performing various functions relating to Buy-back of Equity Shares. The Company had decided to Buy-back fully paid equity shares of ₹ 10/- each of the Company for an amount not exceeding of ₹11.25 crores being within 10% of the paid-up capital and free reserves as on 31st March, 2011 at a price not exceeding of ₹45/- per equity share in accordance with the provisions of section 77A, 77AA & 77B of the Companies Act, 1956 and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulation 1998.

The Committee comprises of the following;

1. Shri S.L. Chopra
2. Shri Kushagr Ansal
3. Shri K.K. Singhal
4. Shri Mohinder Bajaj

One meeting of Committee of the Board for Share Buy-back was held during the year on 21st December, 2011 to approve various actions related to Buy-back of Equity Shares of the Company.

4. Details of Shares of the Company held by the Directors as on March 31, 2012

| Name of Director | No. of Shares |
|-------------------------------|---------------|
| Shri Deepak Ansal | 2075519 |
| M/s Deepak Ansal & Sons (HUF) | 106900 |
| Shri Kushagr Ansal | 974868 |

5. Disclosure of Code of Conduct and Ethics for Directors & Senior Management

The Board of Directors has, in their meeting held on 22nd October, 2005, adopted the Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has already been posted on Website of the Company for general viewing.

All Directors, Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decision and policies in the best interests of the company and its Shareholders/Stakeholders.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Chairman & Managing Director is given below:

"I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the Financial Year 2011-12

Deepak Ansal
Chairman & Managing Director

6. General Body Meetings

a) Particulars of last three Annual General Meetings

| Financial Year | Day | Date | Time | Venue |
|----------------|-----------|------------|------------|--|
| 2008-2009 | Thursday | 24.09.2009 | 11.00 A.M. | Sri Sathya Sai International Centre and School, Pragati Vihar, Lodhi Road, New Delhi-110 003 |
| 2009-2010 | Monday | 27.09.2010 | 11.00 A.M. | FICCI Auditorium, Tansen Marg, New Delhi-110 001 |
| 2010-2011 | Wednesday | 28.09.2011 | 11.00 A.M. | Sri Sathya Sai International Centre and School, Pragati Vihar, Lodhi Road, New Delhi-110 003 |

b) The details of matters relating to Special Resolutions passed in the last three AGMs are as under:

Financial Year 2010-11

To consider and approve the re-appointment of Shri Kushagr Ansal, Whotetime Director son of Shri Deepak Ansal, Chairman & Managing Director for a further period of five years from 01.10.2011 to 30.09.2016.

To consider and approve the appointment of Ms. Neha Ansal daughter-in-law of Shri Deepak Ansal, Chairman & Managing Director as Part-Time Consultant (Business Advisory Services) of the Company for a period of three years w.e.f. 1st October, 2011 on a consolidated remuneration of ₹ 45,000/- per month.

To consider and approve insertion of two new Articles i.e. 67A and 110A after existing Article No. 67 and 110 separately i.e. for participating in General Meeting of the Members through Electronic Mode and participation in Meeting(s) of Board of Directors through Electronic Mode.

Financial Year 2009-10

To consider and approve the allotment of 12,00,000 convertible warrants at a price of ₹ 70/- per warrant to the Promoters of the Company with an option to the war-

rant holders to acquire for convertible warrants, one fully paid-up equity share of ₹ 10/- each at a premium of ₹60/- per share.

Financial Year 2008-09

i) To consider and approve the appointment of Ms. Megha Ansal w/o Mr. Kushagr Ansal, Wholetime Director and daughter-in-law of Mr. Deepak Ansal, Chairman & Managing Director as a part time Advisor (Business Strategy) for a period of three years w.e.f. 1st September, 2009.

ii) To consider and approve the payments of Commission to all Independent Directors of the Company in aggregate upto 1% of the net profit of the Company subject to the conditions that the commission payable to each individual non-executive Director shall not be exceed to ₹ 2,50,000/- per annum.

7. Disclosures

a) The Company has complied with all the requirements of regulatory authorities on capital markets and no penalties/ strictures have been imposed against it at any point of time in the last three years.

b) There are no pecuniary relationships

or transactions with the Non-Executive Directors other than sitting fee and commission being paid to them.

c) The company has allotted 10,00,000 equity shares on 08.08.2011 of face value of ₹10/- each at a premium of ₹ 60/- per equity share to the Promoters of the Company out of 12,00,000 convertible warrants allotted by the company on 30th October, 2010. The balance 2,00,000 convertible warrants have been cancelled by the Company on receipt of request from the Promoters of the Company on 10th January, 2012 to this effect.

d) The Board of Directors of the Company in their meeting held on 2nd December, 2011 had decided to Buy-back fully paid equity shares of ₹ 10/- each of the company for an amount not exceeding ₹ 11,25,00,000/- (Rupees Eleven Crores Twenty Five Lacs only) being within 10% of the paid-up capital and free reserves as on 31st March, 2011 at a price not exceeding ₹ 45/- (Forty Five only) per equity share in accordance with the provisions of section 77A, 77AA & 77B of the Companies Act, 1956 and in compliance with the Securities and Exchange Board of India (Buy-back of Securities) Regulation 1998. During

- the year, the Company purchased 1,78,272 equity shares of Rs. 10/- each under the Buy-back Scheme out of which the company has extinguished 1,16,848 equity shares upto March 31, 2012 and the remaining 61,424 equity shares have been extinguished subsequent to the close of the year.
- e) The amount of outstanding loan to M/s Geo Connect Ltd. (a wholly owned subsidiary company) as on 31st March, 2012 is Rs.5 crores (excluding the current account of Geo Connect Ltd. divisions). The loan amount outstanding with M/s Geo Connect Ltd. on 31.03.2011 was Rs. 5 crores.
- f) Other than above, there is no materially significant related party transactions that may have potential conflict with the interests of the Company at large. All the related parties disclosure for the Financial Year ended 31st March, 2012 are specifically disclosed under Note 36 to the Balance Sheet for the Financial Year 2011-12.
- g) Certificate from Chairman & Managing Director and Chief Financial Officer Certificate from Shri Deepak Ansal, Chairman & Managing Director and Shri Sanjay Mehta, Chief Financial Officer, in terms of clause 49(V) of the Listing Agreement with the Stock Exchange for the financial period ended 31st March, 2012 was placed before the Board of Directors of the Company in its meeting held on 26.05.2012.

8. Means of Communication

| | |
|--|---|
| a) Half Yearly report sent to each Household of shareholders | Half-yearly report has not been sent to the households of Shareholders as the results of the Company were published in the Newspapers. |
| | The Financial Express(E) 10.11.11 |
| | Jansatta (H) 11.11.11 |
| b) Quarterly results | |
| i) Newspapers where quarterly Results were published | The Financial Express (E) 09.08.11 |
| | Jansatta (H) 09.08.11 |
| | The Financial Express (E) 10.11.11 |
| | Jansatta (H) 11.11.11 |
| | The Financial Express (E) 15.02.12 |
| | Jansatta (H) 16.02.12 |
| ii) Website where quarterly results are displayed | www.ansals.com |
| c) Whether the website also displays official news releases and presentations to institutional | Yes, the Company's official news releases and presentations to Institution investors/ analysts are displayed on Company's Website i.e. www.ansals.com |
| d) Newspaper where Audited Financial Results are published. | Financial Express (E) |
| | Jansatta (H) |
| e) Whether Management Discussion and Analysis is a part of Annual Report or not. | Yes |

9. General Shareholder information:

| | |
|--|---|
| i) Annual General Meeting | |
| Day, Date & Time | Wednesday, the 26th September, 2012 at 11.00 AM |
| Venue | Sri Sathya Sai International School, Pragati Vihar, Lodhi Road, New Delhi - 110003 |
| ii) Financial Calendar | Financial year of the Company is 1 st April to 31 st March |
| Approval of Unaudited Results (2012-13) | Within 45 days from the end of the respective quarter. |
| Financial Reporting for the Quarter ended June, 2012 | on or before 14th August, 2012 |
| Financial Reporting for the Quarter ended Sept, 2012 | on or before 14th November, 2012 |
| Financial Reporting for the Quarter ended Dec., 2012 | on or before 14th February, 2013 |
| Financial Reporting for the Quarter ended Mar, 2013 | on or before 15th May, 2013 |
| iii) Dates of Book Closure | 20.09.2012 to 26.09.2012 (both days inclusive) |
| iv) Dividend (Proposed 10%) | Dividend, if any, declared in forthcoming 28 th Annual General Meeting will be paid within 30 days of the date of declaration. |
| v) Registered Office | 15 UGF, Indra Prakash, 21, Barakhamba Road, New Delhi-110 001 Tel : 011-43577100, Fax : 011-243577420 Email: ahcl@ansals.com, Website: www.ansals.com |
| vi) Listing on Stock Exchanges | Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 National Stock Exchange of India Ltd., “Exchange Plaza”, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. |

vii) Listing Fees for the year 2012-13 has been paid to the Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. where Company's shares are listed.

viii) Stock Code

| | |
|---|--------------|
| 1. Bombay Stock Exchange Limited | 507828 |
| 2. National Stock Exchange of India Ltd | ANSALHSG |
| 3. Equity ISIN | INE880B01015 |

| | | |
|--|--|--|
| ix) Share Transfer System The Share Transfer work is handled by the Registrar. The Share Transfer Agent is M/s Link Intime India Pvt. Ltd. (formerly known as Intime Spectrum Registry Ltd.), A-40, 2nd Floor, Naraina Industrial Area, Phase – II, Near Batra Banquet Hall, New Delhi - 110 028. However, keeping in view the | convenience of shareholders, documents relating to shares will continue to be received by the Company at its Registered Office at 15 UGF, Indra Prakash, 21, Barakhamba Road, New Delhi - 110 001. | and rematerialization of shares are received by our Registrar and Transfer Agent M/s Link Intime India Pvt. Ltd. (formerly known as M/s Intime Spectrum Registry Ltd.), A-40, 2nd Floor, Naraina Industrial Area, Phase – II, Near Batra Banquet Hall, New Delhi – 110028 through the respective Depository Participant of the clients |
| | x) Dematerialization/Rematerialization of Shares : All the requests for dematerialization | |

directly and are dematerialized within a stipulated period of 21 days.

xi) Investor correspondence

All inquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address:

Compliance Officer
Mr. Mohinder Bajaj
Sr. V.P. & Company Secretary
Ansal Housing & Construction Ltd.
15 UGF, Indra Prakash
21 Barakhamba Road,
New Delhi – 110 001

10. Other Useful Information for Shareholders

- i) The Directors has recommended a dividend of Rs. 1.00 per equity share i.e. @10% on the paid-up equity share capital of the Company for the Financial Year ended 31st March, 2012.
- ii) Equity Shares of the Company are under compulsory demat trading by all investors w.e.f. 30th October, 2000. Considering the advantage of scripless trading shareholders are requested to consider dematerialization of their shareholding so as to avoid

inconvenience in future.

- iii) The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless Compliance 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 address in respect of electronic holdings with the Depository through their concerned Depository Participants. Our company had also sent online letters on 20th May, 2011 through the Registrar and Transfer Agent M/s Link Intime India Pvt. Ltd. to all the shareholders whose e-mail Ids are available with the RTA for giving confirmation for registration of online communication through email. Members who hold shares in physical form are requested to register their email ID with M/s Link Intime India Pvt. Ltd.
- iv) Members/Beneficial owners are requested to quote their Folio No./D.P.

& Client I.D as the case may be in all correspondence with the Company.

- v) Members holding shares in physical form are requested to notify to the Company, change in their addresses, if any and bank details.
- vi) Beneficial owners of shares are requested to send their instructions regarding change of address, bank details, nomination, power of attorney etc. directly to their DP as the same are maintained by the DPs.
- vii) Section 109A of the Companies Act, 1956 extends nomination facility to individuals holding shares in physical form in companies. Members, in particular those holding shares in single name, may avail of the above facility by furnishing the particulars of their nomination in the prescribed nomination form.
- viii) a) During the Financial Year, the Company has allotted 10,00,000 equity shares of face value of Rs. 10/- at a premium of Rs. 60/- per equity share on 08.08.2011 on receipt of balance amount from the Promoters of the company as per details given below:

| S. No. | Name of Allottees | No. of fully paid equity shares on conversion of equal number of warrants | Date of Allotment |
|--------|--|---|-------------------|
| 1 | Mr. Deepak Ansal | 100000 | 08.08.2011 |
| 2 | Mr. Kushagr Ansal | 100000 | 08.08.2011 |
| 3 | Mrs. Divya Ansal | 100000 | 08.08.2011 |
| 4 | Mr. Karun Ansal | 100000 | 08.08.2011 |
| 5 | Mr. Deepak Ansal (HUF) | 100000 | 08.08.2011 |
| 6. | Snow White Cable Network Pvt. Ltd. | 100000 | 08.08.2011 |
| 7 | Sungrace Security Services Pvt. Ltd. | 100000 | 08.08.2011 |
| 8 | Global Consultants & Designers Pvt. Ltd. | 100000 | 08.08.2011 |
| 9 | Glorious Properties Pvt. Ltd. | 100000 | 08.08.2011 |
| 10 | Akash Deep Portfolios Pvt. Ltd. | 100000 | 08.08.2011 |

ix) Registrar and Share Transfer Agent

The Company had appointed Share Transfer Agent for both the physical and demat transactions w.e.f. 1st April, 2003 as under:
M/s Link Intime India Pvt. Ltd., A-40, 2nd Floor, Naraina Industrial Area, Phase – II, Near Batra Banquet Hall, New Delhi – 110 028
Tel. : 011-41410592-94, fax : 011-41410591 E-mail:delhi@linkintime.co.in : Web Site : www.linkintime.co.in

x) Distribution of Shareholding

The distribution of shareholding as on 31st March, 2012.

| Shareholding (No. of Shares) | Shareholders | | Amount (₹) | |
|---------------------------------|--------------|----------------|------------------|----------------|
| | Number | % to total | (₹) | % to total |
| Upto 5000 | 20485 | 91.824 | 24140200 | 11.918 |
| 5001 10000 | 1087 | 4.872 | 8496370 | 4.195 |
| 10001 20000 | 414 | 1.856 | 6299430 | 3.110 |
| 20001 30000 | 118 | 0.529 | 3095170 | 1.528 |
| 30001 40000 | 37 | 0.166 | 1345920 | 0.665 |
| 40001 50000 | 47 | 0.211 | 2193230 | 1.083 |
| 50001 100000 | 48 | 0.215 | 3436400 | 1.697 |
| 100001 & above | 73 | 0.327 | 153533240 | 75.804 |
| Total | 22309 | 100.000 | 202539960 | 100.000 |

xi) Shareholding Pattern as on 31st March, 2012

| S.No. | Category | No. of Shares held | % of Shareholding |
|-------|--|--------------------|-------------------|
| 1 | Promoters | 11078762 | 54.699 |
| 2 | Mutual Funds/UTI | 2450 | 0.012 |
| 3 | Banks, Financial Institutions, Insurance Companies | 5400 | 0.027 |
| 4 | Private Corporate Bodies | 2774785 | 13.700 |
| 5 | Indian Public | 6175127 | 30.488 |
| 6 | NRI, Foreign Nationals, OCBs and FIIs | 217472 | 1.074 |
| | Total | 20253996 | 100.000 |

xiii) Dematerialization of shares and Liquidity

The shares of the Company fall under the category of compulsory delivery in dematerialized mode by all categories of investors. The Company has signed agreements with both the Depositories i.e. National Securities Depository Limited and Central Depositories Service (India) Limited. As on 31st March, 2012, 95.27% of the share capital of the company has already been dematerialized.

xiii) Communication to the Company

For expeditious disposal of the matters

concerning shares and debentures etc., members are requested to address all letters directly to the Share Department of the company situated at the Registered Office of the Company at New Delhi, quoting reference of their folio numbers and/or Client ID and DP ID, e-mail ID, Telephone/Fax Number for prompt reply to their communication. Other queries may be sent at sect@ansals.com or fax at 011-43577420. The Investor Grievances in the nature of the complaint may be sent to the Company Secretary at following address:

Ansals Housing & Construction Ltd.,
15 UGF, Indra Prakash,
21, Barakhamba Road,
New Delhi – 110 001

With a view to facilitate speedy communication, shareholders may furnish their e-mail Id to the Share Department of the Company.

xiv) Market Price Data

The monthly high and low quotations and volume of shares traded on BSE and NSE during the Financial Year 2011-12 were as follows:

| Month | BSE | | | NSE | | |
|--------------|----------|---------|---------------|----------|---------|---------------|
| | High (₹) | Low (₹) | Volume (Nos.) | High (₹) | Low (₹) | Volume (Nos.) |
| April' 2011 | 51.95 | 43.65 | 225064 | 51.80 | 43.60 | 394619 |
| May' 2011 | 47.00 | 40.00 | 95601 | 49.00 | 40.65 | 259670 |
| June' 2011 | 45.25 | 38.85 | 48703 | 44.80 | 38.05 | 164435 |
| July' 2011 | 45.00 | 38.60 | 55255 | 44.80 | 40.35 | 111725 |
| August' 2011 | 42.00 | 33.65 | 69043 | 41.95 | 32.35 | 212596 |

| Month | BSE | | | NSE | | |
|-----------------|----------|---------|---------------|----------|---------|---------------|
| | High (₹) | Low (₹) | Volume (Nos.) | High (₹) | Low (₹) | Volume (Nos.) |
| September' 2011 | 43.40 | 36.10 | 48982 | 45.00 | 37.00 | 171038 |
| October' 2011 | 41.45 | 35.05 | 37141 | 41.15 | 34.55 | 119591 |
| November' 2011 | 41.40 | 28.00 | 129178 | 41.55 | 26.05 | 308981 |
| December' 2011 | 43.20 | 28.05 | 749992 | 45.25 | 28.00 | 1407636 |
| January' 2012 | 40.80 | 31.00 | 136828 | 40.50 | 29.75 | 232085 |
| February' 2012 | 53.35 | 38.55 | 294172 | 53.60 | 38.40 | 436573 |
| March' 2012 | 48.10 | 43.00 | 53308 | 50.00 | 43.50 | 147150 |

xv) Unclaimed Dividend

Unclaimed dividend for the years prior to and including the Financial year 2003-2004 has been transferred to General Revenue Account of Central Government, Investor Education and Protection Fund established by the Central Government (IEPF) as applicable.

The dividend for the under noted years, if remaining unclaimed for 7 years, will be statutorily transferred by the Company to IEPF in accordance with the schedule given below. Communication has been sent by the Company to the concerned shareholders advising them to write to the Company in respect of their unclaimed dividend. Attention is drawn that the unclaimed dividend for the financial year 2004-2005 is due for transfer to IEPF on 1st December, 2012, once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

| Financial Year | Dividend Identification No. | Date of Declaration of Dividend | Total Dividend | Unclaimed Dividend 31.03.2012 | Due for transfer to IEPF on |
|----------------|-----------------------------|---------------------------------|----------------|-------------------------------|-----------------------------|
| 2004-2005 | 14th | 30.09.2005 | 4112863.00 | 190976.70 | 06.11.2012 |
| 2005-2006 | 15th | 29.09.2006 | 21644316.00 | 660964.50 | 05.11.2013 |
| 2006-2007 | 16th | 27.09.2007 | 30077179.20 | 759823.20 | 03.11.2014 |
| 2007-2008 | 17th | 23.09.2008 | 35141688 | 804186.00 | 30.10.2015 |
| 2008-2009 | 18th | 24.09.2009 | 8785422.00 | 317610.50 | 31.10.2016 |
| 2009-2010 | 19th | 27.09.2010 | 14776675.20 | 491469.50 | 03.11.2017 |
| 2010-2011 | 20th | 28.09.2011 | 16291675.20 | 445957.60 | 04.11.2018 |

11. Compliance with Mandatory Requirements and Adoption of non-mandatory requirements of clause 49 of the Listing Agreement with the Stock Exchanges.

The Company has complied with all the mandatory requirements as per Clause 49 of the listing agreement. The status of compliance with the non-mandatory requirements of clause 49 of the Listing Agreement is provided below:

1. Non-Executive Chairman's Office: The Chairman of your Company holds the position of the Executive Chairman and hence this provision is not applicable.
2. The Company has a Remuneration Committee and the details of which

are provided in this Report under the section "Board Committee / Remuneration Committee.

3. Shareholder Rights: The quarterly, half-yearly and annual financial results of the Company are published in newspapers on an all India basis and are also posted on the Company's website. Significant events are also posted on this website viz. www.ansals.com. The Complete Annual Report is sent to every shareholder of the Company and is also available on the web site.

4. Audit Qualifications: It is always the Company's endeavor to present unqualified financial statements.

5. Training of Board Members: The Board of

Directors of the Company are briefed, on a regular basis by the Chairman & Managing Director and Wholetime Director with the developments and performance of the Company and the real estate sector as a whole so as to enable them to understand and monitor the working of your Company in an effective manner.

6. Whistle Blower Mechanism: Though it is not a mandatory requirement but the employees of the Company have access to the Senior Management and Audit Committee to report about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The existence of the mechanism is appropriately communicated within the organization.

AUDITORS' REPORT ON CORPORATE GOVERNANCE

To
The Members of
M/s Ansal Housing & Construction Ltd.
New Delhi

We have examined the compliance of conditions of Corporate Governance by M/s Ansal Housing & Construction Ltd. for the year ended on 31st March, 2012 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 of the Company. Our examination was limited to review of 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 our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respects complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 001297N)

Place : New Delhi
Date : 26th May, 2012

(Jitender Dhingra)
Partner
Membership No. 90217

Auditors' Report

1. We have audited the attached Balance Sheet of M/s Ansal Housing & Construction Ltd. ('the Company') as at 31st March 2012 and also the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidences supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with 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, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with accounting policies and other notes, give the information required by the Companies Act, 1956, in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and ;
 - ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 001297N)

Place : New Delhi
Date : 26th May, 2012

(Jitender Dhingra)
Partner
Membership No. 90217

Annexure to the Auditors' Report

(Referred to in Paragraph 3 thereof)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Financial Statements of the Company and taking into consideration the information and explanations given to us and the books and accounts and other records examined by us in the normal course of audit, we report that:

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, the fixed assets are physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
c) The Company has not disposed off a substantial part of the fixed assets during the year and hence the going concern assumption is not affected.
2. a) As per information and explanations given to us, the inventory of building materials, stores and spares, restaurant's provisions, beverages etc. and flats/shops/houses etc. at major locations has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. According to the information and explanations given to us, keeping in view the nature of the operations of the Company, inventory of work-in-progress can not be physically verified.
b) In our opinion and according to the explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) The Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. a) The Company has granted unsecured interest free loan to a wholly owned subsidiary company. The maximum amount involved during the year and year end balance of loan was ₹ 500 lacs.
b) The loan is interest free being given to a wholly owned subsidiary.
c) In respect of loan given to the wholly owned subsidiary, there is no stipulation regarding repayment.
d) The Company has not taken any loans, secured or unsecured, from companies firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods and services. During the course of audit, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
5. a) According to information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of section 301 of the Companies Act, 1956 and exceeding the value of ₹ five lakhs in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time where such market prices are available.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies Acceptance of Deposits Rules, 1975. According to the information and explanations given to us, in this regard, no order under the aforesaid sections has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company.
7. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
8. As per information and explanations given to us, the Central Government has during the year issued the Companies (Cost Accounting Record) Rules 2011 under section 209 (1) (d) of the Companies Act, 1956 prescribing for maintenance of cost records with regard to the real estate development activities of the Company w.e.f. 1st April 2011. *We have been informed that the Company is taking necessary steps to comply with the said Rules.*
9. a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues relating to provident fund, investor education and protection fund, employees state insurance, income-tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues, wherever applicable. *However, in some cases there were delays in deposit of service tax on construction services and sales tax during the year. No undisputed amounts payable in respect of these dues were outstanding at the year end for a period of more than six months from the date they became payable.*

- b) According to the information and explanations given to us and the records of the Company examined by us, the disputed amounts payable in respect of income-tax, sales tax, wealth tax, custom tax and excise duty / cess not deposited with the appropriate authorities are as follows:

| Nature of dues | Amount (₹ In lacs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|-----------------------|--------------------------------------|--|
| Wealth Tax | 0.49 | Assessment Year 2004-05 | CWT (Appeals)-I, New Delhi |
| Sales Tax | 159.38 | Assessment Year - 2003-04 to 2006-07 | Tribunal, Commercial Tax, Ghaziabad. |
| Sales Tax | 47.77 | Assessment Year - 2007-08 | Additional Commissioner of Trade Tax, Ghaziabad. |
| Sales Tax | 39.70 | Assessment Year 2010-11 | Deputy Commissioner of Trade Tax, Ghaziabad. |
| Provident Fund | 66.78 | June 1994 to March 2006 | Delhi High Court |
| Employee State Insurance | 0.66 | June 1998 to April 1999 | Regional Director, ESIC Corporation, New Delhi |
| Service Tax | 271.31 | October 2003 to March 2010 | Custom, Excise and Service Tax Appellate Tribunal, New Delhi |

10. The Company does not have any accumulated losses and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, *in a few cases during the year there have been delays in repayment of dues to banks amounting to ₹ 515.69 lacs ranging from 1 day to 22 days.* The delays pertain to repayments due upto September 2011 which have been regularized by the Company by October 2011. Except for above, the Company has not defaulted in the repayment of dues to banks and financial institutions covered by the Order during the year.
12. According to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures, and other securities.
13. The provisions of any special statute applicable to chit fund/ nidhi / mutual benefit fund / societies are not applicable to the Company.
14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.
15. The Company has given guarantees for loans taken by its wholly owned subsidiaries and other companies from banks or financial institutions. In our opinion and based on the information and explanations given to us, the terms and conditions of the guarantees are not, prima facie, prejudicial to the interest of the Company.
16. According to the information and explanations given to us and the records examined by us, terms loans obtained for financing real estate projects, in our opinion, on an overall basis, were used for the real estate projects.
17. On the basis of an overall examination of the Balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been used for long term investments.
18. The Company has made preferential allotment of shares during the year to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956. In our opinion and according to the information and explanations given to us, the price at which shares have been issued to these parties is not prejudicial to the interest of the Company.
19. The Company has not issued any debentures during the year.
20. The company has not raised any money by public issue during the year.
21. According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported during the course of our audit.

