

29th Annual Report
2012-13



KAMANWALA HOUSING CONSTRUCTION LIMITED



KAMANWALA HOUSING CONSTRUCTION LIMITED

BOARD OF DIRECTORS

Mr. B.R. Maheshwari	: <i>Chairman</i>
Mr. M.L. Gupta	: <i>Vice-Chairman & Managing Director</i>
Mr. Jaipal Jain	: <i>Whole-time Director</i>
Mr. Atul Jain	: <i>Whole-time Director</i>
Mr. Tarun Jain	: <i>Whole-time Director</i>
Mr. Amit Jain	: <i>Whole-time Director</i>
Mrs. Pushpa Jain	: <i>Whole-time Director</i>
Mr. Bhanwarlal D. Jogani	: <i>Director</i>
Mr. Ramesh J. Patel	: <i>Director</i>
Mr. Pankaj R. Majithia	: <i>Director</i>
Mrs. Shobha Jain	: <i>Director</i>
Mr. Sorabh Gupta	: <i>Director</i>

AUDITORS

M/s. Mittal & Associates
Chartered Accountants,
Mumbai.

ADVOCATES

Mr. Mukesh Jain, Mumbai.
Mrs. S. S. Ayyar, Mumbai.

BANKERS

Indian Overseas Bank,
Oriental Bank of Commerce,
Corporation Bank.

SHARE TRANSFER AGENTS

M/s. Sharex Dynamic (India) Pvt. Ltd.,
Unit No. 1,
Luthra Industrial Premises,
Andheri-Kurla Road,
Safed Pool, Andheri (East),
Mumbai-400 072.

REGISTERED OFFICE

405/406, New Udyog Mandir-2,
Mogul Lane, Mahim (West),
Mumbai-400 016.

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KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Ninth Annual General Meeting of the Members of KAMANWALA HOUSING CONSTRUCTION LIMITED will be held on Monday, the 30th September, 2013, at Tendulkar Hall, Saraswat Bhavan, Chhatrapati Shivaji Maharaj Marg, Mogul Lane, Mahim (West), Mumbai-400 016, at 11.30 A.M. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2013, and the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jaipal Jain, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Tarun Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ramesh J. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mrs. Shobha Jain, who retires by rotation and being eligible, offers herself for re-appointment.
6. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

7. 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, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-appointment of Mrs. Pushpa Jain as a Whole-time Director of the Company for a further period of three years w.e.f. 1st February, 2013 as approved by the Board of Directors at its Meeting held on 10th November, 2012 on the terms and conditions as to the remuneration payable to her as recommended by the Remuneration Committee and as set out in the Agreement, to be entered into between the Company and Mrs. Pushpa Jain, a draft of which duly initialled by the Chairman for the purpose of identification, is placed before the Meeting."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby empowered and authorized to vary such terms and conditions of the Agreement including any increase or enhancement in the remuneration not exceeding the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to by the Board of Directors and Mrs. Pushpa Jain and that the aforesaid draft of the Agreement to be entered into between the Company and Mrs. Pushpa Jain be suitably amended to give effect to the same."

"AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to enter into an Agreement on behalf of the Company with Mrs. Pushpa Jain as per the said draft of Agreement."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification to the resolution passed at the Annual General Meeting of the Company held on 30th September, 2010, for the appointment and terms of remuneration of Mr. M.L. Gupta, Managing Director of the Company and pursuant to the provisions of Sections 198, 309, 310 and other applicable provisions if any, of the Companies Act, 1956 as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves the upward revision in the terms of remuneration of Mr. M.L. Gupta, Managing Director, with authority to the Board of Directors to determine the remuneration (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), in such manner as they deem fit, with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 31st October, 2015 as set out in the Explanatory Statement annexed to the Notice convening this Meeting."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in partial modification to the resolution passed at the Annual General Meeting of the Company held on 30th September, 2010, for the appointment and terms of remuneration of

Mr. Atul Jain, Whole-time Director of the Company and pursuant to the provisions of Sections 198, 309 310 and other applicable provisions if any, of the Companies Act, 1956 as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves the upward revision in the terms of remuneration of Mr. Atul Jain, Whole-time Director, with authority to the Board of Directors to determine the remuneration (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), in such manner as they deem fit, with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 31st October, 2015 as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

and pursuant to the provisions of Sections 198, 309, 310 and other applicable provisions if any, of the Companies Act, 1956 as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves the upward revision in the terms of remuneration of Mr. Jaipal Jain, Whole-time Director, with authority to the Board of Directors to determine the remuneration (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), in such manner as they deem fit, with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 23rd April, 2015 as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in partial modification to the resolution passed at the Annual General Meeting of the Company held on 30th September, 2011, for the appointment and terms of remuneration of Mr. Tarun Jain, Whole-time Director of the Company and pursuant to the provisions of Sections 198, 309 310 and other applicable provisions if any, of the Companies Act, 1956 as amended or re-enacted from time to time, read with Schedule XIII of the Act, the Company hereby approves the upward revision in the terms of remuneration of Mr. Tarun Jain, Whole-time Director, with authority to the Board of Directors to determine the remuneration (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), in such manner as they deem fit, with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 31st March, 2016 as set out in the Explanatory Statement annexed to the Notice convening this Meeting.”

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in partial modification to the resolution passed at the Annual General Meeting of the Company held on 28th September, 2012, for the appointment and terms of remuneration of Mr. Jaipal Jain, Whole-time Director of the Company

12. 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 provision of Sections 198, 309 and other applicable provisions, if any, of the Companies Act, 1956 and subject to all other approvals as may be required, the consent of the Company be and is hereby accorded to the payment of, in addition to the sitting fees for attending the Meetings of the Board or Committee thereof and reimbursement of expenses in accordance with the relevant provisions of the Articles of Association of the Company and statutory regulations for the time being in force, a commission at the rate not exceeding one percent of the net profits of the Company in each year calculated in accordance with the relevant provisions of the said Act, to the Directors of the Company who are neither in the whole-time employment of the Company nor Managing/Whole-time Director of the Company, subject, however, to such ceiling if any, as the Board may from time to time fix in that behalf for each year and the same to be divided amongst them in such manner as the Board may from time to time determine.”

“RESOLVED FURTHER THAT this resolution shall be effective for a period of five years from the 1st April, 2013 to 31st March, 2018.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all actions and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER / MEMBERS OF THE COMPANY.
2. Proxies in order to be effective, must be deposited at the Company's Registered Office not less than 48 hours before the time of the Meeting.
3. Details of Directors' appointment / re-appointment pursuant to Clause "49" of the Listing Agreement with the Stock Exchange are annexed hereto.
4. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2013 to 30th September, 2013 (both days inclusive).
5. The Corporate Members intending to send their duly authorized representative(s) are requested to send a duly certified copy of the Board resolution authorizing their representative(s) to attend and vote at the Annual General Meeting.
6. The Members intending to seek any information / clarification on the Annual Accounts are requested to write to the Company at its Registered Office at least ten days before the date of Annual General Meeting so that the same may be complied within time.
7. Members are hereby requested to notify change in their addresses, make correspondence and send documents of share transfers, etc. either directly to the Company at the Registered Office or to the Office of Share Transfer Agents of the Company, M/s. Sharex Dynamic (India) Pvt. Ltd., at Unit No. 1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072.
8. The Members who hold shares in electronic form are requested to bring their numbers of DP ID/Client ID for the purpose of proper identification at the Meeting.

By Order of the Board

M. L. GUPTA

Vice-Chairman & Managing Director

Registered Office:

405/406, New Udyog Mandir-2,
Mogul Lane, Mahim (West),
Mumbai-400 016.

Dated: 12th August, 2013.

ANNEXURE TO THE NOTICE

Explanatory Statement under Section 173(2) of the Companies Act, 1956.

Item No. 7

The tenure of the Office of Mrs. Pushpa Jain, as a Whole-time Director of the Company, expired at the close of business hours on 31st January, 2013.