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 001297N)

Place : New Delhi
Date : 26th May, 2012

(Jitender Dhingra)
Partner
Membership No. 90217

Balance Sheet as at 31st March, 2012

(Amount in ₹)

| | Note | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|---------------------------------------|------------------------|----------------|------------------------|-----------------------|
| I. EQUITY AND LIABILITIES | | | | | |
| 1 Shareholders' Funds | | | | | |
| a | Share Capital | 2 | 20,28,57,600 | | 19,46,40,320 |
| b | Reserves and Surplus | 3 | 3,19,76,81,668 | | 2,83,77,48,099 |
| c | Money received against share warrants | | -- | 3,40,05,39,268 | 2,10,00,000 |
| 2 Non Current Liabilities | | | | | |
| a | Long Term Borrowings | 4 | 1,29,26,51,139 | | 1,17,86,25,841 |
| b | Deferred Tax Liabilities (Net) | 5 | 19,64,41,344 | | 16,73,31,864 |
| c | Other Long Term Liabilities | 6 | 13,05,98,970 | 1,61,96,91,453 | -- |
| 3 Current Liabilities | | | | | |
| a | Short Term Borrowings | 7 | 1,32,32,32,669 | | 1,15,08,31,396 |
| b | Trade Payables | 8 | 1,77,54,67,433 | | 76,92,31,410 |
| c | Other Current Liabilities | 9 | 4,26,53,94,060 | | 2,72,62,72,990 |
| d | Short Term Provisions | 10 | 6,21,17,271 | 7,42,62,11,433 | 2,44,99,808 |
| | | | | 12,44,64,42,154 | 9,07,01,81,728 |
| II. ASSETS | | | | | |
| 1 Non-current Assets | | | | | |
| a | Fixed Assets | 11 | | | |
| - | Tangible | | | 42,34,25,860 | 39,85,96,765 |
| b | Non-Current Investments | 12 | | 20,38,93,854 | 20,38,96,454 |
| c | Long Term Loans and Advances | 13 | | 6,07,67,915 | 6,00,04,009 |
| 2 Current Assets | | | | | |
| a | Inventories | 14 | 8,47,64,14,374 | | 5,33,58,18,158 |
| b | Trade Receivables | 15 | 1,20,88,52,149 | | 65,56,58,613 |
| c | Cash and Bank Balances | 16 | 25,73,43,220 | | 17,93,10,845 |
| d | Short Term Loans and Advances | 17 | 1,81,57,44,782 | 11,75,83,54,525 | 2,23,68,96,884 |
| | | | | 12,44,64,42,154 | 9,07,01,81,728 |
| Significant Accounting Policies and Notes to Financial Statements | | | | | |
| | 1-41 | | | | |

As per our Report of even date attached

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 1297N)

Deepak Ansal
Chairman & Managing Director

Kushagr Ansal
Wholetime Director

Jitender Dhingra
Partner
Membership No. 90217

S. L. Chopra
Director

Mohinder Bajaj
Sr. V.P. & Company Secretary

Place : New Delhi
Date : 26th May, 2012

Ashok Khanna
Director

S.L. Kapur
Director

Tarun Kathuria
V. P. (Finance)

Statement of Profit and Loss for the year ended 31st March, 2012

(Amount in ₹)

| | NOTE | For the year ended 31st March, 2012 | | For the year ended 31st March, 2011 | |
|--|------|--|-----------------------|--|-----------------------|
| REVENUE | | | | | |
| - Revenue from Operations | 18 | | 4,00,01,00,426 | | 2,92,77,93,632 |
| - Other Income | 19 | | 3,39,25,089 | | 12,07,92,415 |
| Total Revenue | | | 4,03,40,25,515 | | 3,04,85,86,047 |
| EXPENSES | | | | | |
| - Cost of Construction | 20 | | 2,50,39,98,462 | | 1,66,34,33,337 |
| - Consumption of Food, Beverages etc | 21 | | 3,73,07,097 | | 3,20,09,640 |
| - Purchase of Constructed Properties | | | -- | | 1,25,00,000 |
| - (Increase)/ Decrease in Stocks | 22 | | 86,56,595 | | (3,40,05,482) |
| - Employee Benefits Expense | 23 | | 21,92,24,838 | | 17,14,84,553 |
| - Finance Costs | 24 | | 35,74,78,212 | | 37,64,86,416 |
| - Depreciation Expense | 11 | | 3,55,69,459 | | 2,64,39,072 |
| - Other Expenses | 25 | | 36,30,27,538 | | 37,61,15,728 |
| Total Expenses | | | 3,52,52,62,201 | | 2,62,44,63,264 |
| Profit Before Tax | | | 50,87,63,314 | | 42,41,22,783 |
| Tax Expense: | | | | | |
| - Current Tax | | 12,75,00,000 | | 8,94,50,000 | |
| - MAT Credit Utilization | | 1,54,68,466 | | 1,87,00,000 | |
| - Deferred Tax | | 2,91,09,478 | | (1,00,34,978) | |
| - Tax Provisions for earlier years | | 91,37,038 | 18,12,14,982 | 22,95,632 | 10,04,10,654 |
| Profit for the year | | | 32,75,48,332 | | 32,37,12,129 |
| Earnings per equity share of face value of Rs. 10 each | | | | | |
| - Basic & Diluted | | | 16.37 | | 17.21 |
| Significant Accounting Policies and Notes to Financial Statements 1-41 | | | | | |

As per our Report of even date attached

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 1297N)

Deepak Ansal
Chairman & Managing Director

Kushagr Ansal
Wholetime Director

Jitender Dhingra
Partner
Membership No. 90217

S. L. Chopra
Director

Mohinder Bajaj
Sr. V.P. & Company Secretary

Place : New Delhi
Date : 26th May, 2012

Ashok Khanna
Director

S.L. Kapur
Director

Tarun Kathuria
V. P. (Finance)

Cash Flow Statement for the year ended 31st March, 2012

(Amount in ₹)

| NOTE | For the year ended 31st March, 2012 | | For the year ended 31st March, 2011 | |
|--|--|----------------------|--|---------------------|
| A. Cash flow from Operating Activities: | | | | |
| Profit before Tax | | 50,87,63,314 | | 42,41,22,783 |
| Adjustment for: | | | | |
| Loss on Sale of fixed assets | 8,79,988 | | 44,09,238 | |
| Depreciation | 3,55,69,459 | | 2,64,39,072 | |
| Amounts written off | 1,92,02,550 | | 4,96,49,493 | |
| Interest & Finance charges | 35,74,78,212 | | 37,64,86,416 | |
| Liability no longer required written back | (1,42,58,959) | | (65,24,522) | |
| Interest and Dividend Income | (1,14,22,231) | | (74,23,936) | |
| Profit on sale of Assets | (13,299) | | -- | |
| Profit on sale of Investment | -- | 38,74,35,720 | (8,02,68,093) | 36,27,67,668 |
| Operating profit before Working Capital changes | | 89,61,99,034 | | 78,68,90,451 |
| Adjustments for Working Capital changes | | | | |
| Increase/(Decrease) in Trade Payables, Other Liabilities and Provisions | 2,60,01,41,167 | | 59,35,61,832 | |
| Decrease/(Increase) in Inventories | (3,14,05,96,216) | | (51,15,97,934) | |
| Decrease/(Increase) in Trade Receivables | (55,31,93,536) | | (4,57,54,171) | |
| Decrease/(Increase) in Loans and Advances | 38,13,10,290 | (71,23,38,295) | (61,92,35,564) | (58,30,25,837) |
| Cash generated from Operations | | 18,38,60,739 | | 20,38,64,613 |
| Direct Taxes Paid | | (10,42,94,901) | | (6,48,16,319) |
| NET CASH FROM OPERATING ACTIVITIES | | 7,95,65,838 | | 13,90,48,294 |
| B. Cash flow from Investing Activities: | | | | |
| Sale of Investments | 2,600 | | 12,82,70,593 | |
| Interest and Dividend Income | 1,14,22,231 | | 74,23,936 | |
| Sale of Fixed Assets | 98,76,371 | | 7,41,113 | |
| Purchase of Fixed assets | (7,28,11,558) | | (10,19,09,142) | |
| Purchase of Investment | -- | | (15,02,600) | |
| NET CASH FROM/(USED IN) INVESTING ACTIVITIES | | (5,15,10,356) | | 3,30,23,900 |

Cash Flow Statement for the year ended 31st March, 2011

(Amount in ₹)

| NOTE | For the year ended 31st March, 2012 | | For the year ended 31st March, 2011 | |
|---|--|---------------------|--|-----------------------|
| C. Cash flow from Financing Activities : | | | | |
| Proceeds against convertible warrants | 5,25,00,000 | | 4,80,00,000 | |
| Buy back of equity shares | (75,80,530) | | -- | |
| Proceeds from Borrowings | 2,48,23,62,200 | | 1,85,80,29,542 | |
| Repayment of Borrowings | (2,11,59,84,423) | | (1,68,23,74,161) | |
| Interest & Finance Charges paid * | (34,27,28,542) | | (35,94,05,443) | |
| Dividend paid (including dividend tax) | (1,85,91,811) | | (1,68,26,496) | |
| NET CASH FROM/(USED IN) FINANCING ACTIVITIES | | 4,99,76,893 | | (15,25,76,558) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 7,80,32,376 | | 1,94,95,636 |
| CASH AND CASH EQUIVALENTS- OPENING BALANCE | | | | |
| Cash and Bank Balances | | 17,93,10,845 | | 15,98,15,208 |
| CASH AND CASH EQUIVALENTS- CLOSING BALANCE | | | | |
| Cash and Bank Balances | | 25,73,43,220 | | 17,93,10,845 |

* Interest and Finance charges paid is net of Interest capitalised during the year.

Note :

- Cash and cash equivalents include cash & cheques in hand and balances with Banks and amount tallies with the amount disclosed in Note No. 16 of financial statements.
- The above cash flow statement has been prepared under the 'Indirect method' as set out in the Accounting Standard- 3 on Cash Flow Statements.
- Cash and cash equivalents includes restricted cash balance of ₹10,64,74,177/- (Previous year ₹ 8,15,44,742/-) as at 31st March, 2012.

Significant Accounting Policies and Notes to
Financial Statements 1-41

As per our Report of even date attached

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 1297N)

Deepak Ansal
Chairman & Managing Director

Kushagr Ansal
Wholetime Director

Jitender Dhingra
Partner
Membership No. 90217

S. L. Chopra
Director

Mohinder Bajaj
Sr. V.P. & Company Secretary

Place : New Delhi
Date : 26th May, 2012

Ashok Khanna
Director

S.L. Kapur
Director

Tarun Kathuria
V. P. (Finance)

Notes to Financial Statements for the year ending 31st March, 2012

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF ACCOUNTS

The Financial Statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Central Government as per the Companies Accounting Standard Rules, 2006 and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared under the historical cost convention, on the basis of going concern and on an accrual basis except as stated elsewhere.

1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year presented. Actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

1.3 REVENUE RECOGNITION

- a) The Company follows the percentage of completion method of accounting for the Real Estate division. As per this method, the revenue is recognised in proportion to the actual cost incurred as against the total estimated cost of the project under execution with the Company subject to actual cost being 30% or more of the estimated cost. As the project progresses, estimated costs, saleable area etc. are revised based on current cost indices and other information available to the Company. Expenses incurred on repairs and maintenance on completed projects are charged to the Statement of Profit & Loss.
- b) Indirect costs (detailed in Note 25) are treated as 'Period Costs' and are charged to Statement of Profit and Loss in the year incurred.
- c) Whereas all income and expenses are accounted for on accrual basis, Interest on delayed payments by customers against dues is taken on realisation owing to practical difficulties and uncertainties involved.
- d) Surrender / Cancellation of flats, plots etc. is treated as sales return and reduced from the sales value in the year of Surrender / Cancellation.

1.4 INVENTORIES

Inventories are valued as under :

- | | |
|---|---|
| a) Building Material, Stores, Spares parts etc. | At cost using FIFO method. |
| b) Food, Beverage and related stores | At lower of cost (using FIFO method) or net realisable value. |
| c) Completed Units (Unsold) | At lower of cost or net realisable value. |
| d) Land | At lower of cost or net realisable value. |
| e) Project/Contracts work in progress | At cost. |

Cost of Completed units and project/ work in progress includes cost of land , construction/development cost and other related costs incurred.

1.5 FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. However, revalued assets are stated at revalued amount less accumulated depreciation.

1.6 DEPRECIATION

Depreciation is provided on 'Straight Line Method' on pro-rata basis at rates prescribed in Schedule-XIV to the Companies Act, 1956. Shuttering and Scaffolding are treated as part of Plant and Machinery and depreciated at the rate applicable to Plant & Machinery. Assets costing up-to ₹ 5,000/- are fully depreciated in the year of purchase. Leasehold Improvements are amortized over the period of the lease.

1.7 INVESTMENTS

Current Investments are stated at lower of cost and market value. Long term investments are stated at cost. Decline in value of long term investments is recognised if it is not temporary.

1.8 RETIREMENT AND OTHER BENEFITS

- a) Contributions to the Provident Fund are charged to revenue each year.
- b) Provision for Gratuity is made on the basis of contribution made to Life Insurance Corporation of India under the "Employees Group Gratuity-cum-Life Insurance Scheme".
- c) Provision for leave encashment is made on the basis of actuarial valuation done at the year end.

Notes to Financial Statements for the year ending 31st March, 2012

1.9 BORROWING COST

The borrowing costs which have direct nexus and are directly attributable to the construction of a qualifying asset are charged to the cost of that asset and other interest costs are expensed as period costs.

1.10 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. All monetary assets and liabilities are restated at the closing rate and resultant loss or gain is charged to Statement of Profit & Loss. Long term investments are stated at exchange rate prevailing on the date of transaction.

1.11 SEGMENT REPORTING

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenditure net of unallocated income".

1.12 TAXES ON INCOME

Provision for current tax is made based on taxable income for the year computed in accordance with provisions of the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty of realization. In the case unabsorbed depreciation and carry forward losses deferred tax assets are recognized, to the extent there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.13 IMPAIRMENT

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss and necessary adjustments are made there against. Reversal of impairment loss is recognised as income in the Statement of Profit & Loss.

1.14 PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognized when the Company has a present obligation as a result of past event and it is more likely than not an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet and adjusted to reflect the current best estimates. Contingent liability is disclosed when the Company has a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation or where a reliable estimate of the amount of obligation can be made.

NOTE 2 : SHARE CAPITAL

Authorised, Issued, Subscribed and paid up share capital and par value per share

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|---------------------|------------------------|---------------------|
| Authorised Share Capital | | | | |
| 4,49,90,000 Equity Shares of ₹10/- each | | 44,99,00,000 | | 44,99,00,000 |
| 5,01,000 Redeemable Cumulative Preference Shares of ₹100/- each | | 5,01,00,000 | | 5,01,00,000 |
| | | 50,00,00,000 | | 50,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | | | | |
| 2,02,53,996 (Previous year 1,93,70,844) Equity Shares of ₹10/- each fully paid for cash. | 20,25,39,960 | | 19,37,08,440 | |
| Add: Forfeited Shares (Paid-up amount) | 9,31,880 | | 9,31,880 | |
| Less : 61,424 (Previous year: Nil) Equity Shares of ₹10/- each bought back and pending to be extinguished as on March 31, 2012. (Refer Note No. 3.1) | 6,14,240 | 20,28,57,600 | -- | 19,46,40,320 |
| | | 20,28,57,600 | | 19,46,40,320 |

Notes to Financial Statements for the year ending 31st March, 2012

NOTES:

2.1 Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

- 2.2 On 30.10.2010, the Company issued 12,00,000 warrants of ₹ 70/- each to the Promoters of the Company. Each warrant was convertible at a premium of ₹60/- per share of face value of ₹10/- each at the option of the holder within 18 months from date of allotment. Out of the 12,00,000 warrants issued, the company allotted 10,00,000 equity shares on exercise of part option by conversion of warrants at a premium of ₹ 60/- per share of face value of ₹10/- each to the Promoters on 08.08.2011. On 10.01.2012, the Promoters surrendered the balance 2,00,000 warrants which were then cancelled by the Company and ₹ 35,00,000/- received against these warrants was forfeited.

2.3 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|--|-------------------------------------|-------------------------------------|
| Number of shares outstanding as at the beginning of the year | 1,93,70,844 | 1,84,70,844 |
| Add : Number of shares allotted on conversion of warrants | 10,00,000 | 9,00,000 |
| | 2,03,70,844 | 1,93,70,844 |
| Less : Number of shares extinguished under buy back scheme | 1,16,848 | -- |
| Number of shares outstanding as at the end of the year | 2,02,53,996 | 1,93,70,844 |

2.4 Detail of Shareholder's holding more than 5% shares

| S. No. | Name of Shareholder | Current Year | | Previous Year | |
|--------|--|---------------|------------|---------------|------------|
| | | No. of shares | Percentage | No. of shares | Percentage |
| 1 | Deepak Ansal | 20,75,519 | 10.25% | 19,75,519 | 10.20 |
| 2 | Karun Ansal | 10,20,456 | 5.04% | 9,20,456 | 4.75 |
| 3 | Global Consultants & Designers Pvt. Ltd. | 12,46,680 | 6.16% | 11,46,680 | 5.92 |
| 4 | Snow White Cable Network Pvt. Ltd. | 10,70,635 | 5.29% | 9,70,635 | 5.01 |
| 5 | Glorious Properties Pvt. Ltd. | 13,09,679 | 6.47% | 12,09,679 | 6.24 |
| 6 | Akashdeep Portfolios Pvt. Ltd. | 14,31,570 | 7.07% | 13,31,570 | 6.87 |

2.5 Equity Shares bought back as per section 77A of Companies Act, 1956 during five years preceding 31st March, 2012

- 1,78,272 Equity Shares bought back during the financial year 2011-12

NOTE 3 : RESERVES AND SURPLUS

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|--------------|------------------------|--------------|
| - Capital Reserve | | | | |
| As per last balance sheet | 8,69,39,960 | | 8,69,39,960 | |
| Add: Amount received against Convertible Warrants forfeited | 35,00,000 | 9,04,39,960 | -- | 8,69,39,960 |
| - Capital Redemption Reserve | | | | |
| As per last balance sheet | -- | | -- | |
| Add: Transferred from Statement of Profit and Loss on buy back of Equity Shares | 17,82,720 | 17,82,720 | -- | -- |
| - Securities Premium Account | | | | |
| As per last balance sheet | 63,77,97,130 | | 61,07,97,130 | |
| Add : Received during the year | 6,00,00,000 | | 2,70,00,000 | |
| | 69,77,97,130 | | 63,77,97,130 | |
| Less: Utilised towards buy back of equity shares | 57,97,810 | 69,19,99,320 | -- | 63,77,97,130 |

Notes to Financial Statements for the year ending 31st March, 2012

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|-----------------------|------------------------|-----------------------|
| | | | | |
| - Revaluation Reserve | | | | |
| As per last balance sheet | 6,73,00,723 | | 6,89,70,667 | |
| Less: Transferred to Statement of Profit & Loss | 16,69,944 | 6,56,30,779 | 16,69,944 | 6,73,00,723 |
| - General Reserve | | | | |
| As per last balance sheet | 59,88,42,535 | | 53,88,42,535 | |
| Add: Transferred from Statement of Profit & Loss | 6,00,00,000 | 65,88,42,535 | 6,00,00,000 | 59,88,42,535 |
| - Surplus in statement of Profit and Loss | | | | |
| As per last balance sheet | 1,44,68,67,751 | | 1,20,17,40,862 | |
| Add : Profit for the year | 32,75,48,332 | | 32,37,12,129 | |
| | 1,77,44,16,083 | | 1,52,54,52,991 | |
| Less: Appropriations | | | | |
| - Proposed dividend on equity shares | 2,00,40,737 | | 1,54,96,675 | |
| - Tax on dividend | 32,51,109 | | 30,88,565 | |
| - Transfer to General Reserve | 6,00,00,000 | | 6,00,00,000 | |
| - Transfer to Capital Redemption Reserve on buy back of Equity Shares | 17,82,720 | | -- | |
| - Dividend/ Dividend Tax for Earlier Years | 3,55,163 | 1,68,89,86,354 | -- | 1,44,68,67,751 |
| | | 3,19,76,81,668 | | 2,83,77,48,099 |

NOTE:

3.1 The Board of Directors of the Company, in the meeting held on 02.12.2011, approved buy back of 25,00,000 equity shares of ₹ 10/- each at maximum price of ₹ 45/- per share for an amount not exceeding ₹ 11,25,00,000/-.

Persuant to the buy back scheme, the Company during the year ending 31st March, 2012 purchased 1,78,272 equity shares of ₹ 10/- each at a cost of ₹ 75,80,530/-. Out of this amount ₹ 17,82,720/- has been set off against issued, subscribed and paid up share capital and the balance of ₹ 57,97,810/- has been debited to the securities premium account. The Company has extinguished 1,16,848 equity shares upto March 31,2012 and the remaining 61,424 equity shares have been extinguished subsequent to the close of the year.

In terms of Section 77AA of the Companies Act, 1956, an amount of ₹ 17,82,720/- has been transferred to Capital Redemption Reserve.

NOTE 4 : LONG-TERM BORROWINGS

(Amount in ₹)

| | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|---------------------|------------------------|---------------------|
| | Non Current | Current | Non Current | Current |
| A) SECURED | | | | |
| From Banks | | | | |
| - Term Loan | 3,30,00,000 | 6,68,00,000 | 9,98,00,000 | 11,62,93,751 |
| - Vehicle/ Equipment Loan | 72,68,047 | 1,19,46,182 | 1,54,28,113 | 1,39,46,818 |
| From Others | | | | |
| - Term Loan from Corporate Bodies | 93,25,00,000 | 65,50,24,461 | 68,97,88,543 | 68,43,48,951 |
| - Vehicle/ Equipment Loan from Corporate Bodies | 2,31,14,092 | 2,85,65,429 | 1,17,52,185 | 1,67,42,346 |
| B) UNSECURED | | | | |
| Public Deposits | 29,67,69,000 | 22,74,87,000 | 36,18,57,000 | 7,90,58,000 |
| TOTAL | 1,29,26,51,139 | 98,98,23,072 | 1,17,86,25,841 | 91,03,89,866 |

Notes to Financial Statements for the year ending 31st March, 2012

NOTES:

4.1 Term Loan from Bank referred above to the extent of:

- ₹ 9,98,00,000/- are secured by way of mortgage of project land owned by the Company and its subsidiaries situated at Zirakpur & Meerut and hypothecation of finished goods & receivables of Zirakpur, Meerut and Agra projects.

4.2 Term Loan from Corporate Bodies referred above to the extent of:

- ₹ 65,00,00,000/- are secured by way of mortgage of land/ building owned by the Company and its subsidiaries situated at Ghaziabad, Mumbai and Agra, mortgage of land/ premises owned by promoter directors and their families situated at Gurgaon and Mumbai, pledge of part of promoters shareholding in the Company and pledge of shares of subsidiary Companies.
- ₹ 82,50,24,461/- are secured by way of mortgage of project land owned by the Company and its subsidiaries situated at Agra, Indore and Meerut, mortgage of building situated at Noida, mortgage of premises situated at Delhi owned by promoter directors and their families, assignment of receivables of Agra, Meerut and Indore projects and pledge of part of promoters shareholding in the Company.
- ₹ 11,25,00,000/- are secured by way of mortgage of land owned by the Company and its subsidiaries situated at Yamunanagar, assignment of receivable of Yamunanagar Project.

4.3 Vehicle/ Equipment Loan from Bank/ Corporate Bodies referred above are secured by way of hypothecation of respective vehicle/ construction equipment.

4.4 Term Loan from Bank referred above to the extent of:

- ₹ 9,98,00,000 have been guaranteed by the promoter directors.
- ₹ 9,98,00,000 have been guaranteed by the subsidiary companies.

4.5 Term Loan from Corporate Bodies referred above to the extent of:

- ₹ 1,58,75,24,461 have been guaranteed by the promoter directors.
- ₹ 76,25,00,000 have been guaranteed by the subsidiary companies
- ₹ 65,00,00,000 have been guaranteed by the relatives of promoter directors.

4.6 Public Deposits referred above to the extent of:

- ₹ 21,83,32,000 have been guaranteed by the chairman and managing director.

4.7 Maturity Profile of Long Term Borrowings are set out below:

(Amount in ₹)

| | 1-2 years | 2-3 years | 3-4 years | 4-5 years |
|---|--------------|--------------|-----------|-----------|
| - Term Loan from Bank | 3,30,00,000 | -- | -- | -- |
| - Vehicle/ Equipment Loan from Bank | 59,66,195 | 6,59,632 | 4,42,987 | 1,99,232 |
| - Term Loan from Corporate Bodies | 60,75,00,000 | 32,50,00,000 | -- | -- |
| - Vehicle/ Equipment Loan from Corporate Bodies | 1,26,60,728 | 75,62,555 | 22,92,932 | 5,97,877 |
| - Public Deposits | 15,25,26,000 | 14,42,43,000 | -- | -- |

NOTE 5 : DEFERRED TAX LIABILITIES (Net)

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|---------------------|------------------------|---------------------|
| a) Deferred Tax Assets | | | | |
| - Disallowances under Income Tax Act | | 37,31,163 | | 30,74,897 |
| b) Deferred Tax Liabilities | | | | |
| - Depreciation | 2,92,80,510 | | 2,65,40,563 | |
| - Interest Capitalised on Borrowing Cost | 17,08,91,997 | 20,01,72,507 | 14,38,66,199 | 17,04,06,762 |
| Deferred Tax Liability (Net) | | 19,64,41,344 | | 16,73,31,865 |

Notes to Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | As at 31st March, 2011 |
|---|------------------------|------------------------|
| NOTE 6 : OTHER LONG-TERM LIABILITIES | | |
| - Payable to Subsidiary Company | 13,05,98,970 | -- |
| | 13,05,98,970 | -- |

NOTE 7 : SHORT-TERM BORROWINGS

| | | |
|-----------------------------------|-----------------------|-----------------------|
| A) SECURED | | |
| From Bank | | |
| - Working Capital Loan from Bank | 67,28,39,669 | 71,48,48,396 |
| From Others | | |
| - Term Loan from Corporate Bodies | 20,00,00,000 | -- |
| B) UNSECURED | | |
| Public Deposits | 45,03,93,000 | 43,59,83,000 |
| | 1,32,32,32,669 | 1,15,08,31,396 |

NOTES:

- 7.1 Working Capital Loans from Scheduled Banks are secured by charge over stocks of materials, unsold finished stock, construction work-in-progress, book-debts of the Company.
- 7.2 Term Loan from Corporate Bodies are secured by way of mortgage of project land owned by Collaborator at Gurgaon and extension of mortgage of building located at Noida.
- 7.3 Working Capital Loan referred above to the extent of ₹ 67,28,39,669/- have been guaranteed by promoter directors.
- 7.4 Term Loan from Corporate Bodies referred above to the extent of ₹ 20,00,00,000/- have been guaranteed by promoter directors.

NOTE 8 : TRADE PAYABLES

| | | |
|---|-----------------------|---------------------|
| - Micro, Small and Medium Enterprises * | -- | -- |
| - Others | 1,77,54,67,433 | 76,92,31,410 |
| | 1,77,54,67,433 | 76,92,31,410 |

* Refer Note No. 31

NOTE 9 : OTHER CURRENT LIABILITIES

| | | |
|--|-----------------------|-----------------------|
| Current maturities of Long term debt | 98,98,23,072 | 91,03,89,866 |
| Interest accrued and due on borrowings | -- | 21,84,383 |
| Interest accrued but not due on borrowings | 6,62,84,843 | 4,93,00,174 |
| Unpaid/Unclaimed dividends | 40,85,988 | 37,37,396 |
| Unclaimed matured deposits (Including Interest accrued and due on unclaimed matured deposits) | 1,72,96,052 | 1,68,28,668 |
| Other payables | | |
| - Advances from Customers | 2,84,29,29,664 | 1,52,54,86,200 |
| - Security Deposits/ Retention Money | 8,30,47,807 | 6,38,31,437 |
| - Other payables | 26,19,26,634 | 15,45,14,866 |
| | 4,26,53,94,060 | 2,72,62,72,990 |

NOTES:

- 9.1 The Advances from Customers referred above includes ₹ 9,67,65,014/- received from subsidiary Companies.
- 9.2 The Other payables referred above includes statutory dues, book overdraft, commission payable to directors.
- 9.3 Other payables also includes ₹ 11,01,07,354/- payable to subsidiary Companies.

Notes to Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|--------------------|------------------------|--------------------|
| NOTE 10 : SHORT-TERM PROVISIONS | | | | |
| - Provision for Employee Benefits | | 1,08,90,181 | | 59,14,568 |
| - Provision for Income Tax | 75,75,03,309 | | | |
| Less: Advance Income Tax/ Tax deducted at source | 72,95,68,065 | 2,79,35,244 | | -- |
| - Proposed Dividend | | 2,00,40,737 | | 1,54,96,675 |
| - Tax on Dividend | | 32,51,109 | | 30,88,565 |
| | | 6,21,17,271 | | 2,44,99,808 |

NOTE 11 : FIXED ASSETS- TANGIBLE

| Particulars | Gross Block | | | | Depreciation Block | | | | Net Block | |
|----------------------------------|---------------------|---------------------------|------------------------------------|---------------------|---------------------|-------------------------------|-----------------------------|-----------------------|------------------------|-----------------------|
| | As at 01.04.2011 | Additions during the year | Sales/ adjustments during the year | As at 31.03.2012 | Upto 31.03.2011 | For the year ended 31.03.2012 | Adjustments during the year | Total upto 31.03.2012 | W D V As on 31.03.2012 | W D V As on 31.3.2011 |
| Building | | | | | | | | | | |
| - Owned | 6,38,74,791 | -- | -- | 6,38,74,791 | 17,42,946 | 10,41,158 | -- | 27,84,104 | 6,10,90,687 | 6,21,31,845 |
| - Leased | 16,34,99,070 | -- | -- | 16,34,99,070 | 4,65,40,311 | 26,63,317 | -- | 4,92,03,628 | 11,42,95,442 | 11,69,58,759 |
| Plant & Machinery | 12,38,52,398 | 5,04,13,499 | 83,63,634 | 16,59,02,263 | 2,13,95,548 | 1,28,56,966 | 4,64,195 | 3,37,88,319 | 13,21,13,944 | 10,24,56,850 |
| Furniture & Fixtures | 3,35,17,145 | 7,26,207 | -- | 3,42,43,352 | 1,92,07,937 | 21,30,992 | -- | 2,13,38,929 | 1,29,04,423 | 1,43,09,208 |
| Vehicles | 7,50,45,158 | 1,64,47,429 | 63,01,962 | 8,51,90,625 | 2,71,43,675 | 75,52,953 | 34,58,341 | 3,12,38,287 | 5,39,52,338 | 4,79,01,483 |
| Office Equipments | 1,41,91,535 | 15,50,012 | -- | 1,57,41,547 | 40,86,584 | 8,15,346 | -- | 49,01,930 | 1,08,39,617 | 1,01,04,951 |
| Air Conditioners & Refrigerators | 1,81,25,065 | 5,27,486 | -- | 1,86,52,551 | 61,90,020 | 8,20,869 | -- | 70,10,8899 | 1,16,41,662 | 1,19,35,045 |
| Computers | 4,55,19,447 | 24,54,880 | -- | 4,79,74,327 | 2,22,18,853 | 63,50,980 | -- | 2,85,69,813 | 1,94,04,514 | 2,33,00,594 |
| Leasehold Improvements | 45,05,035 | 6,53,398 | -- | 51,58,433 | 4,88,399 | 20,44,140 | -- | 25,32,539 | 26,25,894 | 40,16,636 |
| Kitchen Equipments | 1,11,31,151 | 38,647 | -- | 1,11,69,798 | 56,49,757 | 9,62,702 | -- | 66,12,459 | 45,57,339 | 54,81,394 |
| GRAND TOTAL | 55,32,60,795 | 7,28,11,558 | 1,46,65,596 | 61,14,06,757 | 15,46,64,030 | 3,72,39,403 | 39,22,536 | 18,79,80,897 | 42,34,25,860 | 39,85,96,765 |
| Previous Year | 46,30,18,542 | 10,19,09,142 | 1,16,66,889 | 55,32,60,795 | 13,30,71,552 | 2,81,09,015 | 65,16,537 | 15,46,64,030 | 39,85,96,765 | |

Notes :

11.1 Building were revalued on 31st March, 1996 on the basis of approved valuer's report resulting in a net increase of ₹ 9,23,49,883/-.

| | Current Year | Previous Year |
|---|--------------------|--------------------|
| 11.2 Depreciation has been charged to : | | |
| - Statement of Profit & Loss | 3,55,69,459 | 2,64,39,071 |
| - Revaluation Reserve | 16,69,944 | 16,69,944 |
| TOTAL | 3,72,39,403 | 2,81,09,015 |

11.3 Legal formalities relating to conveyance of freehold building having gross value of ₹ 6,38,74,791/- (Previous year ₹ 6,38,74,791/-) and lease deed of leasehold buildings having gross value of ₹ 12,18,48,692/- (Previous year ₹ 12,18,48,692/-) are pending execution.

Notes to Financial Statements for the year ending 31st March, 2012

NOTE 12 : NON-CURRENT INVESTMENTS

(Amount in ₹)

| | Face Value (₹ Each) | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|----------------------------|---------------------|----------------------------|---------------------|
| | | Quantity (Shares/Units) | Book Value | Quantity (Shares/Units) | Book Value |
| A) TRADE INVESTMENTS (At Cost) | | | | | |
| - Investment in Equity shares | | | | | |
| Unquoted, fully paid up | | | | | |
| - Wholly Owned Subsidiary Companies | | | | | |
| (a) Housing and Construction Lanka Pvt. Ltd. | SLR 10 | 10098100 | 4,91,66,740 | 10098100 | 4,91,66,740 |
| (b) Geo Connect Ltd. (See Note- 12.1) | 10 | 9879250 | 9,89,71,689 | 9879250 | 9,89,71,689 |
| (c) Wrangler Builders Pvt. Ltd. (See Note- 12.1) | 10 | 10000 | 1,00,250 | 10000 | 1,00,250 |
| (d) Maestro Promoters Pvt. Ltd. | 10 | 10000 | 1,00,250 | 10000 | 1,00,250 |
| (e) Anjuman Buildcon Pvt. Ltd. (See Note- 12.1) | 10 | 10000 | 1,00,000 | 10000 | 1,00,000 |
| (f) A. R. Paradise Pvt. Ltd. | 100 | 10000 | 10,02,500 | 10000 | 10,02,500 |
| (g) Fenny Real Estates Pvt. Ltd. (See Note- 12.1) | 10 | 20000 | 2,00,530 | 20000 | 2,00,530 |
| (h) A.R.Infrastructure Pvt. Ltd. (at a premium of ₹ 90/- per share) | 10 | 49200 | 49,32,300 | 49200 | 49,32,300 |
| (i) Third Eye Media Pvt Ltd. | 10 | 10000 | 1,00,000 | 10000 | 1,00,000 |
| (j) Avee Iron & Steel Works Pvt. Ltd. (at a premium of ₹ 300 per share) (See Note- 12.1) | 100 | 3095 | 12,41,095 | 3095 | 12,41,095 |
| (k) Sunrise Facility Management Pvt. Ltd. | 10 | 10000 | 1,00,000 | 10000 | 1,00,000 |
| (l) Enchant Construction Pvt. Ltd. | 10 | 10000 | 1,00,000 | 10000 | 1,00,000 |
| (m) Sonu Buildwell Pvt. Ltd. | 10 | 10000 | 1,00,000 | 10000 | 1,00,000 |
| (n) Rishu Buildtech Pvt. Ltd. | 10 | 10000 | 1,00,000 | 10000 | 1,00,000 |
| - Others | | | | | |
| (a) Sun City Hi-Tech Projects Pvt. Ltd. | 10 | 250 | 2,500 | 250 | 2,500 |
| (b) Sun City HiTech Infrastructure Pvt. Ltd. (Class B) | 10 | -- | -- | 260 | 2,600 |
| (c) Infinet India Ltd. | 10 | 100 | 1,000 | 100 | 1,000 |
| - Investment in Preference Shares | | | | | |
| Unquoted, fully paid up | | | | | |
| - Wholly Owned Subsidiary Companies | | | | | |
| (a) GEO Connect Ltd. (12% Cumulative redeemable shares) | 100 | 435000 | 4,35,00,000 | 435000 | 4,35,00,000 |
| B) NON TRADE INVESTMENTS | | | | | |
| - Investment in Mutual Funds (Fully Paid up) | | | | | |
| Quoted, fully paid up | | | | | |
| - Units in Mutual Fund | | | | | |
| (a) Master Gain Units of Unit Trust of India. | 10 | 7500 | 75,000 | 7500 | 75,000 |
| (b) Axis Equity Fund -Growth | 10 | 100000 | 10,00,000 | 100000 | 10,00,000 |
| (c) Principal Emerging Blue Chip- Regular Growth Plan | 28.91 | 17295.054 | 5,00,000 | 17295.054 | 5,00,000 |
| (d) Reliance regular Savings Fund- Balanced Plan-Dividend Plan | 16.968 | 58932.034 | 10,00,000 | 58932.034 | 10,00,000 |
| (e) Canara Robeco Indigo Growth Fund | 10 | 50000 | 5,00,000 | 50000 | 5,00,000 |
| (f) Principal Large Cap Fund- Growth Plan- Equity Scheme | 27.620 | 18102.824 | 5,00,000 | 18102.824 | 5,00,000 |
| (g) Principal Smart Equity Fund- Growth Plan | 10 | 50000 | 5,00,000 | 50000 | 5,00,000 |
| | | | 20,38,93,854 | | 20,38,96,454 |

Notes to Financial Statements for the year ending 31st March, 2012

NOTE 12 : NON-CURRENT INVESTMENTS (Contd.)

(Amount in ₹)

| | Face Value (₹ Each) | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|----------------------------|---------------|----------------------------|---------------|
| | | Quantity (Shares/Units) | Book Value | Quantity (Shares/Units) | Book Value |
| NOTES: | | | | | |
| 12.1 Shares pledged with SICOM Ltd as security for Term Loan: | | | | | |
| - Geo Connect Ltd. | 10 | 5038430 | 5,03,84,300 | 5038430 | 5,03,84,300 |
| - Wrangler Builders Pvt. Ltd. | 10 | 5100 | 51,000 | 5100 | 51,000 |
| - Anjuman Buildcon Pvt. Ltd. | 10 | 5100 | 51,000 | 5100 | 51,000 |
| - Fenny Real Estates Pvt. Ltd. | 10 | 5100 | 51,000 | 5100 | 51,000 |
| - Avee Iron & Steel Works Pvt. Ltd. | 100 | 3095 | 12,41,095 | 3095 | 12,41,095 |
| 12.2 Quoted Investments | | | | | |
| - Aggregate amount | | | 40,75,000 | | 40,75,000 |
| - Market value | | | 69,43,775 | | 43,10,316 |
| 12.3 Unquoted Investments | | | | | |
| - Aggregate amount | | | 19,98,18,854 | | 19,98,21,454 |

NOTE 13 : LONG-TERM LOANS AND ADVANCES

(Unsecured-considered good)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--------------------------------|------------------------|--------------------|------------------------|--------------------|
| - Loans to related parties | | | | |
| Wholly owned subsidiary | | | | |
| - Geo Connect Limited | | 5,00,00,000 | | 5,00,00,000 |
| - Housing Loan to Staff | | 23,80,184 | | 17,16,421 |
| - Deposit with Corporates | | 83,87,731 | | 82,87,588 |
| | | 6,07,67,915 | | 6,00,04,009 |

NOTE 14 : INVENTORIES

| | | | | |
|--|----------------|-----------------------|----------------|-----------------------|
| - Building Materials, Restaurant's Provisions, Beverages etc. & stores | 21,98,06,004 | | 14,77,30,590 | |
| - Flats, Houses & Farm Land | 10,46,32,439 | | 11,32,89,035 | |
| - Land | 47,85,39,646 | | 50,22,19,327 | |
| - Projects in progress | 7,67,34,36,285 | 8,47,64,14,374 | 4,57,25,79,206 | 5,33,58,18,158 |
| | | 8,47,64,14,374 | | 5,33,58,18,158 |

* For Valuation of Inventories, refer Note No. 1.4

NOTE 15 : TRADE RECEIVABLES

| Trade Receivables | | | | |
|---|----------------|-----------------------|--------------|---------------------|
| (Unsecured-considered good) | | | | |
| - Outstanding for a period exceeding six months | 17,67,57,030 | | 11,33,17,563 | |
| - Others | 1,03,20,95,119 | 1,20,88,52,149 | 54,23,41,050 | 65,56,58,613 |
| | | 1,20,88,52,149 | | 65,56,58,613 |

Notes to Financial Statements for the year ending 31st March, 2012

NOTE 16 : CASH AND BANK BALANCES

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|---------------------|------------------------|---------------------|
| A) CASH AND CASH EQUIVALENTS | | | | |
| Balance with Banks: | | | | |
| - In current account | 6,52,95,547 | | 2,42,91,693 | |
| - In fixed deposits with original maturity less than 3 months | 3,00,16,644 | | -- | |
| - Cash in hand (including imprest with staff) | 2,07,29,292 | | 1,73,47,918 | |
| | | 11,60,41,483 | | 4,16,39,611 |
| B) OTHER BANK BALANCES | | | | |
| - Earmarked balances with banks | | | | |
| a Unpaid Dividend Bank accounts | 42,32,603 | | 39,71,038 | |
| b Money kept in escrow accounts | 2,21,45,026 | | 1,55,28,462 | |
| | 2,63,77,629 | | 1,94,99,500 | |
| - Fixed deposits held as margin money or security against: | | | | |
| a Guarantees | 7,49,90,628 | | 6,11,43,690 | |
| b Bank Deposit pledged with authorities | 51,05,920 | 10,64,74,177 | 9,01,552 | 8,15,44,742 |
| - Other Fixed Deposits with Banks * | | 3,48,27,560 | | 5,61,26,492 |
| | | 25,73,43,220 | | 17,93,10,845 |

* Fixed Deposits with Banks includes deposits of ₹16,35,182/- (Previous year ₹16,19,996/-) with maturity of more than 12 months.

NOTE 17 : SHORT-TERM LOANS AND ADVANCES

(Unsecured-considered good)

| | | | | |
|--|----------------|-----------------------|----------------|-----------------------|
| - Housing Loan to Staff | | 10,16,012 | | 6,18,533 |
| - Advances against Land/Projects: | | | | |
| - To Related Parties | | | | |
| Wholly Owned Subsidiaries | | | | |
| - Maestro Promoters Pvt. Ltd. | 3,15,15,148 | | 2,13,07,107 | |
| - Wrangler Builders Pvt. Ltd. | 20,68,24,838 | | 7,09,11,601 | |
| - Geo Connect Ltd. | 63,95,854 | | 2,11,67,739 | |
| - Anjuman Buildcon Pvt. Ltd. | 15,60,89,424 | | 11,54,38,733 | |
| - A R Infrastructure Pvt. Ltd. | 1,18,55,901 | | 2,08,55,901 | |
| - A R Paradise Pvt. Ltd. | 1,73,19,688 | | 1,89,69,688 | |
| - Fenny Real Estates Pvt. Ltd | 14,76,820 | | 14,76,820 | |
| - Enchant Constructions Pvt Ltd. | 1,80,94,000 | | 1,80,44,000 | |
| - Third Eye Media Pvt Ltd. | 10,07,795 | | 9,88,218 | |
| - Sonu Buildwell Pvt. Ltd. | 76,00,000 | | 76,00,000 | |
| - Sunrise Facility Management Pvt. Ltd. | 1,00,000 | | -- | |
| - Rishu Buildtech Pvt. Ltd. | 74,00,000 | | 74,00,000 | |
| | 46,56,79,468 | | 30,41,59,807 | |
| - Others (Includes Security Deposits paid to Collaborators) | 1,05,38,10,695 | 1,51,94,90,163 | 1,70,86,25,871 | 2,01,27,85,678 |
| - MAT Credit Receivable | | -- | | 1,54,68,466 |
| - Advance Income Tax/ Tax deducted at source | | | 62,52,73,164 | |
| Less: Provision for Income Tax | | | -- | 44,06,893 |
| - Other advances * | | 29,52,38,607 | | 20,36,17,314 |
| | | 1,81,57,44,782 | | 2,23,68,96,884 |

* Other Advances includes Advance to Contractors, Creditors, Suppliers, Security Deposit paid.

Notes to Financial Statements for the year ending 31st March, 2012

NOTE 18 : REVENUE FROM OPERATIONS

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|-----------------------|------------------------|-----------------------|
| A) Real Estate Operations | | | | |
| - Sale of Commercial/Residential Flats, Shops, Houses and Plots | 3,71,07,14,269 | | 2,66,90,12,090 | |
| - Interest From Customers | 5,05,23,954 | | 3,15,33,936 | |
| - Rent Received | 5,99,73,371 | | 5,70,68,197 | |
| - Administration Charges | 2,00,64,001 | | 1,35,26,028 | |
| - Forfeiture against cancellation | 3,50,04,842 | | 5,42,64,354 | |
| - Marketing & Management Services | 2,02,45,068 | 3,89,65,25,505 | 1,27,72,512 | 2,83,81,77,117 |
| B) Hospitality Operations | | | | |
| - Sale of Food & Beverage | 9,47,79,977 | | 8,24,38,566 | |
| - Other Income | 87,94,944 | 10,35,74,921 | 71,77,949 | 8,96,16,515 |
| | | 4,00,01,00,426 | | 2,92,77,93,632 |

NOTE 19 : OTHER INCOME

| | | | | |
|---|-------------|--------------------|-------------|---------------------|
| - Profit on Sale of Fixed Assets | | 13,299 | | -- |
| - Profit on Sale of Long Term Investments (Refer Note No. 30) | | -- | | 8,02,68,093 |
| - Income From Investments (Non Current) | | | | |
| - Dividend | | 58,932 | | 1,17,864 |
| - Interest | | | | |
| - From Bank | 1,13,63,299 | | 73,06,072 | |
| - From Others | 13,44,720 | 1,27,08,019 | 1,95,86,463 | 2,68,92,535 |
| - Miscellaneous Income | | 2,11,44,839 | | 1,35,13,923 |
| | | 3,39,25,089 | | 12,07,92,415 |

NOTE 20 : COST OF CONSTRUCTION

| | | | |
|---|------------------------|--|-----------------------|
| Opening Balance of Projects-in- Progress Account | 4,57,25,79,205 | | 4,26,33,15,207 |
| Add : Expenses Incurred during the year | | | |
| - Payments Against Land | 2,52,63,71,227 | | 18,99,19,884 |
| - Expenses Through Contractors | 71,19,46,690 | | 84,94,58,599 |
| - Materials/Stores Consumed | 74,08,43,044 | | 35,75,07,559 |
| - Plan Submission Fee | 6,88,06,653 | | 10,12,65,602 |
| - Brokerage and Commission | 4,64,57,759 | | 2,44,10,239 |
| - Advertisement and Publicity | 5,90,77,296 | | 7,05,21,723 |
| - Salary, Wages & Other Benefits | 7,56,38,467 | | 6,31,22,783 |
| - External Development Charges | 1,06,08,21,795 | | 15,18,80,849 |
| - Infrastructure Development Charges | 6,78,63,563 | | 3,45,29,336 |
| - Sundry Expenses | 14,43,47,889 | | 10,57,95,201 |
| - Interest on Loan | 20,70,87,156 | | 14,30,76,296 |
| - Lease Rent | 4,79,822 | | 2,74,349 |
| - Repair and Maintenance- Plant and Machinery | 22,45,856 | | 17,18,428 |
| - Architect Fees | 2,38,45,170 | | 57,05,964 |
| | 10,30,84,11,592 | | 6,36,25,02,019 |
| Less: | | | |
| - Miscellaneous Income | 6,07,335 | | 13,99,271 |
| - Project Marketing and Selling Expenses | 13,03,69,510 | | 12,50,90,206 |
| - Closing Balance of Project-in- Progress Account | 7,67,34,36,285 | | 4,57,25,79,205 |
| Cost of Construction charged to Statement of Profit and Loss | 2,50,39,98,462 | | 1,66,34,33,337 |

Notes to Financial Statements for the year ending 31st March, 2012

NOTE 21 : CONSUMPTION OF FOOD & BEVERAGES- HOSPITALITY DIVISION

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|--------------------|------------------------|--------------------|
| Opening Stock | | 57,26,594 | | 59,18,985 |
| Add : Purchases during the year | | 3,68,83,922 | | 3,18,17,249 |
| Less: Closing Stock | | 53,03,419 | | 57,26,594 |
| | | 3,73,07,097 | | 3,20,09,640 |

NOTE 22 : (INCREASE)/ DECREASE IN STOCKS

| | | | | |
|--|--------------|------------------|--------------|----------------------|
| Stock as on 31.03.2012 | | | | |
| - Commercial Flats, Shops, Houses, Plots, Farms etc. | 10,46,32,439 | | 11,32,89,035 | |
| Stock as on 31.03.2011 | | | | |
| - Commercial Flats, Shops, Houses, Plots, Farms etc. | 11,32,89,034 | 86,56,595 | 7,92,83,553 | (3,40,05,482) |
| | | 86,56,595 | | (3,40,05,482) |

NOTE 23 : EMPLOYEE BENEFITS EXPENSE

| | | | | |
|---|--|---------------------|--|---------------------|
| - Salaries, Wages, Commssion and Other Benefits | | 19,68,90,827 | | 14,82,37,252 |
| - Contribution to Provident and Other Funds | | 1,53,58,720 | | 1,82,61,159 |
| - Staff Welfare | | 69,75,291 | | 49,86,142 |
| | | 21,92,24,838 | | 17,14,84,553 |

NOTE 24 : FINANCE COST

| | | | | |
|---|--|---------------------|--|---------------------|
| Interest Expense | | 55,09,19,230 | | 49,47,68,621 |
| Other Borrowing Costs | | 1,36,46,138 | | 2,47,94,091 |
| | | 56,45,65,368 | | 51,95,62,712 |
| Less: Interest Charged to Project in Progress | | 20,70,87,156 | | 14,30,76,296 |
| | | 35,74,78,212 | | 37,64,86,416 |

NOTE 25 : OTHER EXPENSES

| | | | | |
|---------------------------|-----------|-------------|-----------|-------------|
| Rent | | 5,53,13,402 | | 4,91,00,046 |
| Repair and Maintenance | | | | |
| - Plant and Machinery | 5,64,696 | | 5,07,708 | |
| - Building | 2,81,717 | | 3,98,799 | |
| - Others | 98,25,920 | 1,06,72,333 | 82,12,232 | 91,18,739 |
| Advertisement & Publicity | | 45,97,386 | | 33,09,578 |
| Bank Charges | | 1,11,24,893 | | 1,01,71,333 |
| Postage & Telephone | | 65,35,435 | | 59,75,293 |
| Printing & Stationery | | 34,39,136 | | 37,40,491 |
| Travelling & Conveyance | | 1,84,18,672 | | 1,79,04,722 |
| Insurance | | 19,08,489 | | 16,76,061 |
| Office Maintenance | | 84,00,455 | | 93,60,049 |
| Electricity | | 75,17,413 | | 69,91,438 |
| Payment to Auditors | | | | |
| - Audit Fee | 12,40,875 | | 10,26,500 | |
| - For Other Services | 1,70,965 | 14,11,840 | 1,48,210 | 11,74,710 |

Notes to Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|---------------------|------------------------|---------------------|
| Directors' Fees | | 9,40,000 | | 9,60,000 |
| Charity & Donations | | 1,10,000 | | 39,000 |
| Loss on Sale of Fixed Assets | | 8,79,988 | | 44,09,238 |
| Miscellaneous Expenses | | 3,70,97,059 | | 2,81,01,787 |
| Amounts Written Off | | 1,92,02,550 | | 4,96,49,493 |
| Franchise Management Fee | | 42,30,543 | | 35,32,624 |
| Legal & Professional Charges | | 3,16,23,743 | | 3,25,52,273 |
| Business Promotion | | 30,45,583 | | 18,70,826 |
| Rates & Taxes | | 23,46,064 | | 33,84,559 |
| | | 22,88,14,984 | | 24,30,22,260 |
| Add : Project Marketing and Selling Expenses | | 13,03,69,510 | | 12,50,90,206 |
| Other Expenses for current period | | 35,91,84,494 | | 36,81,12,466 |
| Add : Prior Period Expenses (Net) | | 38,43,044 | | 80,03,262 |
| Total Other Expenses | | 36,30,27,538 | | 37,61,15,728 |

NOTE 26 : CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

| | | | |
|--|--|---------------------|---------------------|
| A) Contingent Liabilities | | | |
| i) Guarantees | | | |
| - Guarantees given by the Company to Banks/ Financial Institutions against credit facilities extended to third parties. (to the extent of outstanding Loan amount) | | 49,23,95,136 | 36,23,95,136 |
| ii) Claims against the Company not acknowledged as Debts | | | |
| - Income Tax/ Wealth Tax demand being disputed by the Company | | 4,65,09,090 | 4,46,25,110 |
| - Sales Tax demand being disputed by the Company | | 2,46,85,005 | 8,37,77,000 |
| - Stamp Duty demand being disputed by the Company | | 9,61,46,726 | 9,78,28,068 |
| - Service Tax demand being disputed by the Company | | 2,71,30,632 | 2,71,30,632 |
| - Claims by customers for refund of amount deposited/ Compensation/ Interest | | 5,51,86,256 | 3,45,24,217 |
| - Other Claims against the Company not acknowledged as debts | | 68,93,124 | 69,75,525 |
| | | 74,89,45,969 | 65,72,55,688 |

B) Capital and Other Commitments

- Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 26,21,205/- (Previous year ₹ Nil)
- The Board of Directors of the Company, in the meeting held on 02.12.2011, approved buy back of 25,00,000 equity shares of ₹10/- each at a maximum price of ₹ 45/- per share for an amount not exceeding ₹11,25,00,000/-. During the year, the Company has bought back 1,78,272 shares. The balance commitment of the Company under buy-back scheme is 23,21,728 shares at a maximum price of ₹ 45/- per share.
- The Company has entered into joint development agreements with owners of land for its construction and development. Under the agreements, the Company is required to share in area/ revenue from such development in exchange of undivided share in land as stipulated under the agreements. As of March 31,2012 the Company has paid ₹ 32,19,43,125/- (Previous year ₹ 39,70,10,905/-) as refundable deposits against the joint development agreements. Further, the Company has given advances for purchase of land. Under the agreements executed with the land owners, the Company is required to make further payments under the agreements based on terms/ milestones stipulated under the agreement.