The Board of Directors at its Meeting held on 10th November, 2012 considered and approved subject to the approval of Members at the forthcoming Twenty Ninth Annual General Meeting, the re-appointment of Mrs. Pushpa Jain as a Whole-time Director of the Company for a further term of 3 (three) years with effect from 1st February, 2013. Her re-appointment is in accordance with the provisions of Schedule XIII to the Companies Act, 1956. The main terms and conditions of her re-appointment as recommended by the Remuneration Committee and as specified in the draft agreement as to the remuneration payable to her are as follows:

Remuneration:

A. Salary & Perquisites:

- | | | |
|--|---|---|
| (i) Salary | : | ₹ 1,40,000/- per month (in the pay scale of ₹ 1,40,000 – ₹ 15,000 – ₹ 1,70,000) |
| (ii) Commission | : | 1% of the Net Profit of the Company |
| (iii) Perquisites: | | |
| (a) Free Unfurnished Residential Accommodation | : | House Rent not to exceed 40% of the monthly salary per month. |
| (b) Medical Benefit for self and family | : | One month's salary per annum |
| (c) Leave Travel Allowance | : | One month's salary per annum |
| (d) Electricity | : | Payment of actual Bills |

B. Payment of the following perquisites will not be included in the computation of the ceiling on remuneration.

(i) Provident Fund / Superannuation Fund.

Company's Contribution to Provident Fund or Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.

(ii) Gratuity:

One-half month's salary for each completed year of service.

(iii) Leave & Leave Encashment:

Privilege Leave of 15 days encashable every year in the month of March during the tenure of her office.

C. Minimum Remuneration:

The above remuneration of A (i) and A (iii) (i.e. Salary & Perquisites) will be paid as Minimum Remuneration in case of loss or inadequacy of profits for any financial year during the term of her appointment.

D. The Whole-time Director will also be entitled to:

(i) A provision of car with driver (or reimbursement of driver's salary) for the use of Company's business.

(ii) Free telephone facility at residence.

(iii) Reimbursement of all reasonable expenses including entertainment expenses incurred in connection with the business of the Company.

She shall not be paid any sitting fees for attending the Meetings of the Board of Directors or Committees thereof.

Mrs. Pushpa Jain, Mr. Atul Jain and Mr. Jaipal Jain, being relatives may be deemed to be interested to the extent of the remuneration payable to Mrs. Pushpa Jain as a Whole-time Director.

No other Director is interested or concerned in this resolution.

The above should be treated as an abstract as required under Section 302 of the Companies Act, 1956.

The draft of the proposed agreement to be entered into is available for inspection by the Members during the office hours on any working day at the Registered Office of the Company.

Item No. 8

At the Annual General Meeting of the Company held on 30th September, 2010, the Members of the Company had approved the appointment of and terms of remuneration payable to Mr. M.L. Gupta, Managing Director of the Company for a period of five years with effect from 1st November, 2010. On recommendation of the Remuneration Committee that the salary of the Managing Director should be revised upward considering the persistent high inflation, depreciating purchasing power of Indian Rupee and resultant high cost of living, the Board of Directors proposes to revise upward the terms of remuneration of Mr. M.L. Gupta with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 31st October, 2015 subject to approval of the Members.

The revised terms and conditions of the remuneration of Mr. M.L. Gupta are as under:

(i) Remuneration: Basic Salary – ₹ 1,60,000/- per month with liberty to the Board of Directors to enhance it by ₹ 15,000/- at the end of each year of the service.

(ii) Commission: 1% of the Net Profit

(iii) House Rent Allowance: 40% of the monthly salary

(iv) Medical expenses for self & family: One month's salary per annum

(v) Leave Travel Allowance: One month's salary per annum

(vi) Electricity: Payment of actual bills.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profit or its profit is inadequate, the Company will pay remuneration by way of basic salary, benefit, perquisites and allowances as specified above.

All other terms of appointment of Mr. M.L. Gupta as approved by the Members at their Annual General Meeting held on 30th September, 2010 will remain unchanged.

This may be treated as an abstract of the terms and conditions of the revised remuneration of Mr. M.L. Gupta as required under Section 302 of the Act.

The resolution for the revision in remuneration of Mr. M.L. Gupta at Item No. 8 of the Notice is commended for approval by the Members.



KAMANWALA HOUSING CONSTRUCTION LIMITED

Mr. M.L. Gupta and Mr. Sorabh Gupta being relatives, may be deemed to be concerned or interested in the proposed resolution to the extent of revision in terms of remuneration. None of the other Directors is concerned or interested in this resolution.

Item No. 9

At the Annual General Meeting of the Company held on 30th September, 2010, the Members of the Company had approved the appointment of and terms of remuneration payable to Mr. Atul Jain, Whole-time Director of the Company for a period of five years with effect from 1st November, 2010. On recommendation of the Remuneration Committee that the salary of the Whole-time Director should be revised upward considering the persistent high inflation, depreciating purchasing power of Indian Rupee and resultant high cost of living, the Board of Directors proposes to revise upward the terms of remuneration of Mr. Atul Jain with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 31st October, 2015 subject to approval of the Members.

The revised terms and conditions of the remuneration of Mr. Atul Jain are as under:

- (i) Remuneration: Basic Salary – ₹ 1,60,000/- per month with liberty to the Board of Directors to enhance it by ₹ 15,000/- at the end of each year of the service.
- (ii) Commission: 1% of the Net Profit
- (iii) House Rent Allowance: 40% of the monthly salary
- (iv) Medical expenses for self & family: One month's salary per annum
- (v) Leave Travel Allowance: One month's salary per annum
- (vi) Electricity: Payment of actual bills.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Whole-time Director, the Company has no profit or its profit is inadequate, the Company will pay remuneration by way of basic salary, benefit, perquisites and allowances as specified above.

All other terms of appointment of Mr. Atul Jain as approved by the Members at their Annual General Meeting held on 30th September, 2010 will remain unchanged.

This may be treated as an abstract of the terms and conditions of the revised remuneration of Mr. Atul Jain as required under Section 302 of the Act.

The resolution for the revision in remuneration of Mr. Atul Jain at Item No. 9 of the Notice is commended for approval by the Members.

Mr. Atul Jain, Mrs. Pushpa Jain and Mr. Jaipal Jain being relatives, may be deemed to be concerned or interested in the proposed resolution to the extent of revision in terms of remuneration. None of the other Directors is concerned or interested in this resolution.

Item No. 10

At the Annual General Meeting of the Company held on 30th September, 2011, the Members of the Company had approved the appointment of and terms of remuneration payable to Mr. Tarun Jain, Whole-time Director of the Company for a period of five years with effect from 1st April, 2011. On recommendation of the Remuneration Committee that the salary of the Whole-time Director should be revised upward considering the persistent high inflation, depreciating purchasing power of Indian Rupee and resultant high cost of living, the Board of Directors proposes to revise upward the terms of remuneration of Mr. Tarun Jain with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 31st March, 2016 subject to approval of the Members.

The revised terms and conditions of the remuneration of Mr. Tarun Jain are as under:

- (i) Remuneration: Basic Salary – ₹ 1,50,000/- per month with liberty to the Board of Directors to enhance it by ₹ 15,000/- at the end of each year of the service.
- (ii) Commission: 1% of the Net Profit
- (iii) House Rent Allowance: 40% of the monthly salary
- (iv) Medical expenses for self & family: One month's salary per annum
- (v) Leave Travel Allowance: One month's salary per annum
- (vi) Electricity: Payment of actual bills.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Whole-time Director, the Company has no profit or its profit is inadequate, the Company will pay remuneration by way of basic salary, benefit, perquisites and allowances as specified above.

All other terms of appointment of Mr. Tarun Jain as approved by the Members at their Annual General Meeting held on 30th September, 2011 will remain unchanged.

This may be treated as an abstract of the terms and conditions of the revised remuneration of Mr. Tarun Jain as required under Section 302 of the Act.

The resolution for the revision in remuneration of Mr. Tarun Jain at Item No.10 of the Notice is commended for approval by the Members.