Notes to Financial Statements for the year ending 31st March, 2012

- 27 In respect of block assessment for the period 1st April, 1989 to 10th February, 2000, Income Tax Appellate Tribunal (ITAT) has given full relief to the Company and rejected department's ground of appeal, for tax claim of ₹1,27,06,760/- (Previous year ₹1,27,06,760/-). Further, in respect of assessment of certain years, demands had been raised by the Income Tax Department against the Company amounting to ₹ 7,25,24,050/- (previous year ₹ 7,51,90,731/-) approx by disallowing deduction under sections 80(IB) of the Income Tax Act, 1961. The appeals filed by the Company have been decided in its favour by CIT(Appeals)/ITAT. The tax department has gone for further reference in the above matters to ITAT / High Court. The Company has been legally advised that it has a good case to succeed in the above matters.
- 28 Inventory of Land includes ₹15,03,32,469/- (Previous year ₹20,06,41,591/-) acquired by subsidiary companies. The land is registered in the name of the subsidiary companies but is under the possession and control of the Company for development and sale of Real Estate Projects in terms of collaboration agreement with these companies.
- 29 The Company is engaged primarily in the business of Real Estate development and also running Hospitality Business. However, there are no separate reportable segments as per criterion set out under Accounting Standard 17 on Segment Reporting in the Company. The Company is operating in India, hence there is no reportable geographical segment.
- 30 During the previous year, the company sold its entire shareholding consisting of 48,00,000 equity shares of ₹10/- each representing 40% of investment in Capital Cars Pvt. Ltd. for a consideration of ₹ 12,82,68,093/-. Consequent to this sale, Capital Cars Pvt Ltd ceased to be a joint venture of the company with effect from 29th September, 2010. The profit on sale of investment of ₹ 8,02,68,093/- lacs was shown under " Other Income" in the Statement of Profit and Loss.
- 31 The Company has not received intimation from suppliers regarding the status under Micro Small Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to the amounts unpaid at the year end together with interest payable as required under the said Act have not been given.
- 32 **Particulars of Earning per share (Basic & Diluted)**

| | Current Year | Previous Year |
|--|--------------|---------------|
| - Net Profit for the year after prior period items (₹) (Numerator) | 32,75,48,332 | 32,37,12,129 |
| - Number of Equity shares at the beginning of the year | 1,93,70,844 | 1,84,70,844 |
| - Number of Equity shares at the year end | 2,02,53,996 | 1,93,70,844 |
| - Weighted Average number of equity shares outstanding during the year (Denominator) | 2,00,08,228 | 1,88,08,652 |
| - Nominal value of the equity share (₹) | 10.00 | 10.00 |
| - Basic & diluted earning per share (₹) | 16.37 | 17.21 |

Note : The Company has issued warrants to promoters of the Company which are convertible into equity shares at the option of the holder within 18 months of the allotment of warrants. Since the warrants have been issued at fair value, these are considered neither dilutive nor anti-dilutive and hence, these have not been considered in the computation of diluted earnings per share in accordance with Accounting Standard 20 on 'Earning Per Share'.

33 Buy-Back of Equity Shares

The Board of Directors of the Company, during their meeting held on 02.12.2011, approved the buy back of 25,00,000 equity shares of ₹10/- each at maximum price of ₹ 45/- per share for an amount not exceeding ₹11,25,00,000/- The Board decided to implement the buy-back offer through the open market purchases in the Stock Exchanges.

Persuant to the offer, the Company from January 25,2012 to March 31,2012, has bought back 1,78,272 equity shares of ₹10/- each aggregating to ₹ 75,80,530/-. The Company had extinguished 1,16,848 equity shares upto March 31,2012 and the balance 61,424 equity shares were extinguished subsequent to the year end. Accordingly, ₹17,82,720 has been reduced from paid-up equity share capital and in accordance with the provisions of section 77A of the Companies Act, 1956, ₹ 57,97,810/- has been utilized from Securities Premium Account.

In terms of Section 77AA of the Companies Act, 1956, an amount of ₹ 17,82,720/- has been transferred to Capital Redemption Reserve.

34 Operating Lease

The Company has taken various residential / commercial premises under cancelable operating leases. These leases are normally renewable on expiry. The rental expenses in respect of operating leases amounting to ₹ 5,53,13,402/- (previous year ₹ 4,91,00,046/-) has been charged to the statement of profit and loss.

35 The disclosures of Employee Benefits as defined in Accounting Standard 15 are given below:

A. Defined Benefit Plan

- Gratuity:** The employees' gratuity fund scheme managed by Trust is a defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.
- Leave Encashment-** The company also has a leave encashment scheme with defined benefits for its employees. The company makes provision for such liability in books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

Notes to Financial Statements for the year ending 31st March, 2012

I Reconciliation of opening and closing balances of Defined Benefit Obligation (Amount in ₹)

| | Gratuity (Funded) | | Leave Encashment (Unfunded) | |
|--|-------------------|-------------|-----------------------------|---------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| - Present Value of Obligation at beginning of the year | 2,68,26,660 | 1,83,82,928 | -- | -- |
| - Interest cost | 21,46,133 | 14,70,634 | -- | -- |
| - Current Service Cost | 26,50,591 | 17,73,383 | 1,08,90,181 | -- |
| - Benefits Paid | (36,92,790) | (10,44,750) | -- | -- |
| - Actuarial (Gain)/Loss on obligations | (11,99,469) | 62,44,465 | -- | -- |
| - Present Value of Obligation at end of the year | 2,67,31,125 | 2,68,26,660 | 1,08,90,181 | -- |

II Reconciliation of opening and closing balances of fair value of plan assets

| | Gratuity (Funded) | | Leave Encashment (Unfunded) | |
|--|-------------------|-------------|-----------------------------|---------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| - Fair value of plan assets at beginning of the year | 2,09,12,092 | 192,52,559 | -- | -- |
| - Expected return on plan assets | 23,59,067 | 18,04,062 | -- | -- |
| - Contributions | 85,60,584 | 9,00,221 | -- | -- |
| - Benefits Paid | (36,92,790) | (10,44,750) | -- | -- |
| - Actuarial Gain / (Loss) on Plan assets | -- | -- | -- | -- |
| - Fair value of plan assets at end of the year | 2,81,38,953 | 2,09,12,092 | -- | -- |

III Reconciliation of fair value of assets and obligations

| | Gratuity (Funded) | | Leave Encashment (Unfunded) | |
|--|------------------------|------------------------|-----------------------------|------------------------|
| | As at 31st March, 2012 | As at 31st March, 2011 | As at 31st March, 2012 | As at 31st March, 2011 |
| - Fair value of plan assets at end of the year | 2,81,38,953 | 2,09,12,092 | -- | -- |
| - Present Value of Obligation at end of the year | 2,67,31,125 | 2,68,26,660 | 1,08,90,181 | -- |
| - Amount recognized in Balance Sheet | (14,07,828) | 59,14,568 | 1,08,90,181 | -- |

IV Expenses recognized in Profit & Loss Statement

| | Gratuity (Funded) | | Leave Encashment (Unfunded) | |
|--|------------------------|------------------------|-----------------------------|------------------------|
| | As at 31st March, 2012 | As at 31st March, 2011 | As at 31st March, 2012 | As at 31st March, 2011 |
| - Current Service Cost | 26,50,591 | 17,73,383 | 1,08,90,181 | -- |
| - Interest Cost | 21,46,133 | 14,70,634 | -- | -- |
| - Expected return on plan assets | 23,59,067 | 18,04,062 | - | -- |
| - Net Actuarial (Gain)/Loss recognised in the year | (11,99,469) | 62,44,465 | -- | -- |
| - Expenses recognised in Profit & Loss Statement | 12,38,188 | 76,84,420 | 1,08,90,181 | -- |

V Actuarial Assumptions

| | Gratuity (Funded) | | Leave Encashment (Unfunded) | |
|---------------------------------|-------------------|---------|-----------------------------|---------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| - Discount Rate (per annum) | 8.0% | 8.0% | 8.5% | -- |
| - Salary Escalation (per annum) | 6.0% | 6.0% | 6.0% | -- |

NOTES:

35.1 The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market.

Notes to Financial Statements for the year ending 31st March, 2012

35.2 The Company has introduced leave encashment policy for its employees in the current year. Hence there are no corresponding figures for leave encashment in the previous year.

B. Defined Contribution Plan

The Company makes provident fund contribution to defined contribution retirement benefit plan for its employees. Under the scheme, the company deposits an amount determined as a specified percentage of basic pay with the regional provident fund commissioner. Contribution to defined contribution plan reconized as expense for the year is ₹1,11,57,053/- (Previous year ₹ 90,93,608/-).

36 Related Party Disclosures

As per Accounting Standard- 18, the disclosures of transactions with related parties are given below:

a) Names of the related parties where control exists and related parties with whom transactions have taken place and relationships:

- | | |
|---|---|
| 1. Wholly Owned Subsidiaries | M/s Geo Connect Ltd. M/s Housing & Construction Lanka Pvt. Ltd. M/s Maestro Promoters Pvt. Ltd. M/s Wrangler Builders Pvt. Ltd. M/s Anjuman Buildcon Pvt. Ltd. M/s A R Infrastructure Pvt. Ltd. M/s A R Paradise Pvt. Ltd. M/s Fenny Real Estates Pvt. Ltd. M/s Third Eye Media Pvt Ltd. M/s Sunrise Facility Management Pvt. Ltd. M/s Aevee Iron & Steel Works Pvt. Ltd. M/s Enchant Constructions Pvt. Ltd. M/s Rishu Buildtech Pvt. Ltd. M/s Sonu Buildwell Pvt. Ltd. |
| 2. Key Management Personnel | Mr. Deepak Ansal (Chairman & Managing Director) Mr. Kushagr Ansal (Whole Time Director) Mr. Karun Ansal (President) |
| 3. Relatives of Key Management Personnel | Ms. Divya Ansal (wife of Mr. Deepak Ansal) M/s Deepak Ansal-(H.U.F)- (Karta Mr. Deepak Ansal) Ms. Megha Ansal (wife of Mr. Kushagr Ansal) Ms. Neha Ansal (wife of Mr. Karun Ansal) |
| 4. Joint Venture | M/s Capital Cars Pvt. Ltd. (upto 29.09.2010, Refer Note No. 30) |
| 5. Associates | |
| 5.1 Enterprise in which Key Management personnel having substantial interest | M/s Infinet India Ltd. M/s Akash Deep Portfolios Pvt. Ltd. M/s Suraj Kumari Charitable Trust M/s Ansal Clubs Pvt. Ltd. M/s Sungrace Security Services Pvt. Ltd. M/s Snow White Cable Network Pvt. Ltd. M/s Global Consultant & Designers Pvt. Ltd. M/s Glorious Properties Pvt. Ltd. |
| 5.2 Enterprises in which relative of Key Management personnel having substantial interest | M/s Ansal Buildwell Ltd. |

Notes to Financial Statements for the year ending 31st March, 2012

36 Related Party Disclosures

b) The following transactions were carried out with the related parties in the ordinary course of business

(Amount in ₹)

| | Current Year | | | | Previous Year |
|--|--------------|--------------------------|---------------------------------------|----------------------------|---------------|
| | Subsidiaries | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total |
| Remuneration | | | | | |
| Mr. Deepak Ansal | | 2,78,70,103 | | | 2,78,70,103 |
| Ms. Divya Ansal | | | 57,53,848 | | 57,53,848 |
| Mr. Karun Ansal | | 1,21,45,371 | | | 1,21,45,371 |
| Mr. Kushagr Ansal | | 1,49,85,596 | | | 1,49,85,596 |
| Retainership Fee | | | | | |
| Ms. Megha Ansal | | | 5,40,000 | | 5,40,000 |
| Ms. Neha Ansal | | | 2,70,000 | | 2,70,000 |
| Rent paid | | | | | |
| Ms. Divya Ansal | | | 25,44,456 | | 25,44,456 |
| Mr. Deepak Ansal | | 34,05,623 | | | 34,05,623 |
| Amount paid under Collaboration | | | | | |
| Mr. Deepak Ansal and Mr. Kushagr Ansal | | 51,69,442 | | | 51,69,442 |
| Rent received | | | | | |
| M/s Ansal Clubs Pvt. Ltd. | | | | 10,24,662 | 10,24,662 |
| Interest on Advance agst. Booking | | | | | |
| M/s Geo Connect Ltd | 3,98,68,116 | | | | 3,98,68,116 |
| Compensation paid to | | | | | |
| M/s Geo Connect Ltd | 69,65,250 | | | | 69,65,250 |
| Expenses Reimbursed to | | | | | |
| M/s Ansal Clubs Pvt. Ltd. | | | | 4,49,395 | 4,49,395 |
| M/s Capital Cars Pvt. Ltd. | | | | -- | -- |
| M/s Geo Connect Ltd. | 63,52,039 | | | | 63,52,039 |
| Expenses Reimbursed from | | | | | |
| M/s Geo Connect Ltd. | 4,100 | | | | 4,100 |
| M/s Ansal Clubs Pvt. Ltd. | | | | | 10,51,819 |
| Investment sold during the year | | | | | |
| M/s Capital Cars Pvt. Ltd. | | | | -- | -- |
| Advance Received | | | | | |
| Mr. Deepak Ansal | | 4,75,08,043 | | | 4,75,08,043 |
| M/s Deepak Ansal (HUF) | | | -- | | -- |
| Ms. Divya Ansal | | | 36,00,000 | | 36,00,000 |
| Mr. Kushagr Ansal | | 96,00,000 | | | 96,00,000 |
| Mr. Karun Ansal | | 17,00,000 | | | 17,00,000 |

Notes to Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| | Current Year | | | | | Previous Year |
|---|---------------|--------------------------|---------------------------------------|----------------------------|---------------|---------------|
| | Subsidiaries | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total | Total |
| Advance Repayment | | | | | | |
| Mr. Deepak Ansal | | 4,62,80,666 | | | 4,62,80,666 | 3,25,13,400 |
| M/s Deepak Ansal (HUF) | | | 13,00,000 | | 13,00,000 | 10,00,000 |
| Ms. Divya Ansal | | | 88,50,000 | | 88,50,000 | 2,74,00,000 |
| Mr. Kushagr Ansal | | 95,21,731 | | | 95,21,731 | 2,39,00,000 |
| Mr. Karun Ansal | | 12,00,000 | | | 12,00,000 | 1,30,00,000 |
| Advance Paid to/ (Recovered from)- Net | | | | | | |
| M/s Maestro Promoters Pvt. Ltd. | 1,02,08,041 | | | | 1,02,08,041 | 1,18,23,774 |
| M/s Wrangler Builders Pvt. Ltd. | 16,01,30,527 | | | | 16,01,30,527 | 4,22,54,082 |
| M/s Geo Connect Ltd. | (1,47,71,885) | | | | (1,47,71,885) | 1,38,25,248 |
| M/s Anjuman Buildcon Pvt. Ltd. | 4,06,50,691 | | | | 4,06,50,691 | (20,69,528) |
| M/s A.R. Infrastructure Pvt. Ltd. | (90,00,000) | | | | (90,00,000) | (20,00,000) |
| M/s A.R. Paradise Pvt. Ltd. | (16,50,000) | | | | (16,50,000) | 1,60,330 |
| M/s Fenny Real Estate Pvt. Ltd. | -- | | | | -- | (14,00,000) |
| M/s Enchant Constructions Pvt. Ltd. | 50,000 | | | | 50,000 | -- |
| M/s Third Eye Media Pvt. Ltd. | 19,577 | | | | 19,577 | (3,00,000) |
| M/s Rishu Buildtech Pvt. Ltd. | -- | | | | -- | 53,00,000 |
| M/s Sonu Buildwell Pvt. Ltd. | -- | | | | -- | 30,00,000 |
| M/s Sunrise Facility Management Pvt. Ltd. | 1,00,000 | | | | 1,00,000 | -- |
| Advance for land adjusted | | | | | | |
| M/s. Maestro Promoters Pvt. Ltd. | -- | | | | -- | -- |
| M/s Wrangler Builders Pvt. Ltd. | 2,41,56,350 | | | | 2,41,56,350 | 1,02,74,080 |
| Profit share under land collaboration | | | | | | |
| M/s Wrangler Builders Pvt. Ltd. | 60,940 | | | | 60,940 | 48,672 |
| Advance Outstanding as on 31.03.12 | | | | | | |
| M/s Maestro Promoters Pvt. Ltd. | 3,15,15,148 | | | | 3,15,15,148 | 2,13,07,107 |
| M/s Wrangler Builders Pvt. Ltd. | 20,68,24,838 | | | | 20,68,24,838 | 7,09,11,601 |
| M/s Geo Connect Ltd. | 63,95,854 | | | | 63,95,854 | 2,11,67,739 |
| M/s Anjuman Buildcon Pvt. Ltd. | 15,60,89,424 | | | | 15,60,89,424 | 11,54,38,733 |
| M/s A.R. Infrastructure Pvt. Ltd. | 1,18,55,901 | | | | 1,18,55,901 | 2,08,55,901 |
| M/s A.R. Paradise Pvt. Ltd. | 1,73,19,688 | | | | 1,73,19,688 | 1,89,69,688 |
| M/s Fenny Real Estate Pvt. Ltd. | 14,76,820 | | | | 14,76,820 | 14,76,820 |
| M/s Enchant Constructions Pvt. Ltd. | 1,80,94,000 | | | | 1,80,94,000 | 1,80,44,000 |
| M/s Third Eye Media Pvt. Ltd. | 10,07,795 | | | | 10,07,795 | 9,88,218 |
| M/s Rishu Buildtech Pvt. Ltd. | 74,00,000 | | | | 74,00,000 | 74,00,000 |
| M/s Sonu Buildwell Pvt. Ltd. | 76,00,000 | | | | 76,00,000 | 76,00,000 |
| M/s Sunrise Facility Management Pvt. Ltd. | 1,00,000 | | | | 1,00,000 | -- |

Notes to Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| | Current Year | | | | | Previous Year |
|--|--------------|--------------------------|---------------------------------------|----------------------------|--------------|---------------|
| | Subsidiaries | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total | Total |
| Sale of Plots/ Flats | | | | | | |
| M/s Geo Connect Ltd. | -- | | | | -- | 14,20,60,808 |
| Ms. Megha Ansal | | | 20,30,000 | | 20,30,000 | -- |
| Ms. Neha Ansal | | | 20,30,000 | | 20,30,000 | -- |
| Loan outstanding as at 31.03.2012 | | | | | | |
| M/s Geo Connect Ltd. | 5,00,00,000 | | | | 5,00,00,000 | 5,00,00,000 |
| Investment outstanding as at 31.03.2012 | | | | | | |
| M/s Housing & Construction Lanka Pvt. Ltd. | 4,91,66,740 | | | -- | 4,91,66,740 | 4,91,66,740 |
| M/s Infinet India Ltd. | -- | | | 1,000 | 1,000 | 1,000 |
| M/s Sunrise Facility Management Pvt. Ltd. | 1,00,000 | | | | 1,00,000 | 1,00,000 |
| M/s Aavee Iron & Steel Works Pvt. Ltd. | 12,41,095 | | | | 12,41,095 | 12,41,095 |
| M/s Maestro Promoters Pvt. Ltd. | 1,00,250 | | | -- | 1,00,250 | 1,00,250 |
| M/s Wrangler Builders Pvt. Ltd. | 1,00,250 | | | -- | 1,00,250 | 1,00,250 |
| M/s Geo Connect Ltd. | 14,24,71,689 | | | -- | 14,24,71,689 | 14,24,71,688 |
| M/s Anjuman Buildcon Pvt. Ltd. | 1,00,000 | | | -- | 1,00,000 | 1,00,000 |
| M/s A.R. Infrastructure Pvt. Ltd. | 49,32,300 | | | -- | 49,32,300 | 49,32,300 |
| M/s A.R. Paradise Pvt. Ltd. | 10,02,500 | | | -- | 10,02,500 | 1,00,250 |
| M/s Fenny Real Estate Pvt. Ltd. | 2,00,530 | | | -- | 2,00,530 | 2,00,530 |
| M/s Enchant Costructions Pvt. Ltd. | 1,00,000 | | | | 1,00,000 | 1,00,000 |
| M/s Third Eye Media Pvt. Ltd. | 1,00,000 | | | -- | 1,00,000 | 1,00,000 |
| M/s Sonu Buildwell Pvt. Ltd. | 1,00,000 | | | | 1,00,000 | 1,00,000 |
| M/s Rishu Builtech Pvt. Ltd. | 1,00,000 | | | | 1,00,000 | 1,00,000 |
| Credit Balance Outstanding as on 31.03.12 | | | | | | |
| M/s Geo Connect Ltd. | 40,74,28,138 | | | | 40,74,28,138 | 19,91,04,168 |
| M/s Aavee Iron & Steel Works Pvt. Ltd. | 1,01,07,354 | | | | 1,01,07,354 | 1,01,07,354 |
| M/s Ansal Buildwell Ltd. | | | | 30,56,498 | 30,56,498 | 30,56,498 |
| M/s Capital Cars Pvt. Ltd. | | | | -- | -- | 35,281 |
| M/s Suraj Kumari Charitable Trust | | | | -- | -- | 1,96,380 |
| Mr. Deepak Ansal | | 91,54,928 | | | 91,54,928 | 79,85,252 |
| M/s Deepak Ansal (HUF) | | | -- | | -- | 13,00,000 |
| Ms. Divya Ansal | | | -- | | -- | 52,50,000 |
| Mr. Kushagr Ansal | | 61,01,288 | | | 61,01,288 | 38,41,605 |
| Ms. Megha Ansal | | | 40,500 | | 40,500 | 40,500 |
| Ms. Neha Ansal | | | 40,500 | | 40,500 | -- |
| Debit Balance Outstanding as on 31.03.12 | | | | | | |
| M/s Ansal Clubs Pvt. Ltd. | | | | 11,47,254 | 11,47,254 | 25,05,402 |
| M/s Suraj Kumari Charitable Trust | | | | 62,698 | 62,698 | |
| Guarantees & Collaterals given as on 31.03.12 | | | | | | |
| M/s Geo Connect Ltd. | 29,00,00,000 | | | | 29,00,00,000 | 16,00,00,000 |

Notes to Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| | Current Year | | | | | Previous Year |
|---|--------------|--------------------------|---------------------------------------|----------------------------|----------------|----------------|
| | Subsidiaries | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total | Total |
| Guarantees & Collaterals taken from as at 31.03.12 | | | | | | |
| M/s Geo Connect Ltd. | 74,98,00,000 | | | | 74,98,00,000 | 21,60,93,751 |
| M/s Meastro Promoters P.Ltd | 76,25,00,000 | | | | 76,25,00,000 | 19,94,93,751 |
| M/s Third Eye Media P.Ltd | 74,98,00,000 | | | | 74,98,00,000 | 16,66,00,000 |
| M/s Anjuman Buildcon P.Ltd | 86,23,00,000 | | | | 86,23,00,000 | 56,66,00,000 |
| M/s Wrangler Builders Pvt. Ltd. | 11,25,00,000 | | | | 11,25,00,000 | 40,00,00,000 |
| M/s Fenny Real Estate Pvt. Ltd. | 65,00,00,000 | | | | 65,00,00,000 | 27,28,53,098 |
| M/s Avee Iron & Steel Works Pvt. Ltd. | 65,00,00,000 | | | | 65,00,00,000 | 27,28,53,098 |
| Mr. Kushagra Ansal | | 1,78,75,24,461 | | | 1,78,75,24,461 | 1,01,47,41,379 |
| Mr. Deepak Ansal | | 3,25,81,61,888 | | | 3,25,81,61,888 | 2,30,49,91,172 |
| Mr. Karun Ansal | | 65,00,00,000 | | | 65,00,00,000 | -- |
| Ms Divya Ansal | | | 65,00,00,000 | | 65,00,00,000 | -- |
| Amount Received against Booking | | | | | | |
| M/s Geo Connect Ltd. | 20,00,00,000 | | | | 20,00,00,000 | 17,68,29,168 |
| Amount Refunded against Booking | | | | | | |
| M/s Geo Connect Ltd. | 6,39,20,500 | | | | 6,39,20,500 | 10,81,00,000 |
| Equity Shares Allotted (including share premium) | | | | | | |
| Mr. Deepak Ansal | | 70,00,000 | | | 70,00,000 | -- |
| Ms. Divya Ansal | | | 70,00,000 | | 70,00,000 | -- |
| Mr. Kushagr Ansal | | 70,00,000 | | | 70,00,000 | -- |
| Mr. Karun Ansal | | 70,00,000 | | | 70,00,000 | -- |
| M/s Deepak Ansal (HUF) | | | 70,00,000 | | 70,00,000 | -- |
| M/s Sungrace Securities Services Pvt. Ltd. | | | | 70,00,000 | 70,00,000 | -- |
| M/s Snow White Cable Network Pvt. Ltd. | | | | 70,00,000 | 70,00,000 | 80,00,000 |
| M/s Glorious Properties Pvt. Ltd. | | | | 70,00,000 | 70,00,000 | 80,00,000 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | | 70,00,000 | 70,00,000 | -- |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | | 70,00,000 | 70,00,000 | 2,00,00,000 |
| Money Received against warrants | | | | | | |
| Mr. Deepak Ansal | | 52,50,000 | | | 52,50,000 | 21,00,000 |
| Ms. Divya Ansal | | | 52,50,000 | | 52,50,000 | 21,00,000 |
| Mr. Kushagr Ansal | | 52,50,000 | | | 52,50,000 | 21,00,000 |
| Mr. Karun Ansal | | 52,50,000 | | | 52,50,000 | 21,00,000 |
| M/s Deepak Ansal (HUF) | | | 52,50,000 | | 52,50,000 | 21,00,000 |
| M/s Sungrace Securities Services Pvt. Ltd. | | | | 52,50,000 | 52,50,000 | 21,00,000 |
| M/s Snow White Cable Network Pvt. Ltd. | | | | 52,50,000 | 52,50,000 | 81,00,000 |
| M/s Glorious Properties Pvt. Ltd. | | | | 52,50,000 | 52,50,000 | 81,00,000 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | | 52,50,000 | 52,50,000 | 21,00,000 |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | | 52,50,000 | 52,50,000 | 1,71,00,000 |

Notes to Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| | Current Year | | | | | Previous Year |
|--|--------------|--------------------------|---------------------------------------|----------------------------|-----------|---------------|
| | Subsidiaries | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total | Total |
| Amount received against warrants outstanding as on 31.03.12 | | | | | | |
| Mr. Deepak Ansal | | -- | | | -- | 21,00,000 |
| Ms. Divya Ansal | | | -- | | -- | 21,00,000 |
| Mr. Kushagr Ansal | | -- | | | -- | 21,00,000 |
| Mr. Karun Ansal | | -- | | | -- | 21,00,000 |
| M/s Deepak Ansal (HUF) | | | -- | | -- | 21,00,000 |
| M/s Sungrace Securities Services Pvt. Ltd. | | | | -- | -- | 21,00,000 |
| M/s Snow White Cable Network Pvt. Ltd. | | | | -- | -- | 21,00,000 |
| M/s Glorious Properties Pvt. Ltd. | | | | -- | -- | 21,00,000 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | | -- | -- | 21,00,000 |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | | -- | -- | 21,00,000 |
| Amount forfeited against warrants | | | | | | |
| Mr. Deepak Ansal | | 3,50,000 | | | 3,50,000 | - |
| Ms. Divya Ansal | | | 3,50,000 | | 3,50,000 | - |
| Mr. Kushagr Ansal | | 3,50,000 | | | 3,50,000 | - |
| Mr. Karun Ansal | | 3,50,000 | | | 3,50,000 | - |
| M/s Deepak Ansal (HUF) | | | 3,50,000 | | 3,50,000 | - |
| M/s Sungrace Securities Services Pvt. Ltd. | | | | 3,50,000 | 3,50,000 | - |
| M/s Snow White Cable Network Pvt. Ltd. | | | | 3,50,000 | 3,50,000 | - |
| M/s Glorious Properties Pvt. Ltd. | | | | 3,50,000 | 3,50,000 | - |
| M/s Global Consultants & Designers Pvt. Ltd. | | | | 3,50,000 | 3,50,000 | - |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | | 3,50,000 | 3,50,000 | - |
| Dividend Paid for the Year 2010-2011 | | | | | | |
| Mr. Deepak Ansal | | 16,60,415 | | | 16,60,415 | 15,80,450 |
| Ms. Divya Ansal | | | 6,77,318 | | 6,77,318 | 5,97,318 |
| Mr. Kushagr Ansal | | 7,79,894 | | | 7,79,894 | 6,99,894 |
| Mr. Karun Ansal | | 8,16,365 | | | 8,16,365 | 7,36,365 |
| M/s Deepak Ansal (HUF) | | | 85,520 | | 85,520 | 5,520 |
| M/s Sungrace Securities Services Pvt. Ltd. | | | | 7,96,646 | 7,96,646 | 7,16,646 |
| M/s Snow White Cable Network Pvt. Ltd. | | | | 8,56,508 | 8,56,508 | 6,16,508 |
| M/s Glorious Properties Pvt. Ltd. | | | | 10,47,743 | 10,47,743 | 8,07,743 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | | 9,97,344 | 9,97,344 | 9,17,344 |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | | 11,45,256 | 11,45,256 | 6,65,255 |

Notes to Financial Statements for the year ending 31st March, 2012

37 Disclosure of loans and advances in the nature of loans to Subsidiaries and Associates:

| Name of the Company | Relation | As at 31st March, 2012 | Maximum Balance |
|---|---------------------------------|------------------------|-----------------|
| M/s Geo Connect Limited (Interest free) | Wholly owned Subsidiary Company | 5,00,00,000 | 5,00,00,000 |

38 Disclosure in respect of Company's Joint Venture entity in India pursuant to Accounting Standard 27 ' Financial Reporting of Interests in Joint Ventures' issued by the Institute of Chartered Accountants of India.

(Amount in ₹)

| a) Name of the Venture | Proportion of Ownership interest As at 31st March, 2012 | Proportion of Ownership interest as at 29th September, 2010 |
|---|---|---|
| - Capital Cars Private Limited (incorporated in India) | NIL | 40.00% |
| b) The aggregate of Company's share in the above venture in: | For the Period | For the Period |
| Income | 1.4.2011 -31.03.12 | 1.4.2010 -29.09.10 |
| Sale of Goods & Services | - | 34,22,05,459 |
| Other Income | - | 59,13,688 |
| Expenditure | | |
| Cost of Sales | - | 30,18,38,276 |
| Employes Costs | - | 1,50,85,433 |
| Operating & other Expenses | - | 2,64,42,112 |
| Interest & Finance Charges | - | 80,30,475 |
| Depreciation | - | 24,59,091 |

Note:

During the previous year, the company sold its entire shareholding in Capital Cars Pvt. Ltd. Consequently, the Capital Cars Pvt. Ltd. has ceased to be a Joint Venture of the Company wef 29.09.2010 & hence the share in Assets & Liabilities have not been shown.

39 Other Information pursuant to Schedule-VI of the Companies Act,1956.

a) Consumption of Materials in projects *

| | Current Year Value (₹) | Previous Year Value (₹) |
|---|------------------------|-------------------------|
| Bricks | 3,68,46,143 | 2,45,74,349 |
| Cement | 9,65,06,389 | 5,65,71,850 |
| Steel | 17,03,32,225 | 17,65,48,389 |
| Others *(Grit, Badarpur, Sand and Stores) | 43,71,58,287 | 9,98,12,971 |
| | 74,08,43,044 | 35,75,07,559 |

* Quantities issued to Contractors on recoverable basis are not treated as consumption

| | | | | |
|---|---------------------|----------------|---------------------|----------------|
| b) Value of Imports calculated on C.I.F. Basis in respect of | | | | |
| - Project Material | | 12,52,939 | | 42,65,078 |
| c) Value of material consumed in projects | ₹ | % | ₹ | % |
| - Imported | 12,52,939 | 0.17% | 42,65,078 | 1.19% |
| - Indigenous | 73,95,90,105 | 99.83% | 35,32,42,481 | 98.81% |
| Total | 74,08,43,044 | 100.00% | 35,75,07,559 | 100.00% |
| d) Earning in foreign currency through credit cards/ remittances as per bank certificates/advices against sales | | 95,84,513 | | 37,25,136 |
| e) Expenditure in Foreign Currency (on accrual basis) | | | | |
| - Travelling Expenses | | 39,25,282 | | 56,45,001 |
| - Exhibition Expenses | | 22,03,686 | | 15,39,768 |

Notes to Financial Statements for the year ending 31st March, 2012

40 The brief particulars other than quantitative details relating to Hospitality Division are given below:

(a) Income from Food and Beverage and Other Services for the year include income from Wine and Liquor ₹ 2,35,03,525/- (Previous Year ₹ 2,28,26,177/-).

(b) The break-up of consumption of Provisions, Beverages, Stores, Wines & Smokes are as follows :

(Amount in ₹)

| | Current Year | | | Previous Year | | |
|-----------------------------|--|-----------------|-------------|--|-----------------|-------------|
| | Provisions, Beverages, Stores (excluding wine and liquor) and Smokes | Wine and Liquor | Total | Provisions, Beverages, Stores (excluding wine and liquor) and Smokes | Wine and Liquor | Total |
| Opening Stock | 42,44,647 | 14,81,947 | 57,26,594 | 43,78,293 | 15,40,692 | 59,18,985 |
| Add: Purchases | 3,05,35,813 | 63,48,108 | 3,68,83,922 | 2,60,89,823 | 57,27,425 | 3,18,17,248 |
| | 3,47,80,460 | 78,30,055 | 4,26,10,516 | 3,04,68,116 | 72,68,117 | 3,77,36,233 |
| Less: Closing Stock | 40,01,742 | 13,01,677 | 53,03,419 | 42,44,647 | 14,81,947 | 57,26,594 |
| Consumption during the year | 3,07,78,718 | 65,28,378 | 3,73,07,097 | 2,62,23,469 | 57,86,170 | 3,20,09,639 |

41 Previous year figures:

Till the year ended 31st March 2011, the Company was using pre-revised Schedule-VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended 31st March 2012, the revised Schedule-VI notified under the Companies Act, 1956, has become applicable to the Company. The Company has re-classified previous year figures to conform to this year's classification. The adoption of revised Schedule-VI doesn't impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosure made in the financial statements particularly presentation of Balance Sheet.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

| 1 | Name of subsidiary Companies | Housing & Construction Lanka Pvt. Ltd. | Geo Connect Ltd. | Maestro Promoters Pvt. Ltd. | Wrangler Builders Pvt. Ltd. | A.R. Paradise Pvt. Ltd. | Fenny Real Estate Pvt. Ltd. | A.R. Infrastructure Pvt. Ltd. | Third Eye Media Pvt. Ltd. | Anjuman Buildcon Pvt. Ltd. | Aavee Iron & Steel Works Pvt. Ltd. | Sunrise Facility Management Pvt. Ltd. | Enchant Constructions Pvt. Ltd. | Sonu Buildwell Pvt. Ltd. | Rishu Buildtech Pvt. Ltd. |
|------|--|--|------------------|-----------------------------|-----------------------------|-------------------------|-----------------------------|-------------------------------|---------------------------|----------------------------|------------------------------------|---------------------------------------|---------------------------------|--------------------------|---------------------------|
| 2 | No. of Shares held in the subsidiary Company by Ansal Housing & Construction Ltd. As at 31.03.2012 | 10,09,81,100 | 98,79,250 | 10,000 | 10,000 | 10,000 | 20,000 | 49,200 | 10,000 | 10,000 | 9,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| 3 | Face value of Shares | SLR 10/- each | ₹10/- each | ₹10/- each | ₹10/- each | ₹100/- each | ₹10/- each | ₹10/- each | ₹10/- each | ₹10/- each | ₹100/- each | ₹10/- each | ₹10/- each | ₹10/- each | ₹10/- each |
| 4 | Percentage of holding in the subsidiary Company | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| 5 | Financial Year of the subsidiary Company | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 | 31.03.12 |
| 6 | Net aggregate amount of Profit/(Loss) of the subsidiary so far as these concern members of the Company | | | | | | | | | | | | | | |
| a) | Dealt with in the accounts of the Company for the period ended 31st March, 2012 | | | | | | | | | | | | | | |
| (i) | For the Financial Year of the subsidiary | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (ii) | For the previous financial years of the subsidiary since this become subsidiary of Ansal Housing & Construction Ltd. | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| b) | Not dealt with in the accounts of the Company for the period ended 31st March, 2012 | | | | | | | | | | | | | | |
| (i) | For the Financial Year of the subsidiary (₹) | 47,99,829 | 2,40,30,948 | (19,684) | 11,844 | (44,198) | (46,106) | (25,106) | (40,535) | (31,730) | 3,40,218 | (31,277) | 2,37,334 | (33,937) | (33,937) |
| | (SLR) | 99,25,191 | | | | | | | | | | | | | |
| (ii) | For the previous financial years of the subsidiary since this become subsidiary of Ansal Housing & Construction Ltd. (₹) | 52,10,729 | 4,05,61,518 | (8,506) | 8,275 | (25,505) | (23,310) | (21,700) | (21,254) | 21,141 | (8,208) | (20,996) | (19,588) | (21,382) | (20,609) |
| | (SLR) | 1,28,23,253 | | | | | | | | | | | | | |

Note: Currency converted into Indian Rupees at the Exchange rate, 1SLR = 0.3971 INR

For and on behalf of the Board of Directors

(DEEPAK ANSAL)
Chairman and Managing Director

Place : New Delhi
Date : 26th May, 2012

STATEMENT REGARDING SUBSIDIARY COMPANIES

| Items | Housing & Construction Lanka Pvt. Ltd. | Geo Connect Ltd. | Maestro Promoters Pvt. Ltd. | Wrangler Builders Pvt. Ltd. | A.R. Paradise Pvt. Ltd. | Fenny Real Estate Pvt. Ltd. | A.R. Infrastructure Pvt. Ltd. | Third Eye Media Pvt. Ltd. | Anjuman Buildcon Pvt. Ltd. | Avee Iron & Steel Works Pvt. Ltd. | Sunrise Facility Management Pvt. Ltd. | Enchant Constructions Pvt. Ltd. | Sonu Buildwell Pvt. Ltd. | Rishu Buildtech Pvt. Ltd. | (₹ in Lacs) |
|-------------------------------------|--|------------------|-----------------------------|-----------------------------|-------------------------|-----------------------------|-------------------------------|---------------------------|----------------------------|-----------------------------------|---------------------------------------|---------------------------------|--------------------------|---------------------------|--------------|
| I. EQUITY AND LIABILITIES | | | | | | | | | | | | | | | |
| 1 Shareholders Funds | | | | | | | | | | | | | | | |
| Issued and Subscribed Share Capital | 491.67 | 1,422.93 | 1.00 | 1.00 | 10.00 | 2.00 | 4.92 | 1.00 | 1.00 | 9.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Share Application Money | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Reserves | (43.76) | 130.37 | 16.11 | 9.03 | (0.40) | (0.54) | 45.38 | 2.04 | 8.48 | 24.01 | (1.28) | 1.43 | (1.07) | (1.07) | (1.07) |
| 2 Non Current Liabilities | | | | | | | | | | | | | | | |
| Long Term Borrowings | - | 2,300.00 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deferred Tax Liabilities (Net) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Long Term Liabilities | - | 162.20 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Long Term Provisions | - | 14.47 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 3 Current Liabilities | | | | | | | | | | | | | | | |
| Short Term Borrowings | - | - | - | 0.04 | - | - | - | - | - | - | - | - | - | - | - |
| Trade Payables | 27.71 | 26.90 | 414.29 | 2,585.36 | 0.11 | 0.11 | 0.11 | 0.11 | 189.99 | 0.11 | 1.05 | 0.11 | 0.11 | 0.11 | 0.11 |
| Other Current Liabilities | 181.43 | 2,499.35 | - | - | 173.48 | 14.77 | 118.56 | 10.08 | 1,560.99 | 106.69 | 0.10 | 180.94 | 76.00 | 74.00 | 74.00 |
| Short Term Provisions | - | 15.22 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | 657.04 | 6571.44 | 431.40 | 2595.44 | 183.19 | 16.34 | 168.98 | 13.23 | 1760.47 | 139.81 | 0.87 | 183.49 | 76.04 | 74.05 | 74.05 |
| II. APPLICATION OF FUNDS | | | | | | | | | | | | | | | |
| 1 Non-current Assets | | | | | | | | | | | | | | | |
| Fixed Assets - (Net Block) | 9.10 | 62.40 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Non-current Investments | - | - | 12.21 | 11.58 | - | - | - | - | - | - | - | - | - | - | - |
| Long Term Loans and Advances | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Deferred Tax Assets (Net) | - | 15.26 | 0.13 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 Current Assets | | | | | | | | | | | | | | | |
| Current Investments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Inventories | 548.53 | 162.12 | 250.33 | 2558.82 | 126.79 | - | - | - | 1501.17 | 39.54 | - | 180.36 | 68.91 | 73.29 | 73.29 |
| Trade Receivables | 1.79 | 1,619.72 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Cash and Bank Balances | 68.36 | 74.47 | 5.92 | 3.62 | 2.64 | 5.01 | 3.81 | 1.52 | 15.93 | 0.12 | 0.87 | 0.47 | 2.16 | 0.76 | 0.76 |
| Short Term Loans and Advances | 29.25 | 4,637.47 | 162.82 | 2,141 | 53.76 | 11.33 | 165.17 | 11.71 | 243.36 | 100.15 | - | 2.66 | 4.97 | - | - |
| Other Current Assets | - | - | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - |
| Total | 657.04 | 6571.44 | 431.40 | 2595.44 | 183.19 | 16.34 | 168.98 | 13.23 | 1760.47 | 139.81 | 0.87 | 183.49 | 76.04 | 74.05 | 74.05 |
| Turnover | 167.33 | 2721.69 | 0.17 | 0.65 | (0.44) | (0.46) | (0.25) | (0.41) | (0.25) | 5.00 | - | 3.35 | (0.34) | (0.34) | (0.34) |
| Profit/(Loss) before taxation | 50.24 | 423.14 | (0.23) | 0.24 | (0.44) | (0.46) | (0.25) | (0.41) | (0.25) | 4.32 | (0.31) | 3.01 | (0.34) | (0.34) | (0.34) |
| Provision for Taxation | 2.24 | 182.83 | (0.03) | 0.13 | (0.44) | (0.46) | (0.25) | (0.41) | (0.25) | 0.92 | - | 0.64 | (0.34) | (0.34) | (0.34) |
| Profit/(Loss) after Taxation | 48.00 | 240.31 | (0.20) | 0.12 | (0.44) | (0.46) | (0.25) | (0.41) | (0.25) | 3.40 | (0.31) | 2.37 | (0.34) | (0.34) | (0.34) |
| Proposed Dividend | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

Notes:

i) Currency converted into Indian Rupees at the Exchange rate: 1\$LR = 0.3971 INR

ii) The above data in respect of the subsidiaries are as on 31st March, 2012.

iii) The consolidated annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary company investors seeking such information at any point of time. The consolidated annual accounts of the subsidiary companies will also be available for inspection in its head office and head office of the subsidiary companies concerned.

Auditors' Report

To the Board of Directors of the Ansal Housing & Construction Limited on the Consolidated Financial Statements of the Group

1. We have audited the attached consolidated Balance Sheet of Ansal Housing & Construction Limited (AHCL) and its subsidiaries (collectively referred to as 'the Group') as at 31st March 2012 and also the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain consolidated entities whose financial statements reflect total assets of ₹ 12897.79 lacs as at 31st March 2012, total revenues of ₹ 2890.45 lacs and net cash flows from operating activities of ₹ (594.31) lacs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the reports of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard 21-'Consolidated Financial Statements' and Accounting Standard 27-'Financial Reporting of Interests in Joint Ventures' as notified by the Central Government under Companies (Accounting Standard) Rules, 2006.
5. Based on our audit and on consideration of the reports of other auditors on the separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements read with the accounting policies and notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India :
 - (i) in the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2012;
 - (ii) in the case of Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date;
 - (iii) In the case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 001297N)

(Jitender Dhingra)

Partner

Place : New Delhi

Date : 26th May, 2012

Membership No. 90217

Consolidated Balance Sheet as at 31st March, 2012

(Amount in ₹)

| | Note | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|---------------------------------------|------------------------|----------------|------------------------|-----------------------|
| I. EQUITY AND LIABILITIES | | | | | |
| 1 Shareholders' Funds | | | | | |
| a | Share Capital | 2 | 20,28,57,600 | | 19,46,40,320 |
| b | Reserves and Surplus | 3 | 3,19,45,75,195 | | 2,80,42,72,539 |
| c | Money received against share warrants | | -- | 3,39,74,32,795 | 2,10,00,000 |
| | | | | | 3,01,99,12,859 |
| 2 Non Current Liabilities | | | | | |
| a | Long Term Borrowings | 4 | 1,47,26,51,139 | | 1,29,86,25,841 |
| b | Deferred Tax Liabilities (Net) | 5 | 19,49,03,148 | | 16,24,63,658 |
| c | Other Long Term Liabilities | 6 | 1,62,19,724 | | 2,29,85,324 |
| d | Long Term Provisions | 7 | 14,47,291 | 1,68,52,21,302 | 10,01,212 |
| | | | | | 1,48,50,76,035 |
| 3 Current Liabilities | | | | | |
| a | Short Term Borrowings | 8 | 1,32,32,36,669 | | 1,15,13,44,696 |
| b | Trade Payables | 9 | 1,86,16,48,224 | | 94,00,88,373 |
| c | Other Current Liabilities | 10 | 4,33,09,98,823 | | 2,73,83,88,485 |
| d | Short Term Provisions | 11 | 6,62,33,180 | 7,58,21,16,896 | 2,44,99,808 |
| | | | | | 4,85,43,21,362 |
| | | | | 12,66,47,70,993 | 9,35,93,10,256 |
| II. APPLICATION OF FUNDS | | | | | |
| 1 Non-current Assets | | | | | |
| a | Fixed Assets | 12 | | | |
| | - Tangible | | 43,05,76,439 | | 40,52,53,716 |
| | - Intangible | | 2,91,22,960 | 45,96,99,399 | 2,91,22,960 |
| | | | | | 43,43,76,676 |
| b | Non-current Investments | 13 | | 40,78,500 | 40,81,100 |
| c | Long Term Loans and Advances | 14 | | 1,07,67,915 | 1,00,04,009 |
| 2 Current Assets | | | | | |
| a | Inventories | 15 | 9,07,30,67,084 | | 5,82,47,73,243 |
| b | Trade Receivables | 16 | 1,37,10,03,871 | | 82,56,13,379 |
| c | Cash and Bank Balances | 17 | 27,59,08,756 | | 19,58,17,568 |
| d | Short Term Loans and Advances | 18 | 1,47,02,45,468 | 12,19,02,25,179 | 2,06,46,44,281 |
| | | | | | 8,91,08,48,471 |
| | | | | 12,66,47,70,993 | 9,35,93,10,256 |
| Significant Accounting Policies and Notes to Financial Statements | | 1-39 | | | |

As per our Report of even date attached

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 1297N)

Deepak Ansal
Chairman & Managing Director

Kushagr Ansal
Wholetime Director

Jitender Dhingra
Partner
Membership No. 90217

S. L. Chopra
Director

Mohinder Bajaj
Sr. V.P. & Company Secretary

Place : New Delhi
Date : 26th May, 2012

Ashok Khanna
Director

S.L. Kapur
Director

Tarun Kathuria
V. P. (Finance)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2012