Mr. Tarun Jain, Mr. Jaipal Jain, Mrs. Shobha Jain and Mr. Amit Jain being relatives, may be deemed to be concerned or interested in the proposed resolution to the extent of revision in terms of remuneration. None of the other Directors is concerned or interested in this resolution.

Item No. 11

At the Annual General Meeting of the Company held on 28th September, 2012, the Members of the Company had approved the appointment of and terms of remuneration payable to Mr. Jaipal Jain, Whole-time Director of the Company for a period of three years with effect from 24th April, 2012. On recommendation of the Remuneration Committee that the salary of the Whole-time Director should be revised upward considering the persistent high inflation, depreciating purchasing power of Indian Rupee and resultant high cost of living, the Board of Directors proposes to revise upward the terms of remuneration of Mr. Jaipal Jain with effect from 1st November, 2012 for the remainder of the tenure of his appointment i.e. upto 23rd April, 2015 subject to approval of the Members.

The revised terms and conditions of the remuneration of Mr. Jaipal Jain are as under:

- (i) Remuneration: Basic Salary – ₹ 1,75,000/- per month with liberty to the Board of Directors to enhance it by ₹ 15,000/- at the end of each year of the service.
- (ii) Commission: 1% of the Net Profit
- (iii) House Rent Allowance: 40% of the monthly salary
- (iv) Medical expenses for self & family: One month's salary per annum
- (v) Leave Travel Allowance: One month's salary per annum
- (vi) Electricity: Payment of actual bills.

Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the

Whole-time Director, the Company has no profit or its profit is inadequate, the Company will pay remuneration by way of basic salary, benefit, perquisites and allowances as specified above.

All other terms of appointment of Mr. Jaipal Jain as approved by the Members at their Annual General Meeting held on 28th September, 2012 will remain unchanged.

This may be treated as an abstract of the terms and conditions of the revised remuneration of Mr. Jaipal Jain as required under Section 302 of the Act.

The resolution for the revision in remuneration of Mr. Jaipal Jain at Item No.11 of the Notice is commended for approval by the Members.

Mr. Jaipal Jain, Mrs. Shobha Jain, Mr. Atul Jain, Mr. Tarun Jain and Mr. Amit Jain being relatives, may be deemed to be concerned or interested in the proposed resolution to the extent of revision in terms of remuneration. None of the other Directors is concerned or interested in this resolution.

Item No. 12

Currently, the Non-executive Directors are being paid only sitting fees for attending each Meeting of the Board of Directors and Committee thereof. Considering the efforts and time put-up by these Non-executive Directors, the Board of Directors is of the view that they may be compensated suitably. It is proposed to pay commission subject to the provisions of the Companies Act, 1956. The payment of commission to Non-executive Directors will be subject to the limits set out in the relevant provisions of Section 309 of the Companies Act, 1956 being at a rate not exceeding 1% of the net profits of the Company calculated in accordance with the relevant provisions of the Act and other applicable laws in a financial year and further subject to such ceiling if any, as the Board may from time to time fix in this behalf for each year and the same to be divided amongst them in such manner as they may from time to time determine. In terms of the provisions of the aforesaid Section 309, such remuneration is effective for a period of five years as stated in the resolution.

The resolution for payment of 1% commission of net profits to the Non-executive Directors is commended for approval by the Members.

All the Directors except Mrs. Pushpa Jain may be deemed to be concerned or interested in this resolution.



KAMANWALA HOUSING CONSTRUCTION LIMITED

STATEMENT OF ADDITIONAL INFORMATION PURSUANT TO PROVISIONS OF SECTION II(B) OF PART II OF SCHEDULE-XIII TO THE COMPANIES ACT, 1956:

I. General Information:

Kamanwala Housing Construction Limited was incorporated on 12th April, 1984 in the name and style of Kamanwala Housing Development Finance Company Limited as a Public Limited Company. The name of the Company was changed to Kamanwala Industries Limited on 24th January, 1995 and subsequently with a view to correctly reflect the present activities of the Company, name of the Company was changed to Kamanwala

Housing Construction Limited on 9th November, 2006. The Company's Shares are listed on the Bombay Stock Exchange Ltd. The Company is engaged in construction and development of residential flats, commercial premises and industrial galas. As on today, the Company earns almost total revenue from construction and development activities.

The detailed financial position and performance of the Company for the last five years are as under:-

(₹ in Lacs)					
Particulars	2012-13	2011-12	2010-11	2009-10	2008-09
(I) EQUITY AND LIABILITIES:					
Equity Share Capital	1409.32	1409.32	1409.32	1409.32	1409.32
Reserves & Surplus	7356.94	7092.12	6702.32	6468.61	6106.52
Non-Current Liabilities	587.95	4658.33	228.39	8809.39	12158.12
Current Liabilities	9518.76	8854.76	15117.57	6850.21	6035.10
Total	18872.97	22014.53	23457.60	23537.53	25709.06
(II) ASSETS:					
Fixed Asset (Net)	244.40	242.80	215.38	202.33	211.89
Other Non-Current Assets	265.46	228.50	158.51	2815.27	2286.42
Current Assets	18352.84	21542.23	23082.31	20517.13	23206.55
Other Current Assets	10.27	1.00	1.40	2.80	4.20
Total	18872.97	22014.53	23457.60	23537.53	25709.06

Total Income	8689.35	7797.51	4736.53	7213.52	5904.27
Interest & Financial Charges	817.31	1058.51	1167.48	828.73	614.39
Depreciation	20.67	19.41	16.52	14.87	15.36
Tax Expense	85.00	176.68	143.22	345.68	164.68
Net Profit	264.83	389.80	233.71	526.43	290.21

II. Information about the appointee:

Mrs. Pushpa Jain aged 51 years, is a Bachelor of Science. She joined the Company as a non-executive Director on 9th August, 1995. Considering her enthusiasm, business acumen and active participation in the affairs of the Company, the Board of Directors thought it fit to appoint her as a Whole-time Director of the Company on 1st February, 2008.

Her total remuneration package as indicated in the proposed resolution of her re-appointment is quite reasonable compared to still higher remuneration packages prevailing in the comparable industry for senior positions.

III. Reasons for loss and inadequate profits:

The Company is engaged in the building construction activity. Due to volatile market conditions, rising interest and input costs, unfavourable government policies, cut throat competition from the unorganized real estate sector, profit margin remained subdued. Efforts are being made to increase revenue by undertaking premium housing / commercial projects which could provide better profit margin.

By Order of the Board

M. L. GUPTA

Vice-Chairman & Managing Director

Place : Mumbai

Dated : 12th August, 2013.

APPOINTMENT/RE-APPOINTMENT OF DIRECTORS

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchange:

Name of Director	Date of Birth	Date of Appointment	Special Expertise/ Occupation	Qualifications	Directors in other Companies Incorporated in India	Chairman/Member of Committee of Companies
Mr. Jaipal Jain	27.10.1944	12.04.1984	Business & Finance	B.Com.	NIL	As a Member of: (i) Share Allotment Committee of M/s. Kamanwala Housing Construction Ltd.
Mr. Tarun Jain	30.09.1967	25.08.1990	Business & Finance	B.Com.	M/s. Ritika Steel & Scraps Pvt. Ltd	As a Member of: (i) Materials Purchases Committee of M/s. Kamanwala Housing Construction Ltd.
Mr. Ramesh J. Patel	09.03.1939	12.04.1984	Investment Consultant	B.Com.	M/s. JNP Shares & Stock Brokers Pvt. Ltd.	(i) Chairman of Shareholders' Grievance Committee of Kamanwala Housing Construction Ltd. (ii) Member of Audit Committee of Kamanwala Housing Construction Limited (iii) Member of Remuneration Committee of Kamanwala Housing Construction Limited (iv) Member of Share Allotment Committee
Mrs. Shobha Jain	07.05.1945	24.04.2008	Business	B.A. (Hons.)	NIL	(i) Member of Shareholders' Grievance Committee of Kamanwala Housing Construction Limited

By Order of the Board

M. L. GUPTA

Vice-Chairman & Managing Director

Place : Mumbai

Dated : 12th August, 2013.