(Amount in ₹)

| Note | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---|--|--|
| REVENUE | | |
| - Revenue from operations | 19 | 4,21,79,83,901 |
| - Other Income | 20 | 5,08,83,070 |
| Total Revenue | | 4,26,88,66,971 |
| EXPENSES | | |
| - Cost of Construction | 21 | 2,50,12,80,540 |
| - Consumption of Food, Beverages etc | 22 | 3,73,07,097 |
| - Purchase of Constructed Properties | | -- |
| - Cost of Sales- Share of Joint Venture | | -- |
| - (Increase)/ Decrease in Stocks | 23 | 86,56,595 |
| - Employee benefits expense | 24 | 24,70,76,354 |
| - Finance Costs | 25 | 38,59,65,465 |
| - Depreciation expense | 12 | 3,51,92,140 |
| - Other expenses | 26 | 49,46,11,482 |
| Total Expenses | | 3,71,00,89,673 |
| Profit before Tax | | 55,87,77,298 |
| Tax Expense: | | |
| - Current Tax | 13,97,73,071 | 10,16,35,576 |
| - MAT Credit Utilization | 1,85,37,277 | 11,51,645 |
| - Deferred Tax | 3,24,39,490 | 1,08,47,398 |
| - Tax Provisions for earlier years | 91,43,989 | 19,98,93,827 |
| | | 76,80,289 |
| Profit for the year | | 35,88,83,471 |
| Earnings per equity share of face value of Rs. 10 each | | |
| - Basic & Diluted | | 17.94 |
| | | 15.51 |
| Significant Accounting Policies and Notes to Financial Statements | 1-39 | |

As per our Report of even date attached

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 1297N)

Deepak Ansal
Chairman & Managing Director

Kushagr Ansal
Wholetime Director

Jitender Dhingra
Partner
Membership No. 90217

S. L. Chopra
Director

Mohinder Bajaj
Sr. V.P. & Company Secretary

Place : New Delhi
Date : 26th May, 2012

Ashok Khanna
Director

S.L. Kapur
Director

Tarun Kathuria
V. P. (Finance)

Consolidated Cash Flow Statement for the year ended 31st March, 2012

(Amount in ₹)

| NOTE | For the year ended 31st March, 2012 | | For the year ended 31st March, 2011 | |
|---|--|----------------------|--|---------------------|
| A. Cash flow from Operating Activities: | | | | |
| Profit before Tax | | 55,87,77,298 | | 41,29,71,781 |
| Adjustment for: | | | | |
| Loss on Sale of fixed assets | 8,81,862 | | 44,22,292 | |
| Depreciation | 3,52,28,859 | | 2,75,32,347 | |
| Impairment Loss | -- | | (2,28,116) | |
| Amounts written off | 2,28,73,026 | | 5,51,71,728 | |
| Interest & Finance charges | 38,59,65,465 | | 37,05,56,890 | |
| Liability no longer required written back | (1,42,58,959) | | (65,24,522) | |
| Interest and Dividend Income | (1,15,00,178) | | (75,07,225) | |
| Profit on sale of Assets | (13,299) | | -- | |
| Profit on sale of Investment | -- | 41,91,76,776 | (5,24,21,084) | 39,10,02,310 |
| Operating profit before Working Capital changes | | 97,79,54,074 | | 80,39,74,091 |
| Adjustments for Working Capital changes | | | | |
| Increase/(Decrease) in Trade Payables, Other Liabilities and Provisions | 2,36,35,58,185 | | 72,46,35,468 | |
| Decrease/(Increase) in Inventories | (3,24,82,93,841) | | (70,17,12,058) | |
| Decrease/(Increase) in Trade Receivables | (54,53,90,492) | | (4,77,46,351) | |
| Decrease/(Increase) in Loans and Advances | 55,01,39,519 | | (43,95,42,617) | |
| Adjustment on account of foreign currency translation of working capital of foreign subsidiary | (9,66,051) | (88,09,52,680) | 8,80,951 | (46,34,84,607) |
| Cash generated from Operation | | 9,70,01,394 | | 34,04,89,484 |
| Direct Taxes Paid | | (11,63,03,235) | | (7,23,74,583) |
| NET CASH FROM/(USED IN) OPERATING ACTIVITIES | | (1,93,01,841) | | 26,81,14,901 |
| B. Cash flow from Investing Activities: | | | | |
| Sale of Investments | 2,600 | | 5,27,53,659 | |
| Interest and Dividend Income | 1,15,00,178 | | 75,07,225 | |
| Sale of Fixed Assets | 98,88,495 | | 20,48,61,861 | |
| Purchase of Fixed assets | (7,29,78,584) | | (10,23,69,585) | |
| Purchase of Investment | -- | | (15,02,600) | |
| NET CASH FROM/(USED IN) INVESTING ACTIVITIES | | (5,15,87,311) | | 16,12,50,560 |

Consolidated Cash Flow Statement for the year ended 31st March, 2012

(Amount in ₹)

| NOTE | For the year ended 31st March, 2012 | | For the year ended 31st March, 2011 | |
|---|--|---------------------|--|-----------------------|
| C. Cash flow from Financing Activities : | | | | |
| Proceeds against convertible warrants | 5,25,00,000 | | 4,80,00,000 | |
| Buy back of equity shares | (75,80,530) | | -- | |
| Proceeds from Borrowings | 2,68,23,62,200 | | 1,85,80,29,542 | |
| Repayment of Borrowings | (2,18,64,93,723) | | (1,96,42,00,983) | |
| Interest & Finance Charges paid * | (37,12,15,795) | | (35,34,75,917) | |
| Dividend paid (including dividend tax) | (1,85,91,811) | | (1,68,26,496) | |
| NET CASH FROM/(USED IN) FINANCING ACTIVITIES | | 15,09,80,340 | | (42,84,73,855) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | 8,00,91,188 | | 8,91,606 |
| CASH AND CASH EQUIVALENTS- OPENING BALANCE | | | | |
| Cash and Bank Balances | | 19,58,17,568 | | 19,49,25,962 |
| CASH AND CASH EQUIVALENTS- CLOSING BALANCE | | | | |
| Cash and Bank Balances | | 27,59,08,756 | | 19,58,17,568 |

* Interest and Finance charges paid is net of Interest capitalised during the year.

Notes :

- Cash and cash equivalents include cash & cheques in hand and balances with Banks and amount tallies with the amount disclosed in Note No. 17 of the consolidated financial statements.
- The above cash flow statement has been prepared under the 'Indirect method' as set out in the Accounting Standard- 3 on Cash Flow Statements.
- Cash and cash equivalents includes restricted cash balance of ₹ 10,64,74,177/- (Previous year ₹ 8,15,44,742/-) as at 31st March, 2012.

Significant Accounting Policies and Notes
to Financial Statements

1-39

As per our Report of even date attached

For Khanna & Annadhanam
Chartered Accountants
(Firm Registration No. 1297N)

Deepak Ansal
Chairman & Managing Director

Kushagr Ansal
Wholetime Director

Jitender Dhingra
Partner
Membership No. 90217

S. L. Chopra
Director

Mohinder Bajaj
Sr. V.P. & Company Secretary

Place : New Delhi
Date : 26th May, 2012

Ashok Khanna
Director

S.L. Kapur
Director

Tarun Kathuria
V. P. (Finance)

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1 NATURE OF OPERATIONS

The Group is engaged in the business of Real Estate Development and Maintenance and running of Hospitality business. During the previous year, the group in addition to above business activity was also engaged in the business of distribution of Honda Cars.

1.2 BASIS OF ACCOUNTING

The Consolidated Financial Statements of Indian Companies have been prepared to comply in all material respects with the mandatory accounting standards issued by the Central Government under Companies (Accounting Standard) Rules, 2006 and the relevant provisions of the Companies Act, 1956. The Financial statements have been prepared under the historical cost convention on the basis of going concern and on an accrual basis except as stated otherwise.

1.3 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the year presented. Actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

1.4 REVENUE AND COST RECOGNITION

a) Indian Companies

- i) For the Real Estate division, the parent company is following the percentage of completion method of accounting. As per this method, the revenue is recognised in proportion to the actual cost incurred as against the total estimated cost of the project under execution with the Parent Company subject to actual cost being 30% or more of the estimated cost. As the project progress, estimated costs, saleable area etc are revised based on current cost indices and other information available to the Parent Company. Expenses incurred on repairs and maintenance on completed projects are charged to statement of profit & loss.
- ii) Indirect costs (detailed in Note No. 26) are treated as 'Period Costs' and are charged to the Statement of Profit and Loss in the year incurred.
- iii) Whereas all income and expenses are accounted for on accrual basis, Interest on delayed payments from customers against dues is taken on realisation owing to practical difficulties and uncertainties involved.
- iv) For Real Estate Division, Surrender / Cancellation of flats, plots etc. is treated as sales return and reduced from the sales value in the year of Surrender / Cancellation.
- v) In case of Joint Venture, revenue from sale of trading goods is accounted for on the basis of invoices raised, against confirmed orders, deliveries of which may, in some cases be effected at a later date. Sale value is exclusive of Sales Tax.

b) Foreign Subsidiary

The subsidiary in Srilanka follows "Completed Contract Method". Land cost and the stamp duty on sold plots of land has been computed in proportion of sold area to total area. Improvement & construction cost of sold plots & houses has been computed and estimated by the company with reference to the costs already incurred and to be incurred. Brought forward general overheads cost are charged to the revenue over a period of five years. 'General construction overheads incurred after the year ended 31.03.2004 are charged to the revenue of the respective year.

1.5 INVENTORIES

Inventories are valued as under:

- | | |
|---|---|
| a) Building Material, Stores, Spares parts etc. | At cost using FIFO method. |
| b) Food, Beverage and related stores | At lower of cost (using FIFO method) or net realisable value. |
| c) Completed Units (Unsold) | At lower of cost or net realisable value. |
| d) Project/Contracts work in progress | At cost |
| e) Land | At lower of cost or net realisable value. |

Cost of Completed units and project/ work in progress includes cost of land, construction/development cost and other related costs incurred.

1.6 FIXED ASSETS

Fixed assets other than revalued assets are stated at cost less accumulated depreciation. Revalued assets are stated at revalued amount less accumulated depreciation. Adjustment arising from foreign exchange rate variation relating to borrowing attributable to fixed assets are capitalised.

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

1.7 DEPRECIATION

a) Indian Companies

Depreciation is provided on 'Straight Line Method' on pro-rata basis at rates prescribed in Schedule-XIV to the Companies Act, 1956. Shuttering and Scaffolding are treated as part of Plant and Machinery and depreciated at the rate applicable to Plant & Machinery. Plant and Machinery costing up-to ₹ 5,000/- are fully depreciated in the year of purchase. Leasehold Improvements are amortized over the period of the lease.

b) Foreign Subsidiary

Depreciation is provided on the written down value at following rates per annum :-

| | |
|------------------------|-----|
| - Motor Vehicle | 10% |
| - Office Equipment | 15% |
| - Furniture & Fittings | 10% |
| - Site Equipment | 15% |

No Depreciation is provided on the Property, Plant & Equipment in the year of purchase.

c) Joint Venture

Depreciation is provided on the written down value at following rates per annum:

| | |
|------------------------|-------|
| - Building- Office | 1.63% |
| - Building- Factory | 3.34% |
| - Plant & Machinery | 12.0% |
| - Furniture & Fittings | 20.0% |
| - Office Equipment | 15.0% |
| - Computer | 40.0% |
| - Vehicles | 20.0% |
| - Demo Cars | 30.0% |
| - Lease Assets | 20.0% |

1.8 INVESTMENTS

Current Investments are stated at lower of cost and market value. Long term investment are stated at cost. Decline in value of long term investments is recognised if it is not temporary.

1.9 RETIREMENT AND OTHER BENEFITS

- Contribution to the Provident Fund are charged to revenue each year.
- Contributions under the superannuation plan are made to the fund administered and managed by the Life Insurance Corporation of India and are charged to revenue each year for Joint Venture Entity.
- Provision for Gratuity is made on the basis of contribution made to Life Insurance Corporation of India under the "Employees Group Gratuity-cum-Life Insurance Scheme" for Parent Company and Joint Venture Entity and on the basis of actuarial valuation for Indian Subsidiaries.
- Provision for leave encashment is made on the basis of actuarial valuation done at year end for Indian Companies.

1.10 BORROWING COST

The borrowing costs which have direct nexus and are directly attributable to the construction of a qualifying asset are charged to the cost of that asset and other interest cost are expensed as period costs.

1.11 FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. All monetary assets and liabilities are restated at the closing rate and resultant loss or gain is charged to Statement of Profit and Loss. Long term investments are stated at exchange rate prevailing on the date of transaction. In case of foreign subsidiary, all expenses and income are translated into Indian Rupees at the monthly average rates, Assets and Liabilities (other than shareholders' fund) are translated into Indian Rupees at the rate of exchange prevailing at Balance Sheet date and the resulting difference is accumulated to Foreign Currency Translation Reserve under "Reserves and Surplus".

1.12 MISCELLANEOUS EXPENDITURE

Preliminary expenses and other Deferred Revenue expenditure are amortised over a period of five years.

1.13 SEGMENT REPORTING

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated Expenditure net of Unallocated Income."

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

1.14 TAXES ON INCOME

Provision for current tax is made based on taxable income for the year computed in accordance with provisions of the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent years. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty of realization. In the case unabsorbed depreciation and carry forward losses deferred tax assets are recognized, to the extent there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.15 IMPAIRMENT

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss and necessary adjustments are made there against. Reversal of impairment loss is recognised as income in the Statement of Profit and Loss.

1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized when the Company has a present obligation as a result of past event and it is more probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet and adjusted to reflect the current best estimates. Contingent liabilities are disclosed when the Company has a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation or where a reliable estimate of the amount of obligation can be made. Contingent Asset is neither recognised nor disclosed in the financial statements.

NOTE 2 : SHARE CAPITAL

Authorised, Issued, Subscribed and paid up share capital and par value per share

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|---------------------|------------------------|---------------------|
| Authorised Share Capital | | | | |
| 4,49,90,000 Equity Shares of ₹10/- each | | 44,99,00,000 | | 44,99,00,000 |
| 5,01,000 Redeemable Cumulative Preference Shares of ₹100/-each | | 5,01,00,000 | | 5,01,00,000 |
| | | 50,00,00,000 | | 50,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | | | | |
| 2,02,53,996 (Previous year 1,93,70,844) Equity Shares of ₹10/- each fully paid for cash. | 20,25,39,960 | | 19,37,08,440 | |
| Add : Forfeited Shares (Paid-up) | 9,31,880 | | 9,31,880 | |
| Less : 61,424 (Previous year: Nil) Equity Shares of ₹10/- each bought back and pending to be extinguished as on March 31, 2012. (Refer Note No. 3.1) | 6,14,240 | 20,28,57,600 | -- | 19,46,40,320 |
| | | 20,28,57,600 | | 19,46,40,320 |

NOTES:

2.1 Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the shareholders.

- 2.2 On 30.10.2010, the Company issued 12,00,000 warrants of ₹ 70/- each to the Promoters of the Company. Each warrant was convertible at a premium of ₹ 60/- per share of face value of ₹ 10/- each at the option of the holder within 18 months from date of allotment. Out of the 12,00,000 warrants issued, the company allotted 10,00,000 equity shares on exercise of part option by conversion of warrants at a premium of ₹ 60/- per share of face value of ₹10/- each to the Promoters on 08.08.2011. On 10.01.2012, the Promoters surrendered the balance 2,00,000 warrants which were then cancelled by the Company and ₹ 35,00,000/- received against these warrants was forfeited.

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

2.3 Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

| Particulars | For the year ended 31st March, 2012 | For the year ended 31st March, 2011 |
|---|-------------------------------------|-------------------------------------|
| Number of shares outstanding as at the beginning of the year | 1,93,70,844 | 1,84,70,844 |
| Add : Number of shares allotted on conversion of warrants | 10,00,000 | 9,00,000 |
| | 2,03,70,844 | 1,93,70,844 |
| Less : Number of shares extinguished under buy back scheme | 1,16,848 | -- |
| Number of shares outstanding as at the end of the year | 2,02,53,996 | 1,93,70,844 |

2.4 Detail of Shareholder's holding more than 5% shares

| S. No. | Name of Shareholder | Current Year | | Previous Year | |
|--------|--|---------------|------------|---------------|------------|
| | | No. of shares | Percentage | No. of shares | Percentage |
| 1 | Deepak Ansal | 20,75,519 | 10.25% | 19,75,519 | 10.20% |
| 2 | Karun Ansal | 10,20,456 | 5.04% | 9,20,456 | 4.75% |
| 3 | Global Consultants & Designers Pvt. Ltd. | 12,46,680 | 6.16% | 11,46,680 | 5.92% |
| 4 | Snow White Cable Network Pvt. Ltd. | 10,70,635 | 5.29% | 9,70,635 | 5.01% |
| 5 | Glorious Properties Pvt. Ltd. | 13,09,679 | 6.47% | 12,09,679 | 6.24% |
| 6 | Akashdeep Portfolios Pvt. Ltd. | 14,31,570 | 7.07% | 13,31,570 | 6.87% |

2.5 Equity Shares bought back as per section 77A of Companies Act, 1956 during five years preceding 31st March, 2012

- 1,78,272 Equity Shares bought back during the financial year 2011-12

NOTE 3 : RESERVES AND SURPLUS

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|--------------|------------------------|--------------|
| - Capital Reserve | | | | |
| As per last balance sheet | 8,69,39,960 | | 8,69,39,960 | |
| Add: Amount received against Convertible Warrants forfeited | 35,00,000 | 9,04,39,960 | -- | 8,69,39,960 |
| - Foreign Currency Translation Reserve | | | | |
| As per last balance sheet | (28,13,442) | | (36,94,393) | |
| Add : Exchange differences arising during the year on translation of financial statements of a non-integral foreign operation. | (9,66,052) | (37,79,494) | 8,80,951 | (28,13,442) |
| - Capital Redemption Reserve | | | | |
| As per last balance sheet | -- | | -- | |
| Add : Transferred from Statement of Profit and Loss on buy back of Equity Shares | 17,82,720 | 17,82,720 | -- | -- |
| - Securities Premium Account | | | | |
| As per last balance sheet | 63,77,97,130 | | 61,07,97,130 | |
| Add : Received during the year | 6,00,00,000 | | 2,70,00,000 | |
| | 69,77,97,130 | | 63,77,97,130 | |
| Less: Utilised towards buy back of equity shares | 57,97,810 | 69,19,99,320 | -- | 63,77,97,130 |
| - Revaluation Reserve | | | | |
| As per last balance sheet | 6,73,00,723 | | 6,89,70,667 | |
| Less: Transferred to Statement of Profit & Loss | 16,69,944 | 6,56,30,779 | 16,69,944 | 6,73,00,723 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|-----------------------|------------------------|-----------------------|
| | | | | |
| - General Reserve | | | | |
| As per last balance sheet | 59,88,42,535 | | 53,88,42,535 | |
| Add: Transferred from Statement of Profit & Loss | 6,00,00,000 | 65,88,42,535 | 6,00,00,000 | 59,88,42,535 |
| - Surplus in statement of Profit and Loss | | | | |
| As per last balance sheet | 1,41,62,05,633 | | 1,20,31,34,000 | |
| Add: Profit for the year | 35,88,83,471 | | 29,16,56,873 | |
| | 1,77,50,89,104 | | 1,49,47,90,873 | |
| Less: Appropriations | | | | |
| - Proposed dividend on equity shares | 2,00,40,737 | | 1,54,96,675 | |
| - Tax on dividend | 32,51,109 | | 30,88,565 | |
| - Transfer to General Reserve | 6,00,00,000 | | 6,00,00,000 | |
| - Transfer to Capital Redemption Reserve on buy back of Equity Shares | 17,82,720 | | -- | |
| - Dividend/ Dividend Tax for Earlier Years | 3,55,163 | 1,68,96,59,375 | -- | 1,41,62,05,633 |
| | | 3,19,45,75,195 | | 2,80,42,72,539 |

NOTE:

3.1 The Board of Directors of the Company, in the meeting held on 02.12.2011, approved buy back of 25,00,000 equity shares of ₹ 10/- each at maximum price of ₹ 45/- per share for an amount not exceeding ₹ 11,25,00,000/-.

Persuant to the buy back scheme, the Company during the year ending 31st March, 2012 purchased 1,78,272 equity shares of ₹ 10/- each at a cost of ₹ 75,80,530/-. Out of this amount ₹ 17,82,720/- has been set off against issued, subscribed and paid up share capital and the balance of ₹ 57,97,810/- has been debited to the securities premium account. The Company has extinguished 1,16,848 equity shares upto March 31,2012 and the remaining 61,424 equity shares have been extinguished subsequent to the close of the year.

In terms of Section 77AA of the Companies Act, 1956, an amount of ₹ 17,82,720/- has been transferred to Capital Redemption Reserve.

NOTE 4 : LONG-TERM BORROWINGS

| | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|-----------------------|------------------------|---------------------|
| | Non Current | Current | Non Current | Current |
| A) SECURED | | | | |
| From Banks | | | | |
| - Term Loan | 3,30,00,000 | 6,68,00,000 | 9,98,00,000 | 11,62,93,751 |
| - Vehicle/ Equipment Loan | 72,68,047 | 1,19,46,182 | 1,54,28,113 | 1,39,46,818 |
| From Others | | | | |
| - Term Loan from Corporate Bodies | 1,11,25,00,000 | 76,50,24,461 | 80,97,88,543 | 72,43,48,951 |
| - Vehicle/ Equipment Loan from Corporate Bodies | 2,31,14,092 | 2,85,65,429 | 1,17,52,185 | 1,67,42,346 |
| B) UNSECURED | | | | |
| Public Deposits | 29,67,69,000 | 22,74,87,000 | 36,18,57,000 | 7,90,58,000 |
| TOTAL | 1,47,26,51,139 | 1,09,98,23,072 | 1,29,86,25,841 | 95,03,89,866 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

NOTES:

4.1 Term Loan from Bank referred above to the extent of:

- ₹ 9,98,00,000/- are secured by way of mortgage of project land owned by the Company and its subsidiaries situated at Zirakpur & Meerut and hypothecation of finished goods & receivables of Zirakpur, Meerut and Agra projects.

4.2 Term Loan from Corporate Bodies referred above to the extent of:

- ₹ 94,00,00,000/- are secured by way of mortgage of land/ building owned by the Company and its subsidiaries situated at Ghaziabad, Mumbai and Agra, mortgage of land/ premises owned by promoter directors and their families situated at Gurgaon and Mumbai, assignment of receivables of Mumbai project of parent Company, hypothecation of receivables relating to property maintenance of a subsidiary company, pledge of part of promoters shareholding in the Parent Company and pledge of shares of the subsidiary companies.
- ₹ 82,50,24,461/- are secured by way of mortgage of project land owned by the Company and its subsidiaries situated at Agra, Indore and Meerut, mortgage of building situated at Noida, mortgage of premises situated at Delhi owned by promoter directors and their families, assignment of receivables of Agra, Meerut and Indore projects and pledge of part of promoters shareholding in the Parent Company.
- ₹ 11,25,00,000/- are secured by way of mortgage of land owned by the Company and its subsidiaries situated at Yamunanagar, assignment of receivable of Yamunanagar Project.

4.3 Vehicle/ Equipment Loan from Bank/ Corporate Bodies referred above are secured by way of hypothecation of respective vehicle/ construction equipment.

4.4 Term Loan from Bank referred above to the extent of:

- ₹ 9,98,00,000 have been guaranteed by the promoter directors.

4.5 Term Loan from Corporate Bodies referred above to the extent of:

- ₹ 1,87,75,24,461 have been guaranteed by the promoter directors.
- ₹ 94,00,00,000 have been guaranteed by the relatives of promoter directors.

4.6 Public Deposits referred above to the extent of:

- ₹ 21,83,32,000 have been guaranteed by the chairman and managing director.

4.7 Maturity Profile of Long Term Borrowings are set out below:

(Amount in ₹)

| | 1-2 years | 2-3 years | 3-4 years | 4-5 years |
|---|--------------|--------------|-----------|-----------|
| - Term Loan from Bank | 3,30,00,000 | -- | -- | -- |
| - Vehicle/ Equipment Loan from Bank | 59,66,195 | 6,59,632 | 4,42,987 | 1,99,232 |
| - Term Loan from Corporate Bodies | 72,75,00,000 | 38,50,00,000 | -- | -- |
| - Vehicle/ Equipment Loan from Corporate Bodies | 1,26,60,728 | 75,62,555 | 22,92,932 | 5,97,877 |
| - Public Deposits | 15,25,26,000 | 14,42,43,000 | -- | -- |

NOTE 5 : DEFERRED TAX LIABILITIES (Net)

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|---------------------|------------------------|---------------------|
| a) Deferred Tax Assets | | | | |
| - Disallowances under Income Tax Act | 47,36,340 | 47,48,856 | 35,82,050 | |
| - Business and Capital Loss | 12,516 | | 32,69,794 | 68,51,844 |
| b) Deferred Tax Liabilities | | | | |
| - Depreciation | 2,87,60,007 | 19,96,52,004 | 2,54,48,561 | |
| - Interest Capitalised on Borrowing Cost | 17,08,91,997 | | 14,38,66,941 | 16,93,15,502 |
| Deferred Tax Liability (Net) | | 19,49,03,148 | | 16,24,63,658 |

Note:

- Foreign Subsidiary is entitled for tax exemption under approval granted by the Board of Investment of Sri Lanka. Hence no deferred tax adjustment has been calculated for foreign subsidiary.