KAMANWALA HOUSING CONSTRUCTION LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Twenty Ninth Annual Report on the business and operations of the Company along with the audited Financial Statements of Account for the year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS:

The Summarized Financial Highlights of the Company are as follows:

	For the Year ended 31-03-2013 (₹ In Lacs)	For the Year ended 31-03-2012 (₹ In Lacs)
Sales and Other Income.....	8,689.35	7,797.51
Gross Profit	291.19	587.29
Less: Depreciation	20.67	19.41
Miscellaneous Expenditure written off	—	1.40
Profit before Taxation.....	270.52	566.48
Provision for Taxation	85.00	172.48
Provision for Taxation for earlier years	—	2.52
Provision for Deferred Tax	—	1.68
Provision for Deferred Tax written back.....	(79.31)	—
Net Profit / (Loss) for the year	264.83	389.80
Balance brought forward from previous year.....	4,275.88	3,886.08
Profits available for Appropriations.....	4,540.71	4,275.88
Appropriations:		
Balance carried to Balance Sheet.....	4,540.71	4,275.88

DIVIDEND:

With a view to conserve and plough back the resources of the Company, the Board of Directors has decided not to recommend any dividend for the Financial Year 2012-13.

REVIEW OF OPERATIONS:

During the year under review, the Company recorded the turnover of ₹ 8,689.35 Lacs as compared to ₹ 7,797.51 Lacs for the previous year. The Company earned profit after tax of ₹ 264.83 Lacs for the year as compared to ₹ 389.80 Lacs in the previous year.

Amid the deteriorating macroeconomic fundamentals and sagging business confidence, your Company has performed better as compared to last year's performance. But due to increased input costs, strains on cash flows and pressure on margins continued and adversely affecting the financial performance of the Company. During the year under review, in spite of slowing Indian Economy, deteriorating macroeconomic conditions worldwide and adverse market conditions, your Company has performed reasonably well in terms of sales turnover. But, profit margin has come under tremendous pressure due to rising input costs and cost overrun happening from

delay in execution of projects which have occurred on account of inordinate delay on the part of local authorities in issuing necessary approvals. Construction work at the Company's Residential Project at Malad (West), Mumbai is on the verge of completion. Construction work at Residential Joint Venture Project is going on in full swing and is scheduled to be completed in time.

Necessary approvals are being sought from the concerned authorities for other projects on hand. Amid the prevailing uncertain, unfavourable economic, financial, political and business conditions, your Directors are negotiating to acquire new projects. The Company has debt levels well within reasonable limits, your Directors hope that the Company will register performance in the future with healthy cash flows.

REPORT ON CORPORATE GOVERNANCE:

The Report on Corporate Governance is attached herewith as **Annexure – I**, which forms part of this Report. The Certificate from Practicing Company Secretary, Mr. Upendra C. Shukla, on compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis Report is attached herewith as **Annexure – II** and it forms part of this Report.

DIRECTORS:

Pursuant to the provisions of the Companies Act, 1956 and relevant Article of the Articles of Association of the Company, Mr. Jaipal Jain, Mr. Tarun Jain, Mr. Ramesh J. Patel and Mrs. Shobha Jain retire by rotation at the forthcoming 29th Annual General Meeting and being eligible they offer themselves for re-appointment. As per Item No. 7 of the Notice for convening the 29th Annual General Meeting, Mrs. Pushpa Jain is being proposed to be re-appointed as a Whole-time Director of the Company w.e.f. 1st February, 2013.

The Members are requested to approve their re-appointments.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act 1956, your Directors, based on the representations received from operating management and after due enquiry, confirm that:

- (i) in the preparation of the annual accounts, the applicable Accounting Standards have been followed;
- (ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and those have been applied consistently. Reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for detecting and preventing the fraud and other irregularities; and
- (iv) the annual accounts have been prepared on a going concern basis.

DEPOSITS:

Your Company has not accepted any Deposits from the public or its employees during the year under review. There was no outstanding Deposit repayable as on 31st March, 2013.

PARTICULARS OF EMPLOYEES:

The Company did not have any employee who was in receipt of remuneration exceeding ₹ 60,00,000/- per annum and if employed for a part of the year exceeding remuneration at the rate which in aggregate was ₹ 5,00,000/- per month.



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

In view of the nature of activities which are being carried on by the Company, Provisions of Section 217(1)(e) of the Companies Act, 1956 relating to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding conservation of energy and technology absorption, are not applicable to the Company.

There was no foreign exchange earnings and expenses during the year under review.

AUDITORS' REMARKS:

As regards Auditors' remarks, your Directors wish to state as under:

- (i) Regarding Accounting Standard 15 (Employees Benefits):

The Company has provided and paid gratuity actuarially determined by the Life Insurance Corporation of India.

- (ii) Regarding non-payment of MVAT of ₹ 7,22,889/- for F.Y. 2011-12 and Service Tax of ₹ 7,68,469/- for F.Y. 2012-13:

These statutory dues were not paid on due dates as the same could not be received from some customers and under the advice of tax consultants, the same were provided in the books of account at the end of the year. The said statutory dues have

been paid in the current year and regarding Income Tax demand of ₹ 1,69,763/- for A.Y. 2007-08 and ₹ 2,32,727/- for A.Y. 2008-09, these demand raised by the Assessing Officer, were subject to rectification. The rectification Orders have been received in the current year and accordingly, the Income Tax demand stand fully adjusted / paid in the current year.

AUDITORS:

M/s. Mittal & Associates, Chartered Accountants, the Auditors of your Company, retire at the forthcoming 29th Annual General Meeting. They are eligible for re-appointment. The Members are requested to appoint the Auditors of the Company for the current year and fix their remuneration.

ACKNOWLEDGEMENTS:

Your Directors would like to express their appreciation for the co-operation and assistance received from Banks, Government authorities, customers, suppliers and shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services rendered by all the employees of the Company.

For and on behalf of the Board

B. R. Maheshwari
Chairman

Place : Mumbai

Dated : 12th August, 2013.

ANNEXURE – I

CORPORATE GOVERNANCE REPORT:

1. Company’s Philosophy on Corporate Governance:

The Company believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. The Company seeks to focus on enhancement of long-term value creation for all stakeholders without compromising on integrity, social obligations and legal and regulatory compliances. The Company will focus its energies and resources in creating and safeguarding of Shareholders’ wealth and at the same time, protect the interests of all its stakeholders.

The Company’s philosophy on Corporate Governance finds its roots in the rich legacy of ethical governance practices, many of which were in place even before they were mandated. The Company has laid a strong foundation for making Corporate Governance a way of life leading to effective control and efficient management of the organization.

The Company confirms that compliance of the Corporate Governance Norms as contained in Clause 49 of the Listing Agreement with the Stock Exchange, the details of which are given herein below:

2. Board of Directors:

The Board of Directors as at 31st March, 2013 consisted of 12 (Twelve) Directors of whom six are non-executive Directors. The Company has a non-executive and independent Director as a Chairman and one-third of the total number of Directors is independent. The number of non-executive Directors is 50% of the total number of Directors. The composition of the Board is in conformity with Clause “49” of the Listing Agreement.

(a) Number of Board Meeting:

Five Board Meetings were held during the period 1st April, 2012 to 31st March, 2013 on the following dates:

- (i) 30th May, 2012, (ii) 11th August, 2012, (iii) 28th September, 2012, (iv) 10th November, 2012 and (v) 9th February, 2013.

(b) Composition, Status and Attendance at the Board Meetings and at the last AGM. As on 31st March, 2013 the Company’s Board comprised of Twelve Members:

Sr. No.	Name of the Director	Status	No. of Board Meetings		Attendance at the last AGM (*)
			Held	Attended	
1.	Mr. B.R. Maheshwari Chairman	Independent Non-Executive	5	4	No
2.	Mr. M.L. Gupta Vice Chairman & Managing Director	Non-Independent Executive	5	5	Yes
3.	Mr. Jaipal Jain Whole-time Director	Non-Independent Executive	5	3	No
4.	Mr. Atul Jain Whole-time Director	Non-Independent Executive	5	4	Yes
5.	Mr. Tarun Jain Whole-time Director	Non-Independent Executive	5	3	No
6.	Mr. Amit Jain Whole-time Director	Non-Independent Executive	5	1	Yes
7.	Mrs. Pushpa Jain Whole-time Director	Non-Independent Executive	5	1	No
8.	Mr. Pankaj R. Majithia	Independent Non-Executive	5	3	Yes
9.	Mr. B.D. Jogani	Independent Non-Executive	5	5	Yes
10.	Mr. Ramesh J. Patel	Independent Non-Executive	5	5	Yes
11.	Mrs. Shobha Jain	Non-Independent Non-Executive	5	5	Yes
12.	Mr. Sorabh Gupta	Non-Independent Non-Executive	5	4	No

(*) The Twenty Eighth Annual General Meeting of the Company was held on 28th September, 2012.



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(c) Details of Directorships / Committee Memberships:

As required by Clause "49" of the Listing Agreement, none of the Directors is a Member of more than 10 Board Level Committees nor is any of them a Chairman of more than five Committees in which they are Members. The number of Directorships and Committees positions held by them in Companies are given below:

Sr. No.	Name of the Director	Director of Public Companies (*)	Membership in Committee (*)	Chairmanship in Committee (*)
1.	Mr. B.R. Maheshwari	1	1	1
2.	Mr. M.L. Gupta	1	1	—
3.	Mr. Jaipal Jain	1	1	—
4.	Mr. Atul Jain	1	1	—
5.	Mr. Tarun Jain	1	1	—
6.	Mr. Amit Jain	1	—	—
7.	Mr. Pankaj R. Majithia	1	2	—
8.	Mr. B.D. Jogani	1	2	—
9.	Mr. Ramesh J. Patel	1	3	2
10.	Mrs. Pushpa Jain	1	—	—
11.	Mrs. Shobha Jain	1	1	—
12.	Mr. Sorabh Gupta	1	1	—

(*) including Directorship / Committee Memberships in Kamanwala Housing Construction Ltd., as on 31st March, 2013.

Details of Directors' appointment / re-appointment pursuant to Clause "49" of the Listing Agreement with the Stock Exchange are given in the Annexure – "A" annexed herewith:

(d) Board Procedure:

A detailed agenda folder is sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibility effectively, the Managing Director as a Chief Executive Officer of the Company briefs the Board at every Meeting on the overall performance of the Company. A detailed functional report is also placed at every Board Meeting. Amongst other things, the Board also reviews strategies and business plans, compliance with statutory / regulatory requirements and review of major legal issues, adoption of quarterly / half-yearly / annual results, investor's grievances, minutes, investment and exposure limits, major accounting provisions and write-offs, minutes of Meetings of the Audit Committee and Committees of Directors of the Board, etc.

3. Committees of the Board:

(i) Audit Committee

During the year, the Audit Committee of your Company was comprised of five Members of which four were Non-Executive and Independent Directors, namely, Mr. B.R. Maheshwari being the Chairman, Mr. Pankaj R. Majithia, Mr. Ramesh J. Patel, Mr. B.D. Jogani and one Promoter Non-Executive Director, namely Mr. Sorabh Gupta.

Four Audit Committee Meetings were held during the period 1st April, 2012 to 31st March, 2013 on the following dates:

(i) 30th May, 2012, (ii) 11th August, 2012, (iii) 10th November, 2012 and (iv) 9th February, 2013.

The status of the attendance of the Meetings of the Members is as under:

Sr. No.	Name of the Member	Status	No. of Meetings	
			Held	Attended
1.	Mr. B.R. Maheshwari	Chairman	4	4
2.	Mr. Pankaj R. Majithia	Member	4	2
3.	Mr. B.D. Jogani	Member	4	4
4.	Mr. Ramesh J. Patel	Member	4	4
5.	Mr. Sorabh Gupta	Member	4	4

The terms of reference of the Committee are in accordance with the provisions of Section 292A of the Companies Act, 1956 and the requirements of Clause 49 of the Listing Agreements and *inter alia* include:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial state is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of their fees.
- Review of the internal control systems with the management, Internal Auditors and Statutory Auditors.
- Review with the Management, the annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices, compliance and other legal requirements concerning financial statements.
- Review of the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.
- Review of the Management Discussion & Analysis.
- Review of material individual transactions with related parties not in normal course of business or which are not at arms length basis.
- Review of the financial statements and investment of unlisted subsidiary companies.

(ii) Shareholders' Grievance Committee:

During the year, the Shareholders' Grievance Committee was comprised of two Non-Executive Directors, namely Mr. Ramesh J. Patel, being the Chairman Mrs. Shobha Jain and two Executive Directors, namely Mr. M.L. Gupta and Mr. Atul Jain.

Four Shareholders' Grievance Committee Meetings were held during the period 1st April, 2012 to 31st March, 2013 on the following dates:

(i) 30th May, 2012, (ii) 11th August, 2012, (iii) 10th November, 2012 and (iv) 9th February, 2013.

The status of the attendance of the Meetings by the Members is as under:

Sr. No.	Name of the Member	Status	No. of Meetings	
			Held	Attended
1.	Mr. Ramesh J. Patel	Chairman	4	4
2.	Mr. M.L. Gupta	Member	4	4
3.	Mr. Atul Jain	Member	4	3
4.	Mrs. Shobha Jain	Member	4	4

The Committee's main objective is to attend and expeditiously redress the Shareholders'/ Investors' complaints pertaining to transfers and transmission of Shares, non-receipt of Annual Report, non-receipt of Dividend, non-receipt of Share Certificates, issue of duplicate Share Certificates and other relevant matters.



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For the sake of administrative convenience and smooth functioning, the Committee has authorized Mr. M.L. Gupta, Mr. Atul Jain, Mr. Tarun Jain and Mr. Amit Jain, Executive Directors to look after the day to day matters like transfer of shares, issue of duplicate share certificates, Shareholders' complaints etc.

(iii) Remuneration Committee:

The Board has constituted Remuneration Committee comprised of three Independent Directors, namely, Mr. Ramesh J. Patel, being the Chairman, Mr. B.D. Jogani and Mr. Pankaj R. Majitha as the Members.

One Remuneration Committee Meeting was held on 10th November, 2012. All the three Members attended the Meeting.

(iv) Remuneration paid to the Directors:

The detailed information of Directors remuneration for the year 2012-13 is set forth below:

(Amount in ₹)

Name of the Directors	Category	Sitting Fees	Salary and Perquisites	Commission	Superannuation and Provident Fund	Total
Mr. B.R. Maheshwari	Non-Executive	1,55,000	N.A.	N.A.	N.A.	1,55,000
Mr. M.L. Gupta	Executive	N.A.	20,92,021	N.A.	1,88,400	22,80,421
Mr. Jaipal Jain	Executive	N.A.	18,17,500	N.A.	2,07,600	20,25,100
Mr. Atul Jain	Executive	N.A.	26,83,401	N.A.	1,88,400	28,71,801
Mr. B.D. Jogani	Non-Executive	75,000	N.A.	N.A.	N.A.	75,000
Mr. Ramesh J. Patel	Non-Executive	75,000	N.A.	N.A.	N.A.	75,000
Mr. Pankaj R. Majithia	Non-Executive	40,000	N.A.	N.A.	N.A.	40,000
Mr. Tarun Jain	Executive	N.A.	23,52,582	N.A.	1,82,400	25,34,982
Mrs. Pushpa Jain	Executive	N.A.	25,65,796	N.A.	1,94,400	27,60,196
Mr. Amit Jain	Executive	N.A.	17,63,000	N.A.	1,46,400	19,09,400
Mrs. Shobha Jain	Non-Executive	75,000	N.A.	N.A.	N.A.	75,000
Mr. Sorabh Gupta	Non-Executive	65,000	N.A.	N.A.	N.A.	65,000

In terms of provisions of the Companies Act, 1956, Mr. Jaipal Jain, Mr. Atul Jain, Mr. Tarun Jain, Mr. Amit Jain, Mrs. Pushpa Jain and Mrs. Shobha Jain are related to each other. Mr. M.L. Gupta and Mr. Sorabh Gupta are related to each other.