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | As at 31st March, 2011 |
|---|------------------------|------------------------|
| NOTE 6 : OTHER LONG-TERM LIABILITIES | | |
| - Common Asset Replacement Fund | 1,62,19,724 | 2,29,85,324 |
| | 1,62,19,724 | 2,29,85,324 |

NOTE 7 : LONG-TERM PROVISIONS

| Particulars | As at 31st March, 2012 | As at 31st March, 2011 |
|---------------------------------|------------------------|------------------------|
| Provision for employee benefits | | |
| - for Gratuity | 14,47,291 | 10,01,212 |
| | 14,47,291 | 10,01,212 |

NOTE 8 : SHORT-TERM BORROWINGS

| Particulars | As at 31st March, 2012 | As at 31st March, 2011 |
|-----------------------------------|------------------------|------------------------|
| A) SECURED | | |
| From Bank | | |
| - Working Capital Loan from Bank | 67,28,39,669 | 71,48,48,396 |
| From Others | | |
| - Term Loan from Corporate Bodies | 20,00,00,000 | -- |
| B) UNSECURED | | |
| - Public Deposits | 45,03,93,000 | 43,59,83,000 |
| - From Directors | 4,000 | 5,13,300 |
| | 1,32,32,36,669 | 1,15,13,44,696 |

NOTES:

- 8.1 Working Capital Loans from Scheduled Banks are secured by charge over stocks of materials, unsold finished stock, construction work-in-progress, book-debts of the Company.
- 8.2 Term Loan from Corporate Bodies are secured by way of mortgage of project land owned by Collaborator at Gurgaon and extension of mortgage of building located at Noida.
- 8.3 Working Capital Loan referred above to the extent of ₹ 67,28,39,669/- have been guaranteed by promoter directors.
- 8.4 Term Loan from Corporate Bodies referred above to the extent of ₹ 20,00,00,000/- have been guaranteed by promoter directors.

NOTE 9 : TRADE PAYABLES

| Particulars | As at 31st March, 2012 | As at 31st March, 2011 |
|---------------------------------------|------------------------|------------------------|
| Micro, Small and Medium Enterprises * | -- | -- |
| Others | 1,86,16,48,224 | 94,00,88,373 |
| | 1,86,16,48,224 | 94,00,88,373 |

* Refer Note No. 32

NOTE 10 : OTHER CURRENT LIABILITIES

| Particulars | As at 31st March, 2012 | As at 31st March, 2011 |
|--|------------------------|------------------------|
| Current maturities of Long term debt | 1,09,98,23,072 | 95,03,89,866 |
| Interest accrued and due on borrowings | -- | 21,84,383 |
| Interest accrued but not due on borrowings | 6,62,84,843 | 4,93,00,174 |
| Unpaid/Unclaimed dividends | 40,85,988 | 37,37,396 |
| Unclaimed matured deposits (Including Interest accrued and due on unclaimed matured deposits) | 1,72,96,052 | 1,68,28,668 |
| Other payables | | |
| - Advances from Customers | 2,77,09,20,207 | 1,39,23,31,700 |
| - Security Deposits/ Retention Money | 16,25,31,349 | 13,17,52,705 |
| - Other payables | 21,00,57,312 | 19,18,63,593 |
| | 4,33,09,98,823 | 2,73,83,88,485 |

NOTE:

- 10.1 The Other payables referred above includes statutory dues, book overdraft, commission payable to directors.

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|--------------------|------------------------|--------------------|
| NOTE 11 : SHORT-TERM PROVISIONS | | | | |
| - Provision for Employee Benefits | | 1,24,12,594 | | 59,14,568 |
| - Provision for Income Tax | 78,85,57,833 | | | |
| Less: Advance Income Tax/ TDS | 75,80,29,093 | 3,05,28,740 | | -- |
| - Proposed Dividend | | 2,00,40,737 | | 1,54,96,675 |
| - Tax on Dividend | | 32,51,109 | | 30,88,565 |
| | | 6,62,33,180 | | 2,44,99,808 |

NOTE 12 : FIXED ASSETS

| Particulars | Gross Block | | | | Depreciation Block | | | | Net Block | |
|----------------------------------|---------------------|---------------------------|------------------------------------|---------------------|---------------------|-------------------------------|------------------------------------|-----------------------|------------------------|------------------------|
| | As at 01.04.11 | Additions during the year | Sales/ Adjustments during the year | As at 31.03.2012 | Upto 31.03.2011 | For the year ended 31.03.2012 | Sales/ Adjustments during the year | Total Upto 31.03.2012 | W D V As on 31.03.2012 | W D V As on 31.03.2011 |
| TANGIBLE | | | | | | | | | | |
| Building | | | | | | | | | | |
| - Owned | 6,38,74,791 | -- | -- | 6,38,74,791 | 17,42,946 | 10,41,158 | -- | 27,84,104 | 6,10,90,687 | 6,21,31,845 |
| - Leased | 16,34,99,070 | -- | -- | 16,34,99,070 | 4,65,40,311 | 26,63,317 | -- | 4,92,03,628 | 11,42,95,442 | 11,69,58,759 |
| Plant & Machinery | 13,51,05,669 | 5,04,13,499 | 82,07,742 | 17,73,11,426 | 2,94,45,512 | 1,29,90,510 | 3,06,674 | 4,21,29,348 | 13,51,82,078 | 10,56,60,157 |
| Vehicles | 7,54,79,890 | 1,64,47,429 | 63,09,269 | 8,56,18,050 | 2,72,71,819 | 75,85,106 | 34,62,504 | 3,13,94,421 | 5,42,23,629 | 4,82,08,071 |
| Office Equipments | 2,06,00,082 | 15,80,530 | (51,557) | 2,22,32,169 | 68,10,677 | 10,63,818 | (58,674) | 79,33,169 | 1,42,99,000 | 1,37,89,405 |
| Furniture & Fixtures | 4,56,25,877 | 7,26,207 | (1,29,549) | 4,64,81,633 | 3,00,17,155 | 21,89,855 | (1,31,657) | 3,23,38,667 | 1,41,42,966 | 1,56,08,722 |
| Air Conditioners & Refrigerators | 3,06,02,428 | 5,27,486 | (1,75,422) | 3,13,05,336 | 1,71,96,199 | 8,02,075 | (1,75,422) | 1,81,73,696 | 1,31,31,640 | 1,34,06,229 |
| Computers | 4,52,95,587 | 25,91,388 | (9,23,870) | 4,88,10,845 | 2,25,55,889 | 55,56,122 | (9,23,870) | 2,90,35,881 | 1,97,74,964 | 2,27,39,698 |
| Kitchen Equipments | 1,11,31,151 | 38,647 | -- | 1,11,69,798 | 56,49,757 | 9,62,702 | -- | 66,12,459 | 45,57,339 | 54,81,394 |
| Leasehold Improvements | 45,05,035 | 6,53,398 | -- | 51,58,433 | 4,88,399 | 20,44,140 | -- | 25,32,539 | 26,25,894 | 40,16,636 |
| SUB TOTAL | 59,57,19,580 | 7,29,78,584 | 1,32,36,613 | 65,54,61,551 | 18,77,18,664 | 3,68,98,803 | 24,79,555 | 22,21,37,912 | 43,33,23,639 | 40,80,00,916 |
| INTANGIBLE | | | | | | | | | | |
| Goodwill on Consolidation | 2,91,22,960 | -- | -- | 2,91,22,960 | -- | -- | -- | -- | 2,91,22,960 | 2,91,22,960 |
| SUB TOTAL | 2,91,22,960 | -- | -- | 2,91,22,960 | -- | -- | -- | -- | 2,91,22,960 | 2,91,22,960 |
| Impairment loss | -- | -- | -- | -- | 27,47,200 | -- | -- | 27,47,200 | (27,47,200) | (27,47,200) |
| GRAND TOTAL | 62,48,42,540 | 7,29,78,584 | 1,32,36,613 | 68,45,84,511 | 19,04,65,864 | 3,68,98,803 | 24,79,555 | 22,48,85,112 | 45,96,99,399 | 43,43,76,676 |
| Previous Year | 86,20,60,215 | 10,23,69,585 | 33,95,87,260 | 62,48,42,540 | 29,17,94,798 | 2,89,74,175 | 13,03,03,109 | 19,04,65,864 | 43,43,76,676 | |

Notes :

12.1 Building were revalued on 31st March, 1996 on the basis of approved valuer's report resulting in a net increase of ₹ 9,23,49,883/-.

| | Current Year | Previous Year |
|--|--------------------|--------------------|
| 12.2 Depreciation has been charged to : | | |
| - Profit & Loss Account | 3,51,92,140 | 2,72,65,246 |
| - Projects in Progress Account | 36,719 | 38,985 |
| - Revaluation Reserve | 16,69,944 | 16,69,944 |
| | 3,68,98,803 | 2,89,74,175 |

12.3 Legal formalities relating to conveyance of freehold buildings having gross value of ₹ 6,38,74,791/- (Previous year ₹ 6,38,74,791/-) and leasehold of leasehold buildings having gross value of ₹ 12,18,48,692/- (Previous year ₹ 12,18,48,692/-) are pending execution.

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

NOTE 13 : NON-CURRENT INVESTMENTS

(Amount in ₹)

| | Face Value (₹ Each) | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|----------------------------|------------------|----------------------------|------------------|
| | | Quantity (Shares/Units) | Book Value | Quantity (Shares/Units) | Book Value |
| A) TRADE INVESTMENTS (At Cost) | | | | | |
| - Investment in Equity shares | | | | | |
| Unquoted, fully paid up | | | | | |
| - Shares in Companies | | | | | |
| (a) Sun City Hi-Tech Projects Pvt. Ltd. | 10 | 250 | 2,500 | 250 | 2,500 |
| (b) Sun City HiTech Infrastructure Pvt. Ltd. (Class B) | 10 | -- | -- | 260 | 2,600 |
| (c) Inifnet India Ltd. | 10 | 100 | 1,000 | 100 | 1,000 |
| B) NON TRADE INVESTMENTS | | | | | |
| - Investment in Mutual Funds (Fully Paid up) | | | | | |
| Quoted, fully paid up | | | | | |
| - Units in Mutual Fund | | | | | |
| (a) Master Gain Units of Unit Trust of India. | 10 | 7500 | 75,000 | 7500 | 75,000 |
| (b) Axis Equity Fund -Growth | 10 | 100000 | 10,00,000 | 100000 | 10,00,000 |
| (c) Principal Emerging Blue Chip- Regular Growth Plan | 28.91 | 17295.054 | 5,00,000 | 17295.054 | 5,00,000 |
| (d) Reliance regular Savings Fund- Balanced Plan-Dividend Plan | 16.968 | 58932.034 | 10,00,000 | 58932.034 | 10,00,000 |
| (e) Canara Robeco Indigo Growth Fund | 10 | 50000 | 5,00,000 | 50000 | 5,00,000 |
| (f) Principal Large Cap Fund- Growth Plan- Equity Scheme | 27.620 | 18102.824 | 5,00,000 | 18102.824 | 5,00,000 |
| (g) Principal Smart Equity Fund- Growth Plan | 10 | 50000 | 5,00,000 | 50000 | 5,00,000 |
| | | | 40,78,500 | | 40,81,100 |
| NOTES: | | | | | |
| 13.1 Quoted Investments | | | | | |
| - Aggregate amount | | | 40,75,000 | | 40,75,000 |
| - Market value | | | 69,43,775 | | 43,10,316 |
| 13.2 Unquoted Investments | | | | | |
| - Aggregate amount | | | 3,500 | | 6,100 |

NOTE 14 : LONG-TERM LOANS AND ADVANCES

(Unsecured considered good)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|---------------------------|---------------------------|---------------------------|
| - Housing Loan to Staff | 23,80,184 | 17,16,421 |
| - Deposit with Corporates | 83,87,731 | 82,87,588 |
| | 1,07,67,915 | 1,00,04,009 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|-----------------------|------------------------|-----------------------|
| NOTE 15 : INVENTORIES | | | | |
| - Building Materials, Restaurant's Provisions, Beverages etc. & stores | 21,98,06,004 | | 14,77,30,590 | |
| - Flats, Houses & Farm Land | 10,46,32,439 | | 11,32,89,035 | |
| - Land | 97,07,19,349 | | 88,42,79,867 | |
| - Projects in progress | 7,77,79,09,292 | 9,07,30,67,084 | 4,67,94,73,751 | 5,82,47,73,243 |
| | | 9,07,30,67,084 | | 5,82,47,73,243 |

* For Valuation of Inventories, refer Note No. 1.5

NOTE 16 : TRADE RECEIVABLES

| Trade Receivables (Unsecured considered good) | | | | |
|--|----------------|-----------------------|--------------|---------------------|
| - Outstanding for a period exceeding six months | 22,71,23,185 | | 19,92,82,506 | |
| - Others | 1,14,38,80,686 | 1,37,10,03,871 | 62,63,30,873 | 82,56,13,379 |
| | | 1,37,10,03,871 | | 82,56,13,379 |

NOTE 17 : CASH AND BANK BALANCE

| | | | | |
|---|-------------|---------------------|-------------|---------------------|
| A) CASH AND CASH EQUIVALENTS | | | | |
| Balance with Banks | | | | |
| - In current account | 8,18,70,447 | | 3,79,77,699 | |
| - In fixed deposits with original maturity less than 3 months | 3,00,16,644 | | -- | |
| Cash in hand (including imprest with staff) | 2,12,43,515 | 13,31,30,606 | 1,87,12,049 | 5,66,89,748 |
| B) OTHER BANK BALANCES | | | | |
| - Earmarked balances with banks | | | | |
| a Unpaid Dividend Bank accounts | 42,32,603 | | 39,71,038 | |
| b Money kept in escrow accounts | 2,21,45,026 | 2,63,77,629 | 1,55,28,462 | 1,94,99,500 |
| - Fixed deposits held as margin money or security against: | | | | |
| a Guarantees | 7,49,90,628 | | 6,11,43,690 | |
| b Fixed Deposit pledged with authorities | 51,05,920 | 8,00,96,548 | 9,01,552 | 6,20,45,242 |
| - Other Fixed Deposits with Banks * | | 3,63,03,973 | | 5,75,83,078 |
| | | 27,59,08,756 | | 19,58,17,568 |

* Fixed Deposits with Banks includes deposits of ₹16,35,182/- (Previous year ₹16,19,996/-) with maturity of more than 12 months.

NOTE 18 : SHORT-TERM LOANS AND ADVANCES

| (Unsecured-considered good) | | | | |
|----------------------------------|--|-----------------------|--------------|-----------------------|
| - Housing Loan to Staff | | 10,16,012 | | 6,18,533 |
| - Advances against Land/Projects | | 1,12,99,39,277 | | 1,79,23,00,362 |
| - MAT Credit Receivable | | 1,59,11,539 | | 3,44,48,816 |
| - Advance Income Tax/ TDS | | | 64,22,43,987 | |
| Less : Provision for Income Tax | | | -- | 20,85,085 |
| - Other advances | | 32,33,78,640 | | 23,51,91,485 |
| | | 1,47,02,45,468 | | 2,06,46,44,281 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|-----------------------|------------------------|-----------------------|
| NOTE 19 : REVENUE FROM OPERATIONS | | | | |
| A) Real Estate Operations | | | | |
| - Sale of Commercial/Residential Flats, Shops, Houses and Plots | 3,72,85,72,300 | | 2,61,55,53,853 | |
| - Interest From Customers | 5,05,23,954 | | 3,15,33,936 | |
| - Rent Received | 5,99,73,371 | | 5,70,68,197 | |
| - Administration Charges | 2,00,64,001 | | 1,35,26,028 | |
| - Forfeiture against cancellation | 3,50,04,842 | | 5,42,64,354 | |
| - Marketing & Management Services | 2,02,45,068 | 3,91,43,83,536 | 1,27,72,512 | 2,78,47,18,880 |
| B) Hospitality Operations | | | | |
| - Sale of Food & Beverage | 9,47,79,977 | | 8,24,38,566 | |
| - Other Income Hospitality | 87,94,944 | 10,35,74,921 | 71,77,949 | 8,96,16,515 |
| C) Maintenance Income | | | | |
| - Common Maintenance Charges Received | 10,07,26,784 | | 8,24,07,037 | |
| - Water Charges | 54,98,252 | | 48,09,454 | |
| - Surcharge on Late Payment | 1,27,10,248 | | 1,10,75,980 | |
| - Watch & Ward Charges | 1,66,38,786 | | 1,05,13,383 | |
| - Electricity Charges Received | 6,30,69,285 | | 4,51,89,711 | |
| - Stacking Charges | 13,82,089 | 20,00,25,444 | 11,44,217 | 15,51,39,782 |
| D) Group share in Joint Venture | | | | |
| - Income From Sales | -- | | 34,21,39,854 | |
| - Income from Other Operations | -- | -- | 32,39,770 | 34,53,79,624 |
| | | 4,21,79,83,901 | | 3,37,48,54,801 |

NOTE 20 : OTHER INCOME

| | | | | |
|---|-------------|--------------------|-------------|---------------------|
| Profit on Sale of Fixed Assets | | 13,299 | | -- |
| Profit on Sale of Long Term Investments | | -- | | 5,24,21,084 |
| Income From Investments (Non Current) | | | | |
| - Dividend | | 58,932 | | 1,17,864 |
| Interest | | | | |
| - From Bank | 1,14,41,246 | | 73,89,361 | |
| - From Others | 13,86,536 | 1,28,27,782 | 1,96,44,204 | 2,70,33,565 |
| Miscellaneous Income | | 3,79,83,057 | | 2,82,77,322 |
| Group share in Joint Venture | | | | |
| - Other Income | | -- | | 26,73,919 |
| | | 5,08,83,070 | | 11,05,23,754 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|------------------------|------------------------|-----------------------|
| NOTE 21: COST OF CONSTRUCTION | | | | |
| Opening Balance of Projects-in- Progress Account | | 4,67,94,73,751 | | 4,32,21,57,835 |
| Add : Expenses Incurred during the year | | | | |
| - Payments Against Land | | 2,52,63,10,287 | | 18,98,71,212 |
| - Expenses Through Contractors | | 71,79,45,590 | | 85,70,60,325 |
| - Materials/Stores Consumed | | 74,08,43,044 | | 35,75,07,559 |
| - Plan Submission Fee | | 6,88,06,653 | | 10,12,65,602 |
| - Brokerage and Commission | | 4,64,57,759 | | 2,44,10,239 |
| - Advertisement and Publicity | | 5,90,77,296 | | 7,05,21,723 |
| - Salary, Wages & Other Benefits | | 7,56,38,467 | | 6,31,22,783 |
| - External Development Charges | | 1,06,08,21,795 | | 15,18,80,849 |
| - Infrastructure Development Charges | | 6,78,63,563 | | 3,45,29,336 |
| - Sundry Expenses | | 13,42,14,748 | | 10,73,07,439 |
| - Interest on Loan | | 20,70,87,156 | | 14,30,76,296 |
| - Lease Rent | | 4,79,822 | | 2,74,349 |
| - Repair and Maintenance- Plant and Machinery | | 22,45,856 | | 17,18,428 |
| - Depreciation | | 36,719 | | 38,985 |
| - Architect Fees | | 2,38,45,170 | | 57,05,964 |
| | | 10,41,11,47,676 | | 6,43,04,48,924 |
| Less: | | | | |
| - Miscellaneous Income | | 6,07,335 | | 13,99,271 |
| - Project Marketing and Selling Expenses | | 13,03,69,510 | | 12,50,90,206 |
| - Adjustment on account of revaluation of closing project-in-progress of foreign subsidiary | | 9,80,999 | | (14,44,985) |
| - Closing Balance of Project-in- Progress Account | | 7,77,79,09,292 | | 4,67,94,73,751 |
| Cost of Construction charged to Statement of Profit and Loss | | 2,50,12,80,540 | | 1,62,59,30,681 |

NOTE 22 : CONSUMPTION OF PROVISIONS, BEVERAGES, WINES & SMOKES

| | | | | |
|--|--|--------------------|--|--------------------|
| Opening Stock | | 57,26,594 | | 59,18,985 |
| Add : Purchases during the year | | 3,68,83,922 | | 3,18,17,249 |
| Less: Closing Stock | | 53,03,419 | | 57,26,594 |
| | | 3,73,07,097 | | 3,20,09,640 |

NOTE 23 : INCREASE/ DECREASE IN STOCKS

| | | | | |
|---|--------------|------------------|--------------|----------------------|
| Stock as on 31.03.2012 | | | | |
| - Commercial Flats, Shops, Houses, Plots, Farms etc. | 10,46,32,439 | | 11,32,89,035 | |
| Stock as on 31.03.2011 | | | | |
| - Commercial Flats, Shops, Houses, Plots, Farms etc. | 11,32,89,034 | 86,56,595 | 7,92,83,553 | (3,40,05,482) |
| Share in Joint Venture- Cars, Parts, Accessories | | -- | | 4,37,599 |
| | | 86,56,595 | | (3,35,67,883) |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|---|------------------------|---------------------|------------------------|---------------------|
| NOTE 24 : EMPLOYEE BENEFITS EXPENSE | | | | |
| - Salaries, Wages, Commssion and Other Benefits | | 22,23,62,394 | | 16,85,64,282 |
| - Contribution to Provident and Other Funds | | 1,75,02,833 | | 1,95,70,090 |
| - Staff Welfare | | 72,11,127 | | 51,20,964 |
| Add : Share in Joint Venture | | -- | | 1,50,85,433 |
| | | 24,70,76,354 | | 20,83,40,769 |

NOTE 25 : FINANCE COST

| | | | | |
|---|--|---------------------|--|---------------------|
| Interest Expense | | 57,94,06,483 | | 48,07,08,620 |
| Other Borrowing Costs | | 1,36,46,138 | | 2,47,94,091 |
| | | 59,30,52,621 | | 50,55,02,711 |
| Less: Interest Charged to Project in Progress | | 20,70,87,156 | | 14,30,76,296 |
| Add: Share in Joint Venture | | -- | | 81,30,475 |
| | | 38,59,65,465 | | 37,05,56,890 |

NOTE 26 : OTHER EXPENSES

| | | | | |
|-----------------------------------|-------------|-------------|-------------|-------------|
| Rent | | 5,61,08,577 | | 5,00,16,370 |
| Repair and Maintenance | | | | |
| - Plant and Machinery | 5,64,696 | | 5,07,708 | |
| - Building | 2,81,717 | | 3,98,799 | |
| - Others | 3,68,58,460 | 3,77,04,873 | 2,87,68,304 | 2,96,74,811 |
| Advertisement & Publicity | | 52,05,870 | | 35,64,280 |
| Bank Charges | | 1,11,96,890 | | 1,02,94,149 |
| Postage & Telephone | | 74,36,566 | | 67,39,670 |
| Printing & Stationary | | 38,56,622 | | 42,65,119 |
| Travelling & Conveyance | | 1,87,81,378 | | 1,82,81,237 |
| Insurance | | 19,25,165 | | 17,01,121 |
| Office Maintenance | | 54,85,095 | | 63,52,243 |
| Electricity, Water & Fuel charges | | 9,17,31,408 | | 8,90,86,369 |
| Payment to Auditors | | | | |
| - Audit Fee | 14,73,072 | | 12,52,705 | |
| - For Other Services | 1,70,965 | 16,44,037 | 1,48,210 | 14,00,915 |
| Directors' Fees | | 9,82,000 | | 10,67,500 |
| Charity & Donations | | 1,44,675 | | 58,167 |
| Loss on Sale of Fixed Assets | | 8,81,862 | | 44,22,292 |
| Miscellaneous Expenses | | 4,37,74,772 | | 2,98,31,150 |
| Amounts Written Off | | 2,28,73,026 | | 4,98,70,604 |
| Bad Debts | | -- | | 53,01,124 |
| Franchise Management Fee | | 42,30,543 | | 35,32,624 |
| Legal & Professional Charges | | 3,34,68,157 | | 3,39,15,627 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| Particulars | As at 31st March, 2012 | | As at 31st March, 2011 | |
|--|------------------------|---------------------|------------------------|---------------------|
| Security Guard Expenses | | 82,14,250 | | 1,04,50,437 |
| Business Promotion | | 30,84,916 | | 19,48,645 |
| Brokerage | | 1,02,511 | | 1,20,065 |
| Rates & Taxes | | 23,77,686 | | 33,95,582 |
| | | 36,12,10,879 | | 36,52,90,101 |
| Add : | | | | |
| - Project Marketing and Selling Expenses | | 13,03,69,510 | | 12,50,90,206 |
| - Share in Joint Venture | | -- | | 2,87,87,031 |
| Other Expenses for current period | | 49,15,80,389 | | 51,91,67,338 |
| Add : Prior Period Expenses (Net) | | 30,31,093 | | 78,45,758 |
| Total Other Expenses | | 49,46,11,482 | | 52,70,13,096 |

NOTE 27: CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

| | As at 31st March, 2012 | As at 31st March, 2011 |
|--|---------------------------|---------------------------|
| A) Contingent Liabilities | | |
| i) Guarantees | | |
| - Guarantees given by the Company to Banks/Financial Institutions against credit facilities extended to third parties. | 35,93,95,136 | 35,93,95,136 |
| ii) Claims against the Company not acknowledged as Debts | | |
| - Income Tax/ Wealth Tax demand being disputed by the Company | 4,65,09,090 | 4,46,25,110 |
| - Sales Tax demand being disputed by the Company | 2,46,85,005 | 8,37,77,000 |
| - Stamp Duty demand being disputed by the Company | 9,61,46,726 | 9,78,28,068 |
| - Service Tax demand being disputed by the Company | 2,71,30,632 | 2,71,30,632 |
| - Claims by customers for refund of amount deposited/ Compensation/ Interest | 5,51,86,256 | 3,45,24,217 |
| - Other Claims against the Company not acknowledged as debts | 81,20,269 | 72,09,535 |
| | 61,71,73,114 | 65,44,89,698 |