4. General Shareholders Information:

- **Twenty Ninth Annual General Meeting:**

Day / date : Monday, the 30th September, 2013.

Time : 11.30 A.M.

Venue : Tendulkar Hall, Saraswat Bhavan, Chhatrapati Shivaji Maharaj Marg, Mogul Lane, Mahim (West), Mumbai-400 016.

Details of Annual / Extraordinary General Meetings held during past three years:

YEAR	A.G.M. / E.G.M.	DATE	TIME	VENUE
2010	26 th A.G.M.	30.09.2010	11.30 A.M.	Tendulkar Hall, Mahim (W), Mumbai.
2011	27 th A.G.M.	30.09.2011	11.30 A.M.	Tendulkar Hall, Mahim (W), Mumbai.
2012	28 th A.G.M.	28.09.2012	11.30 A.M.	Tendulkar Hall, Mahim (W), Mumbai.

- **Details of Special Resolutions passed in Annual / Extraordinary General Meetings held during the past three years:**

28 th A.G.M. held on 28 th September, 2012	Special Resolutions passed for : (i) Re-appointment of Mr. Jaipal Jain as a Whole-time Director; and (ii) Appointment of Mr. Vaibhav Jain as a General Manager (Interior).
27 th A.G.M. held on 30 th September, 2011	Special Resolutions passed for : (i) Re-appointment of Mr. Tarun Jain as a Whole-time Director; and (ii) Re-appointment of Mr. Amit Jain as a Whole-time Director.
26 th A.G.M. held on 30 th September, 2010	Special Resolutions passed for : (i) Re-appointment of Mr. M.L. Gupta as a Managing Director; and (ii) Re-appointment of Mr. Atul Jain as a Whole-time Director.

- **Dates of Book Closures: 24th September, 2013 to 30th September, 2013 (both days inclusive).**
- **Financial Calendar of the Company:**
The financial year of the Company covers the period from 1st April to 31st March.
- **Financial reporting for 2012-13 (Tentative):**

First Quarter Results – 30.06.2013	By 14 th August, 2013
Second Quarter Results – 30.09.2013	By 14 th November, 2013
Third Quarter Results – 31.12.2013	By 14 th February, 2014
Fourth Quarter Results – 31.03.2014	By 30 th May, 2014

The Company's Quarterly Audited/Unaudited Financial Results for the year under consideration were approved and published as under:

Quarter ended	Date of approval by the Board	Date of Publication	Newspaper for Publication
30.06.2012	11.08.2012	13.08.2012	Business Standard & Mumbai Lakshadeep
30.09.2012	10.11.2012	12.11.2012	-do-
31.12.2012	09.02.2013	11.02.2013	-do-
31.03.2013	30.05.2013	31.05.2013	-do-

- **Listing on Stock Exchanges:**

The Equity Shares of the Company are listed on BSE Limited. Listing Fees have been paid to the Stock Exchange for the year upto 31st March, 2014.



KAMANWALA HOUSING CONSTRUCTION LIMITED

- KHCL'S Stock Exchange Code:**

BSE Company Code	511131
Demat ISIN in NSDL and CDSL For Equity Shares of the Company	INE 344D01018

- BSE – Monthly Highs / Lows and Volumes:**

Year	Month	High (₹)	Low (₹)	Monthly Volume Number of Shares
2012	April	45.00	35.40	1,54,528
2012	May	40.00	29.65	63,236
2012	June	39.00	33.00	79,319
2012	July	38.35	32.00	1,16,017
2012	August	36.00	29.00	1,03,756
2012	September	41.50	32.55	2,54,500
2012	October	37.80	32.15	83,778
2012	November	37.00	32.45	87,415
2012	December	36.60	31.60	1,19,032
2013	January	34.90	29.30	4,37,724
2013	February	35.00	24.50	1,57,128
2013	March	30.00	25.10	61,635

- Performance in comparison to BSE – 500 Index:**

The comparison of performance with BSE – 500 Index is not given since the Company is not included in the Index.

- Registrar & Share Transfer Agent:**

M/s. Sharex Dynamic (India) Pvt. Ltd.
Unit No.1, Luthra Industrial Premises,
Safed Pool, Andheri-Kurla Road,
Andheri (East), Mumbai-400 072.
Tel. Nos. : 2851 5606 / 2851 5644
Fax No. : 2851 2885
E-Mail : sharexindia@vsnl.com

- Share Transfer System:**

Shares sent for transfer in physical form are registered and returned within a stipulated period from the date of receipt of the documents, provided documents sent are valid and complete in all respects. With a view to expediting the process of share transfers any two of the four Directors, namely Mr. M.L. Gupta, Mr. Atul Jain, Mr. Tarun Jain and Mr. Amit Jain, are jointly authorized to approve the transfers of Shares.

- Office of the Company:**

Registered Office:
405/406, New Udyog Mandir-2,
Mogul Lane, Mahim (W), Mumbai-400 016.
Tel. No.: 2445 6029 / 2445 2559
Fax No.: 2447 4968 / 2446 1475
Email Address : kamanwala@gmail.com
Website : www.kamanwalahousing.com

- **Branch Office:**

The Company has no Branch Office.

- **Shareholders may correspond with the Company at its Registered Office or with the Registrar and Share Transfer Agents, M/s. Sharex Dynamic (India) Pvt. Ltd.**

- **Compliance Officer:**

Mr. Dhirubhai Gondalia,
Kamanwala Housing Construction Ltd.,
405/406, New Udyog Mandir-2,
Mogul Lane, Mahim (W), Mumbai-400 016.
Tel. No.: 2445 6029 / 2445 2559
Fax No.: 2447 4968 / 2446 1475
Email Address: kamanwala@gmail.com
Website: www.kamanwalahousing.com

- **Distribution of Shareholding as on 31st March, 2013:**

No. of Equity Shares	No. of Shareholders	% of Shareholding	No. of Shares Held	% of Shareholding
Upto To 100	1707	30.05	1,09,846	0.78
101 To 200	1617	28.46	3,13,116	2.22
201 To 500	1173	20.65	4,55,669	3.23
501 To 1000	637	11.21	5,22,609	3.71
1001 To 5000	406	7.15	9,43,299	6.69
5001 To 10000	56	0.98	4,17,498	2.96
10001 To 100000	68	1.20	18,03,653	12.80
100001 To Above	17	0.30	95,27,470	67.61
Total	5681	100.00	1,40,93,160	100.00

- **Shareholding Pattern as on 31st March, 2013:**

Category	No. of Equity Shares held	% of Shareholding
Promoters	63,90,544	45.345
Insurance Companies & Banks	Nil	Nil
UTI & Mutual Funds	Nil	Nil
Venture Capital Funds	400	0.003
FII's	Nil	Nil
NRI's / OCB's / GDR's	41,940	0.298
Clearing Members	8,936	0.063
Domestic Companies	3,70,013	2.625
Resident Individuals	72,81,327	51.666
Total	1,40,93,160	100.00



KAMANWALA HOUSING CONSTRUCTION LIMITED

Details of Shares pledged by the Promoters and Promoter Group as on 31st March, 2013 are as under:

(a) Pledged / Encumbered:

Number of Shares	17,02,500
Percentage of Shares (as a % of the total shareholding of Promoters and Promoter Group) .	26.64%
Percentage of Shares (as a % of the total Share Capital of the Company)	12.08%

(b) Non-Encumbered:

Number of Shares	46,88,044
Percentage of Shares (as a % of the total shareholding of a Promoter group).....	73.36%
Percentage of Shares (as a % of the total Share Capital of the Company)	33.26%

• **Dematerialization of Equity Shares as on 31st March, 2013:**

1,35,86,568 Equity Shares (96.41%) of the total paid-up Equity Capital were held in electronic form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's Equity Shares are traded at the Bombay Stock Exchange Limited (BSE).