B) Capital and Other Commitments

- Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for ₹ 26,21,205/- (Previous year ₹ Nil)
- The Board of Directors of the Company, in the meeting held on 02.12.2011, approved buy back of 25,00,000 equity shares of ₹10/- each at a maximum price of ₹45/- per share for an amount not exceeding ₹11,25,00,000/-. During the year, the Company has bought back 1,78,272 shares. The balance commitment of the Company under buy-back scheme is 23,21,728 shares at a maximum price of ₹45/- per share.
- The Company has entered into joint development agreements with owners of land for its construction and development. Under the agreements, the Company is required to share in area/ revenue from such development in exchange of undivided share in land as stipulated under the agreements. As of March 31,2012 the Company has paid ₹32,19,43,125/- (Previous year ₹39,70,10,905/-) as refundable deposits against the joint development agreements. Further, the Company has given advances for purchase of land. Under the agreements executed with the land owners, the Company is required to make further payments under the agreements based on terms/ milestones stipulated under the agreement.
- The land for development has been allocated to Foreign Subsidiary on leasehold basis for 10 years. The future liability in respect of unallocated area (to be handed over in future) by authorities for development is ₹ 2,57,66,681/- (Previous year ₹2,62,07,188/-)

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

28 BASIS OF PREPARATION

- a) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS-21)-"Consolidated Financial Statements" and Accounting Standard 27 (AS-27)-"Financial Reporting of Interests in Joint Ventures" issued by the Central Government under Companies Accounting Standard Rules 2006. The consolidated financial statements comprise the financial statements of Ansal Housing & Construction Limited (Parent Company) and its following subsidiaries and a Joint Venture Entity (collectively referred to as "the Group").

| Name of the Company | Country of Incorporation | Ownership in % | |
|--|--------------------------|----------------|---------|
| | | 2011-12 | 2010-11 |
| Subsidiaries | | | |
| Geo Connect Limited | India | 100% | 100% |
| Maestro Promoters Pvt. Ltd. | India | 100% | 100% |
| Wrangler Builders Pvt. Ltd. | India | 100% | 100% |
| Anjuman Buildcon Pvt. Ltd. | India | 100% | 100% |
| Housing & Construction Lanka Pvt. Ltd | Sri Lanka | 100% | 100% |
| A. R. Infrastructure Pvt. Ltd. | India | 100% | 100% |
| Third Eye Media Pvt. Ltd. | India | 100% | 100% |
| Fenny Real Estate Pvt. Ltd. | India | 100% | 100% |
| A. R. Paradise Pvt. Ltd. | India | 100% | 100% |
| Aevee Iron & Steel Works Pvt. Ltd. | India | 100% | 100% |
| Sunrise Facility & Management Pvt. Ltd. | India | 100% | 100% |
| Enchant Constructions Pvt. Ltd. | India | 100% | 100% |
| Sonu Buildwell Pvt. Ltd. | India | 100% | 100% |
| Rishu Builtech Pvt. Ltd. | India | 100% | 100% |
| Joint Venture | | | |
| Capital Cars Pvt. Ltd. (upto 29.09.2010) | India | - | 40% |

- b) The financial statements of Parent Company and its Subsidiaries have been drawn for the same period and upto same date i.e. 31st March, 2012. The Consolidated financial statements of the group include audited financial statements of Subsidiaries. In the Previous year, the financial statements of Joint Venture entity were incorporated based on unaudited management accounts upto 29th September, 2010, the date of ceasing of Joint Venture.
- c) The Consolidated Financial Statements of the Group have been prepared based on a line by line consolidation of the financial statements of Parent Company, its subsidiaries and proportionate interest in Joint Venture Entity by adding together like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit or loss.
- d) Figures relating to Subsidiary Companies have been reclassified wherever necessary to bring them in line with the Parent Company's financial statements.
- 29 In respect of block assessment for the period 1st April, 1989 to 10th February, 2000, Income Tax Appellate Tribunal (ITAT) has given full relief to the Parent Company and rejected department's ground of appeal, for tax claim of ₹ 1,27,06,760/- (Previous year ₹ 1,27,06,760/-). Further, in respect of assessment of certain years, demands had been raised by the Income Tax Department against the Parent Company amounting to ₹ 7,25,24,050/- (previous year ₹ 7,51,90,731/-) approx by disallowing deduction under sections 80(IB) of the Income Tax Act, 1961. The appeals filed by the Parent Company have been decided in its favour by CIT(Appeals)/ ITAT. The tax department has gone for further reference in the above matters to ITAT / High Court. The Parent Company has been legally advised that it has a good case to succeed in the above matters.
- 30 The Group is engaged in the business of Real Estate Development and Maintenance in India and outside India and also running of Hospitality business in India. However, there are no separate reportable business or geographical segments in the current year as per criterion set out under Accounting Standard 17 on Segment Reporting in the Company.
- 31 During the previous year, the Parent Company sold its entire shareholding consisting of 48,00,000 equity shares of ₹10/- each representing 40% of investment in Capital Cars Pvt. Ltd. for a consideration of ₹12,82,68,093/-. Consequent to this sale, Capital Cars Pvt Ltd ceased to be a joint venture of the Parent Company with effect from 29th September, 2010. The profit on sale of investment of ₹ 8,02,68,093/- lacs was shown under " Other Income" in the Statement of Profit and Loss.
- 32 The Company has not received intimation from suppliers regarding the status under Micro Small Medium Enterprises Development Act, 2006 and hence disclosure, if any, relating to the amounts unpaid at the year end together with interest payable as required under the said Act have not been given.
- 33 During the earlier years, one of the subsidiary company has obtained a loan of ₹ 25,00,00,000/- from financial institution for developing/ relaying of infrastructure relating to roads, sewerage lines, water lines, electrical equipments etc. of the various colonies and buildings maintained by the Company. The subsidiary Company has utilized the unutilized amount temporarily for its other business activities.

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

34 The disclosures of Employee Benefits as defined in Accounting Standard 15 are given below:

A. Defined Benefit Plan

- i) **Gratuity:** The Group provides for gratuity, a defined benefit plan, covering eligible employees in India. The Parent Company's employees' gratuity fund scheme is managed by a Trust which is a funded plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. However, the subsidiary Company makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme by the subsidiary.
- ii) **Leave Encashment:** The Group also has a leave encashment scheme with defined benefits for its employees. The Group makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

(Amount in ₹)

| | Gratuity | | Leave Encashment (Unfunded) | |
|---|------------------------|------------------------|-----------------------------|------------------------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| I Reconciliation of opening and closing balances of Defined Benefit Obligation | | | | |
| - Present Value of Obligation at beginning of the year | 2,78,27,872 | 1,93,59,417 | -- | -- |
| - Interest cost | 22,31,236 | 15,48,753 | -- | -- |
| - Current Service Cost | 29,96,348 | 20,32,854 | 1,08,90,181 | -- |
| - Benefits Paid | (38,23,117) | (10,44,750) | -- | -- |
| - Actuarial (Gain)/Loss on obligations | (10,03,737) | 59,31,598 | -- | -- |
| - Present Value of Obligation at end of the year | 2,82,28,602 | 2,78,27,872 | 1,08,90,181 | -- |
| II Reconciliation of opening and closing balances of fair value of plan assets | | | | |
| - Fair value of plan assets at beginning of the year | 2,09,12,092 | 1,92,52,559 | -- | -- |
| - Expected return on plan assets | 23,59,067 | 18,04,062 | -- | -- |
| - Contributions | 85,60,584 | 9,00,221 | - | -- |
| - Benefits Paid | (36,92,790) | (10,44,750) | -- | -- |
| - Actuarial Gain / (Loss) on Plan assets | -- | -- | -- | -- |
| - Fair value of plan assets at end of the year | 2,81,38,953 | 2,09,12,092 | -- | -- |
| | Gratuity | | Leave Encashment (Unfunded) | |
| | As at 31st March, 2012 | As at 31st March, 2011 | As at 31st March, 2012 | As at 31st March, 2011 |
| II Reconciliation of fair value of assets and obligations | | | | |
| - Fair value of plan assets at end of the year | 2,81,38,953 | 2,09,12,092 | -- | -- |
| - Present Value of Obligation at end of the year | 2,82,28,602 | 2,78,27,872 | 1,08,90,181 | -- |
| - Amount recognized in Balance Sheet | 89,649 | 69,15,780 | 1,08,90,181 | -- |
| IV Expenses recognized in Profit & Loss Statement | | | | |
| - Current Service Cost | 29,96,348 | 20,32,854 | 1,08,90,181 | -- |
| - Interest Cost | 22,31,236 | 15,48,753 | -- | -- |
| - Expected return on plan assets | 23,59,067 | 18,04,062 | -- | -- |
| - Net Actuarial (Gain)/Loss recognised in the year | (10,03,737) | 59,31,598 | -- | -- |
| - Expenses recognised in Profit & Loss Statement | 18,64,780 | 77,09,143 | 1,08,90,181 | -- |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| | Gratuity | | Leave Encashment (Unfunded) | |
|---------------------------------|--------------|--------------|-----------------------------|---------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| V Actuarial Assumptions | | | | |
| - Discount Rate (per annum) | 8.0% to 8.5% | 8.0% | 8.5% | -- |
| - Salary Escalation (per annum) | 6.0% | 5.5% to 6.0% | 6.0% | -- |

NOTES:

34.1 The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market.

34.2 The Company has introduced leave encashment policy for its employees in the current year. Hence there are no corresponding figures for leave encashment in the previous year.

B. Defined Contribution Plan

The Company makes provident fund contribution to defined contribution retirement benefit plan for its employees. Under the scheme, the company deposits an amount determined as a specified percentage of basic pay with the regional provident fund commissioner. Contribution to defined contribution plan recognized as expense for the year is ₹ 1,24,41,899/- (Previous year ₹ 1,01,28,461/-)

35 Particulars of Earning per share (Basic & Diluted)

| | Current Year | Previous Year |
|--|---------------------|---------------------|
| Net Profit after tax & Prior Period Items (₹) (Numerator) | 35,88,83,471 | 29,16,56,873 |
| Number of Equity shares at the beginning of the year | 1,93,70,844 | 1,84,70,844 |
| Number of Equity shares at the year end | 2,02,53,996 | 1,93,70,844 |
| Weighted Average number of shares outstanding during the year (Denominator) | 2,00,08,228 | 1,88,08,652 |
| Nominal value of the share (₹) | 10.00 | 10.00 |
| Basic & diluted earning per share (₹) | 17.94 | 15.51 |

Note: The Parent Company has issued warrants to promoters of the Company which are convertible into equity shares at the option of the holder within 18 months of the allotment of warrants. Since the warrants have been issued at fair value, these are considered neither dilutive nor anti-dilutive and hence, these have not been considered in the computation of diluted earnings per share in accordance with Accounting Standard 20 on 'Earning Per Share'.

36 Buy-Back of Equity Shares

The Board of Directors of the Company, during their meeting held on 02.12.2011, approved the buy back of 25,00,000 equity shares of ₹10/- each at maximum price of ₹ 45/- per share for an amount not exceeding ₹11,25,00,000/- The Board decided to implement the buy-back offer through the open market purchases in the Stock Exchanges.

Persuant to the offer, the Company from January 25,2012 to March 31,2012, has bought back 1,78,272 equity shares of ₹10/- each aggregating to ₹ 75,80,530/-. The Company had extinguished 1,16,848 equity shares upto March 31,2012 and the balance 61,424 equity shares were extinguished subsequent to the year end. Accordingly, ₹ 17,82,720 has been reduced from paid-up equity share capital and in accordance with the provisions of section 77A of the Companies Act, 1956, ₹ 57,97,810/- has been utilized from Securities Premium Account.

In terms of Section 77AA of the Companies Act, 1956, an amount of ₹ 17,82,720/- has been transferred to Capital Redemption Reserve.

37 Related Party Disclosures

As per Accounting Standard- 18, the disclosures of transactions with related parties are given below:

a) Names of the related parties where control exists and related parties with whom transactions have taken place and relationships:

1. Key Management Personnel

Mr. Deepak Ansal (Chairman & Managing Director)
 Mr. Kushagr Ansal (Whole Time Director)
 Mr. Karun Ansal (President)
 Mr. Vijay Chaddha (Managing Director of Joint Venture)
 Mr. Masashi Ishikawa (Whole Time Director of Joint Venture)

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

2. Relatives of Key Management Personnel

Ms. Divya Ansal (wife of Mr. Deepak Ansal)
M/s Deepak Ansal-(H.U.F)- (Karta Mr. Deepak Ansal)
Ms. Megha Ansal (wife of Mr. Kushagr Ansal)
Ms. Neha Ansal (wife of Mr. Karun Ansal)

3. Associates

3.1 Enterprise in which Key Management personnel having substantial interest

M/s Infinet India Ltd.
M/s Akash Deep Portfolios Pvt. Ltd.
M/s Suraj Kumari Charitable Trust
M/s Ansal Clubs Pvt. Ltd.
M/s Sungrace Security Services Pvt. Ltd.
M/s Snow White Cable Network Pvt. Ltd.
M/s Global Consultant & Designers Pvt. Ltd.
M/s Glorious Properties Pvt. Ltd.

3.2 Enterprises in which relative of Key Management personnel having substantial interest

M/s Ansal Buildwell Ltd.

Related Party Disclosures

b) The following transactions were carried out with the related parties in the ordinary course of business (Amount in ₹)

| | Current Year | | | | Previous Year |
|--|--------------------------|---------------------------------------|----------------------------|-------------|---------------|
| | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total | Total |
| Remuneration | | | | | |
| Mr. Deepak Ansal | 2,78,70,103 | | | 2,78,70,103 | 1,92,08,024 |
| Ms. Divya Ansal | | 57,53,848 | | 57,53,848 | 45,03,141 |
| Mr. Karun Ansal | 1,21,45,371 | | | 1,21,45,371 | 91,33,403 |
| Mr. Kushagr Ansal | 1,49,85,596 | | | 1,49,85,596 | 1,11,34,521 |
| Retainership Fee | | | | | |
| Ms. Megha Ansal | | 5,40,000 | | 5,40,000 | 5,40,000 |
| Ms. Neha Ansal | | 2,70,000 | | 2,70,000 | -- |
| Rent paid | | | | | |
| Ms. Divya Ansal | | 25,44,456 | | 25,44,456 | 3,29,550 |
| Mr. Deepak Ansal | 34,05,623 | | | 34,05,623 | 30,87,600 |
| Amount paid under Collaboration | | | | | |
| Mr. Deepak Ansal and Mr. Kushagr Ansal | 51,69,442 | | | 51,69,442 | 62,83,681 |
| Rent received from | | | | | |
| M/s Ansal Clubs Pvt. Ltd. | | | 10,24,662 | 10,24,662 | 10,51,819 |
| Expenses Reimbursed to | | | | | |
| M/s Ansal Clubs Pvt. Ltd. | | | 4,49,395 | 4,49,395 | 64,450 |
| Advance Received | | | | | |
| Mr. Deepak Ansal | 4,75,08,043 | | | 4,75,08,043 | 3,27,00,000 |
| M/s Deepak Ansal (HUF) | | -- | | -- | 23,00,000 |
| Ms. Divya Ansal | | 36,00,000 | | 36,00,000 | 3,26,50,000 |
| Mr. Kushagr Ansal | 96,00,000 | -- | | 96,00,000 | 2,39,00,000 |
| Mr. Karun Ansal | 17,00,000 | | | 17,00,000 | 1,30,00,000 |
| Advance Repayment | | | | | |
| Mr. Deepak Ansal | 4,62,80,666 | | | 4,62,80,666 | 3,25,13,400 |
| M/s Deepak Ansal (HUF) | | 13,00,000 | | 13,00,000 | 10,00,000 |
| Ms. Divya Ansal | | 88,50,000 | | 88,50,000 | 2,74,00,000 |
| Mr. Kushagr Ansal | 95,21,731 | | | 95,21,731 | 2,39,00,000 |
| Mr. Karun Ansal | 12,00,000 | | | 12,00,000 | 1,30,00,000 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| | Current Year | | | | Previous Year |
|---|--------------------------|---------------------------------------|----------------------------|----------------|----------------|
| | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total | Total |
| Sale of Plots/ Flats | | | | | |
| Ms. Megha Ansal | | 20,30,000 | | 20,30,000 | -- |
| Ms. Neha Ansal | | 20,30,000 | | 20,30,000 | -- |
| Investment made Outstanding as at 31.03.2012 | | | | | |
| M/s Infinet India Ltd. | | | 1,000 | 1,000 | 1,000 |
| Credit Balances as on 31.03.12 | | | | | |
| Mr. Deepak Ansal | 91,54,928 | | | 91,54,928 | 79,85,252 |
| M/s Deepak Ansal (HUF) | | -- | | -- | 13,00,000 |
| Mr. Kushagr Ansal | 61,01,288 | | | 61,01,288 | 38,41,605 |
| Ms. Divya Ansal | | -- | | -- | 52,50,000 |
| Ms. Megha Ansal | | 40,500 | | 40,500 | 40,500 |
| Ms. Neha Ansal | | 40,500 | | 40,500 | -- |
| M/s Ansal Buildwell Ltd. | | | 30,56,498 | 30,56,498 | 30,56,498 |
| M/s Suraj Kumari Charitable Trust | | | -- | -- | 1,96,380 |
| Debit balances as on 31.03.12 | | | | | |
| M/s Ansal Clubs Pvt. Ltd. | | | 11,47,254 | 11,47,254 | 25,05,402 |
| M/s Suraj Kumari Charitable Trust | | | 62,698 | 62,698 | -- |
| Equity Shares Allotted (including share premium) | | | | | |
| Mr. Deepak Ansal | 70,00,000 | | | 70,00,000 | |
| Ms. Divya Ansal | | 70,00,000 | | 70,00,000 | |
| Mr. Kushagr Ansal | 70,00,000 | | | 70,00,000 | |
| Mr. Karun Ansal | 70,00,000 | | | 70,00,000 | |
| M/s Deepak Ansal (HUF) | | 70,00,000 | | 70,00,000 | |
| M/s Sungrace Securities Services Pvt. Ltd. | | | 70,00,000 | 70,00,000 | |
| M/s Snow White Cable Network Pvt. Ltd. | | | 70,00,000 | 70,00,000 | 80,00,000 |
| M/s Glorious Properties Pvt. Ltd. | | | 70,00,000 | 70,00,000 | 80,00,000 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | 70,00,000 | 70,00,000 | |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | 70,00,000 | 70,00,000 | 2,00,00,000 |
| Guarantees & Collaterals taken from as at 31.03.12 | | | | | |
| Mr. Kushagra Ansal | 2,07,75,24,461 | | | 2,07,75,24,461 | 1,01,47,41,379 |
| Mr. Deepak Ansal | 3,54,81,61,888 | | | 3,54,81,61,888 | 2,30,49,91,172 |
| Mr. Karun Ansal | 94,00,00,000 | | | 94,00,00,000 | -- |
| Ms. Divya Ansal | | 94,00,00,000 | | 94,00,00,000 | -- |
| Money Received against warrants | | | | | |
| Mr. Deepak Ansal | 52,50,000 | | | 52,50,000 | 21,00,000 |
| Ms. Divya Ansal | | 52,50,000 | | 52,50,000 | 21,00,000 |
| Mr. Kushagr Ansal | 52,50,000 | | | 52,50,000 | 21,00,000 |
| Mr. Karun Ansal | 52,50,000 | | | 52,50,000 | 21,00,000 |
| M/s Deepak Ansal (HUF) | | 52,50,000 | | 52,50,000 | 21,00,000 |
| M/s Sungrace Securities Services Pvt. Ltd. | | | 52,50,000 | 52,50,000 | 21,00,000 |
| M/s Snow White Cable Network Pvt. Ltd. | | | 52,50,000 | 52,50,000 | 81,00,000 |
| M/s Glorious Properties Pvt. Ltd. | | | 52,50,000 | 52,50,000 | 81,00,000 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | 52,50,000 | 52,50,000 | 21,00,000 |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | 52,50,000 | 52,50,000 | 2,21,00,000 |

Notes to Consolidated Financial Statements for the year ending 31st March, 2012

(Amount in ₹)

| | Current Year | | | | Previous Year |
|--|--------------------------|---------------------------------------|----------------------------|------------------|---------------|
| | Key Management Personnel | Relatives of Key Management Personnel | Joint Venture / Associates | Total | Total |
| Amount received against warrants outstanding as on 31.03.12 | | | | | |
| Mr. Deepak Ansal | | | | -- | 21,00,000 |
| Ms. Divya Ansal | | | | -- | 21,00,000 |
| Mr. Kushagr Ansal | | | | -- | 21,00,000 |
| Mr. Karun Ansal | | | | -- | 21,00,000 |
| M/s Deepak Ansal (HUF) | | | | -- | 21,00,000 |
| M/s Sungrace Securities Services Pvt. Ltd. | | | | -- | 21,00,000 |
| M/s Snow White Cable Network Pvt. Ltd. | | | | -- | 21,00,000 |
| M/s Glorious Properties Pvt. Ltd. | | | | -- | 21,00,000 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | | -- | 21,00,000 |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | | -- | 21,00,000 |
| Amount forfeited against warrants | | | | | |
| Mr. Deepak Ansal | 3,50,000 | | | 3,50,000 | -- |
| Ms. Divya Ansal | | 3,50,000 | | 3,50,000 | -- |
| Mr. Kushagr Ansal | 3,50,000 | | | 3,50,000 | -- |
| Mr. Karun Ansal | 3,50,000 | | | 3,50,000 | -- |
| M/s Deepak Ansal (HUF) | | 3,50,000 | | 3,50,000 | -- |
| M/s Sungrace Securities Services Pvt. Ltd. | | | 3,50,000 | 3,50,000 | -- |
| M/s Snow White Cable Network Pvt. Ltd. | | | 3,50,000 | 3,50,000 | -- |
| M/s Glorious Properties Pvt. Ltd. | | | 3,50,000 | 3,50,000 | -- |
| M/s Global Consultants & Designers Pvt. Ltd. | | | 3,50,000 | 3,50,000 | -- |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | 3,50,000 | 3,50,000 | -- |
| Dividend Paid for the Year 2010-2011 | | | | | |
| Mr. Deepak Ansal | 16,60,415 | | | 16,60,415 | 15,80,450 |
| Ms. Divya Ansal | | 6,77,318 | | 6,77,318 | 5,97,318 |
| Mr. Kushagr Ansal | 7,79,894 | | | 7,79,894 | 6,99,894 |
| Mr. Karun Ansal | 8,16,365 | | | 8,16,365 | 7,36,365 |
| M/s Deepak Ansal (HUF) | | 85,520 | | 85,520 | 5,520 |
| M/s Sungrace Securities Services Pvt. Ltd. | | | 7,96,646 | 7,96,646 | 7,16,646 |
| M/s Snow White Cable Network Pvt. Ltd. | | | 8,56,508 | 8,56,508 | 6,16,508 |
| M/s Glorious Properties Pvt. Ltd. | | | 10,47,743 | 10,47,743 | 8,07,743 |
| M/s Global Consultants & Designers Pvt. Ltd. | | | 9,97,344 | 9,97,344 | 9,17,344 |
| M/s Akashdeep Portfolios Pvt. Ltd. | | | 11,45,256 | 11,45,256 | 6,65,255 |

38 Operating Leases

The Group has taken various residential / commercial premises under cancelable operating leases. These leases are normally renewable on expiry. The rental expenses in respect of operating leases amounting to ₹ 5,61,08,577/- (Previous Year ₹ 5,00,16,370/-) has been charged to the Statement of Profit and Loss.

39 Previous year figures

Till the year ended 31st March 2011, the Company was using pre-revised Schedule-VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended 31st March 2012, the revised Schedule-VI notified under the Companies Act, 1956, has become applicable to the Company. The Company has re-classified previous year figures to conform to this year's classification. The adoption of revised Schedule-VI doesn't impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosure made in the financial statements particularly presentation of Balance Sheet.

ATTENDANCE SLIP



ANSAL HOUSING & CONSTRUCTION LTD.

An ISO 9001:2008 Company

Regd. Office : 15 UGF, Indra Prakash, 21, Barakhamba Road, New Delhi - 110 001

| | | |
|--------------------------------------|------------|----------------|
| Folio No. | DP ID No.* | Client ID No.* |
| Name(s) and address of the Member(s) | | |
| No. of Shares held | | |

I/We hereby record my/our presence at the 28th Annual General Meeting held at Sri Sathya Sai International Centre and School, Pragati Vihar, Lodhi Road, New Delhi – 110 003 on Wednesday, the 26th September, 2012 at 11.00 A.M. **

SIGNATURE(S) OF THE MEMBER(S) OR PROXY/PROXIES PRESENT

*Applicable for Investors holding shares in electronic form

Please fill up your folio No./DP Id No./Client Id No. Name & Address and sign this attendance slip and handover at the entrance of the meeting hall. Only member(s) or their proxies with this attendance slip will be allowed entry to the meeting.

ABOVE SIGNATURE(S) SHOULD TALLY WITH THE SPECIMEN SIGNATURE(S) REGISTERED WITH THE COMPANY.

----- TEAR HERE -----



ANSAL HOUSING & CONSTRUCTION LTD.

An ISO 9001:2008 Company

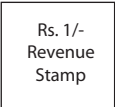
Regd. Office : 15 UGF, Indra Prakash, 21, Barakhamba Road, New Delhi - 110 001

| | | |
|--------------------------------------|------------|----------------|
| Folio No. | DP ID No.* | Client ID No.* |
| Name(s) and address of the Member(s) | | |
| No. of Shares held | | |

I/We of
in the district of being a member/members of
Ansal Housing & Construction Ltd. hereby appoint in
the district of or failing him/her
of in the district of at
as my/our Proxy to attend and vote for me/us and on my/our behalf at the 28th Annual General Meeting of the Company to be held
on Wednesday, the 26th September, 2012 at 11.00 A.M. and at any adjournment thereof.

As witness my hand/our hands this day of 2012

Signed by said



- NOTES: (a) The Form should be signed across the revenue stamp as per specimen signatures registered with the Company.
(b) The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.
- * Applicable for investors holding shares in electronic form
 - ** EATABLES, BRIEF CASES AND HAND BAGS WILL NOT BE ALLOWED TO BE CARRIED INSIDE THE MEETING HALL

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