• **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion dates and likely impact on Equity Shares:**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments during the year under review.

• **Status of Investors' Complaints / Shares transfers received during the period from 1st April, 2012 to 31st March, 2013:**

(i) Number of Complaints pending at the beginning of the year	:	NIL
(ii) Number of Complaints received during the year	:	1
(iii) Number of Complaints resolved during the year	:	1
(iv) Number of Complaints pending at the end of the year	:	NIL

5. Disclosure of Accounting Treatment:

The Annual Statements of Account of the Company are prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles issued by the Institute of Chartered Accountant of India and the provisions of the Companies Act, 1956.

6. Materially Significant Related Party Transactions:

The Company has not entered into any transaction of material nature with its Promoters, the Directors, or the Management or relatives, etc. that may have potential conflict with the interest of the Company at large. The disclosure in respect of related party transactions is given in the Notes on Financial Statements. All contracts with the affiliates entered into during the year under review have no potential conflict with the interest of the Company at large and are being carried out on arms length basis at fair market value. The Company does not have any Subsidiary Company. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.

7. Other Disclosures:

• **Details of non-compliance relating to Capital Markets:**

The Company has complied with all the requirements of the concerned regulatory authorities. No penalties / strictures were imposed by any authority on any matter relating to Capital Market in the last three years.

- **Code of Conduct:**

The Board of Directors of the Company has laid down two separate Codes of Conduct, one for the Directors and other for Senior Managerial Personnel.

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review. The declaration to this effect signed by the Managing Director is annexed to this Report.

- **Code for Prevention of Insider-Trading Practices:**

In compliance with the SEBI Regulations on prevention of insider trading, the Company has instituted a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees. The Code has laid down guidelines which advise to the designated employees on procedures to be followed and disclosures to be made at the time of dealing in the Company's Shares and making them aware of the consequences of violations.

- **Risk Assessment and Minimization:**

The risk assessment and minimization procedures are in existence and reviewed periodically. All the assets of the Company are adequately insured.

- **Means of Communication:**

The Quarterly, Half-yearly and Yearly results are published regularly in time in the national and local dailies. The Quarterly and Half-Yearly results are not sent individually to the Shareholders. The Company also informs The Stock Exchange promptly all price sensitive information or other matters which are material and relevant for the Shareholders.

Mumbai: 12th August, 2013.

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

I have examined the compliance of the conditions of Corporate Governance by KAMANWALA HOUSING CONSTRUCTION LIMITED for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I 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.

UPENDRA C. SHUKLA
Company Secretary
C. P. No. 1654

Place: Mumbai

Dated: 12th August, 2013.



APPOINTMENT/RE-APPOINTMENT OF DIRECTORS

Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchange:

Name of Director	Date of Birth	Date of Appointment	Special Expertise/ Occupation	Qualifications	Directors in other Companies Incorporated in India	Chairman/Member of Committee of Companies
Mr. Jaipal Jain	27.10.1944	12.04.1984	Business & Finance	B.Com.	NIL	(i) As a Member of: Share Allotment Committee of Kamanwala Housing Construction Ltd.
Mr. Tarun Jain	30.09.1967	25.08.1990	Business & Finance	B.Com.	M/s. Ritika Steel & Scraps Pvt. Ltd	(i) As a Member of: Materials Purchases Committee of Kamanwala Housing Construction Ltd.
Mr. Ramesh J. Patel	09.03.1939	12.04.1984	Investment Consultant	B.Com.	M/s. JNP Shares & Stock Brokers Pvt. Ltd.	(i) Chairman of Shareholders' Grievance Committee of Kamanwala Housing Construction Ltd. (ii) Member of Audit Committee of Kamanwala Housing Construction Limited (iii) Member of Remuneration Committee of Kamanwala Housing Construction Limited (iv) Member of Share Allotment Committee
Mrs. Shobha Jain	07.05.1945	24.04.2008	Business	B.A. (Hons.)	NIL	(i) Member of Shareholders' Grievance Committee of Kamanwala Housing Construction Limited

By Order of the Board

M. L. GUPTA

Vice-Chairman & Managing Director

Place : Mumbai

Dated : 12th August, 2013.

MANAGING DIRECTOR'S CERTIFICATION

I, Mr. M.L. Gupta, Managing Director of Kamanwala Housing Construction Ltd., to the best of my knowledge and belief, certify that:

1. I have reviewed the Balance Sheet as at 31st March, 2013 and Statement of Profit & Loss of the Company for the year ended on that date and all the relevant Notes on Financial Statements, as well as the Cash Flow Statement and the Directors' Report.
2. Based on my knowledge and information, these statements do not contain any untrue statement of any material fact or omit to state any material fact or contain statements that might be misleading.
3. Based on my knowledge and information, the financial statements and other financial information included in this Report, present in all material respect, give a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards and / or applicable laws and regulations.
4. To the best of my knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct.
5. I am responsible for establishing and maintaining internal controls over financial reporting for the Company and I have:
 - a) designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles;
 - b) evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting; and
 - c) disclosed in this Report any change in the Company's internal control over financial reporting that has materially affected the Company's internal control over financial reporting.
6. I have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors:
 - a) deficiencies in the design or operation of internal control and steps taken / proposed to be taken to rectify these deficiencies;
 - b) significant changes in internal controls over financial reporting, if any, during the year covered by this Report;
 - c) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - d) instances of significant fraud of which I am aware, that involves management or other employees who have a significant role in the Company's internal controls system over financial reporting.

M. L. GUPTA
Managing Director

Place : Mumbai

Dated : 12th August, 2013.

MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of the Listing Agreement, the Managing Director's Declaration on compliance of the Code of Conduct is given below:

To
The Members of
Kamanwala Housing Construction Limited.

I, M.L. Gupta, Managing Director of the Company, hereby declare that all Board Members and Senior Managerial Personnel have affirmed their compliance with the Code of Conduct.

For KAMANWALA HOUSING CONSTRUCTION LIMITED

M.L. GUPTA
Managing Director

Place : Mumbai

Dated : 12th August, 2013.



ANNEXURE – II

MANAGEMENT DISCUSSION & ANALYSIS REPORT

I. World Economic Review:

In the wake of financial crisis that hit the global economy in 2008-09, central banks across the globe dramatically loosened interest rates. That stance has continued till date. Some economists, experts and analysts who have faith in principles of free market economics believe that the longer these policies are continued the greater the danger of systematic risks. It is true that the balance sheets of central banks have bloated and as a result risks may spread to other parts of the financial system and the global economy. The problems are deeper. While cheap money has allowed banks to survive, it has not led to the desired economic momentum in the global economy. Job growth has remained tepid even if green shoots abound. In spite of all this, the global economy is on the mend. But growth is likely to remain below trend in India as predicted by the Organization for Economic Cooperation and Development (OECD). Looking at major global economies, growth is returning to trend in China, while in the US, the OECD's composite leading indicators (CLIs) continue to point to economic growth firming. In the 17-nations euro zone, the CLIs indicated a gain in momentum, while in Germany the biggest European economy, growth was tipped to return to its trend rate. One less favourable outlook was issued for India, where the CLIs continue to indicate growth below trend.

II. Indian Economic Review:

The Indian economy largely remains in uncertain mode. The Indian economy is suffering from pains of its own creations. unmanageable current account deficit, ballooning fiscal deficits, persistently high inflation spiraling fuel prices, meteoric fall in the value of Rupee against the US Dollar, mediocre performance of service and manufacturing sectors, as all these factors are results of economic mismanagement which has positively contributed to slowdown in Gross Domestic Product (GDP) growth of the economy. With view to strike a balance between inflation and growth dynamics, since April, 2012, Reserve Bank of India relinquished its hawkish stance and lowered Repo Rate,

Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) a number of times. But such growth oriented measures have not made any positive impact on the slowing Indian economy. The slowing Indian economy registered 5% GDP for year 2012-13 which is the lowest in the last 10 years. The Paris based organization for economic cooperation and Development (OECD) predicts that the Indian economy has bottomed out and is poised for gradual economic recovery and the International Monetary Fund (IMF) also holds the similar view. Economists expect a mild increase in GDP growth rate in the current fiscal year. But mild recovery will not be enough if meaningful gains are to be made in the fight against poverty. The three Key tasks (i) getting investments back on track; (ii) reducing the fiscal deficit; and (iii) curbing inflationary expectations should get the priorities.

III. Real Estate Sector Review:

The real estate sector is a critical sector of our economy. It has a huge multiplier effect on the economy and therefore, is a big driver of economic growth. It is the second-largest employment-generating sector after agriculture. Growing at a rate of about 20% per annum and this sector has been contributing about 5 – 6% to India's GDP. Not only does it generate a high level of direct employment, but it also stimulates the demand in over 250 ancillary industries, such as cement, steel, paint, brick, building materials, consumer durables and so on. The focus on affordable housing helped the sector tide over the financial crunch it had witnessed. There is no doubt that the sector holds huge potential to attract FDI in its various segments. However, progress is possible only with the joint efforts of both the industry and the Government. On the one hand, the industry should work towards increased transparency, clear land titles, improved delivery and project execution while on the other hand the Government must provide fiscal incentives to developers to build low cost and affordable housing for the masses and also review the existing FDI guidelines for investment and development in Indian real estate in order to increase the flow of foreign capital into the sector.

IV. Business Prospects and Outlook:

India has huge potential to attract foreign investments into real estate. With real estate reaching a point of saturation in developed countries and the demand and prices falling, global real estate players are looking at emerging economies such as India for tapping opportunities in real estate. Indian real estate will stay attractive due to its strong economic fundamentals and demographic factors. Moreover, there is a high level of global uncertainty looming over the developed and developing nations of the world. While developed economies are still struggling to regain their growth momentum, developing countries including India and China are expected to grow at a reasonably high rate. Investments in Indian real estate will fetch higher returns for investors as compared to other global markets. In the coming years, the opportunities in the real estate sector will attract more global players to India and hence will help the industry to mature, become more transparent, improve management and adopt advanced construction techniques. The Government must provide incentives to the public and private sectors to take up R&D activities for new building materials and technologies so that the industry can deliver low cost, affordable, sustainable and environment friendly housing and building structures.

V. Opportunitites, Threats, Risks and Concern:

Opportunities:

The Indian real estate market size is expected to touch US\$ 180 billion by 2020. In fact, the demand is expected to grow at a compound annual growth rate (CAGR) of 19 per cent for the year 2014, with tier I metropolitan cities projected to account for about 40 per cent of this.

Growing infrastructure requirements from sectors such as education, healthcare and tourism are providing numerous opportunities to the sector. Further, India is going to produce an estimated two million new graduates from various Indian universities during this year, creating demand for 100 million square feet of office and industrial space. In addition, presence of a large number of Fortune 500 and other reputed companies will attract more companies to initiate their operational bases in India thus, creating more demand for corporate and residential space.

Threats, Risks and Concerns:

The original FDI guidelines attracted large amounts of foreign funds to the Indian real estate sector however, subsequent amendments to the FDI policy relating to real estate, have created unwanted apprehensions and confusion in the minds of global investors thereby affecting FDI inflows adversely.

Further, lack of consistency in rules relating to development of SEZs, increased monitoring of the sector by regulatory agencies, tightening of rules for lending to the real estate sector and increase of key rates by the RBI several times during the last one year, have arrested the growth of the sector. There is a need to streamline government policies and introduce reforms to boost the real estate sector.

The key challenges that the Indian real estate industry is facing today are:

(i) lack of clear land titles, (ii) absence of title insurance, (iii) absence of industry status, (iv) lack of adequate sources of finance, (v) shortage of labour, (v) rising manpower and material costs and (vi) approvals and procedural difficulties.

VI. Internal Control and Audit:

(a) Internal Control:

The Company has a proper and adequate system of internal control, commensurate with the size and nature of its business. The internal control system is integral to the Company's corporate governance. Some key features of the internal control system comprise of the following:

- Adequate documentation of policies, guidelines, authorities and approval procedures, encompassing important functions of the Company.
- Ensuring complete compliance with laws, regulations, standards, internal procedures and systems.
- De-risking the Company's assets / resources from any loss, attrition and deterioration.
- Ensuring the integrity of the accounting system, the proper and authorized recording and reporting of all transactions.
- Ensuring reliability of all financial and operational information.



KAMANWALA HOUSING CONSTRUCTION LIMITED

- The Audit Committee, comprising independent Directors, regularly review audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards, among others.

(b) Internal Audit:

The internal audit team is responsible for assessing and improving effectiveness of internal controls and governance. The internal audit activity is conducted by the Company's Internal Auditors, who undertake the internal audit programme in accordance with the guidance of the Audit Committee of the Board of Directors. The reports of the Internal Auditors are extensively reviewed by the Audit Committee along with the Managing Director periodically and the corrective actions have been taken wherever and whenever needed. The Internal Auditors also extensively interact with the External Auditors.

VII. Human Resource Development:

Your Company firmly believes that motivated employees are the key for a competitive advantage. The Company has always reviewed its human resources in an integrated manner aligning all the facets of its human capital with business and organizational transformation in realizing its objectives. Your Company's employee value proposition is based on employee development, an exciting work culture, performance evaluation and empowerment. The Company has created a conducive working environment with prudent knowledge management leading to enhanced skills and capabilities.

Your Company provides challenging career development opportunities and encourages innovative thinking. It monitors employees' performance to enhance individual and organizational performance.

During the year under review, employees' relations remained cordial and there was nil turnover of the employees. As at 31st March, 2013 the Company had 44 employees on record.

VIII. Forward Looking and Cautionary Statements:

In this Annual Report we have disclosed forward looking information to enable investors to comprehend our prospects and take well informed and calculated investment decisions. This report and other statements written and oral that we periodically make contain forward-looking statements that set out anticipated results based on management's plans, projections and assumptions. We have tried wherever possible to identify such statements by using words such as "anticipates", "estimates", "expects", "projects", "intends", "plans", and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realized, although we believe that we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove accurate, our actual results could vary materially from those anticipated, estimated or projected, the readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Mumbai: 12th August, 2013.

AUDITOR'S REPORTS TO THE MEMBERS OF KAMANWALA HOUSING CONSTRUCTION LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required and read

with note no. 33 regarding disclosure requirement under MSMED Act, 2006 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books of account.
 - 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 comply with the Accounting Standards referred to in Section 211(3C) of the Act **except AS-15 wherein liability towards gratuity payment has been provided is without actuarially valued.**
 - e. On the basis of the written representations received from the Directors as on March 31, 2013, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2013, from being appointed as a Director in terms of Section 274(1)(g) of the Act.

M. Mehta
Partner

M. No. 42990

For and on Behalf of MITTAL & ASSOCIATES
Chartered Accountants
Firm Registration No. : 106456W

Place : Mumbai
Dated : 30th May, 2013.



KAMANWALA HOUSING CONSTRUCTION LIMITED

ANNEXURE TO THE AUDITOR'S REPORT

- 1) (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.

(b) As per information and explanations given to us, physical verification of major items of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its business.

(c) Fixed Assets disposed off during the year were not substantial. According to the information and explanation given to us, we are of the opinion that the disposal of fixed assets has not affected the going concern status of the Company.
- 2) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, the procedure followed by the management for such physical verification is reasonable and adequate in relation to the size of the Company and nature of its business.

(c) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records of Inventory. No discrepancies were noticed on verification between physical Inventory and the books records.
- 3) (a) The Company has not granted secured or unsecured loans to any of the Companies covered in the register, maintained under Section 301 of the Companies Act, 1956, therefore Clause (3)(a)(b)(c)(d) of paragraph 4 of the Order are not applicable.

(b) The Company has taken unsecured loans from thirty parties covered in the register maintained u/s. 301 of the Companies Act, 1956 during the year and maximum amount involved during the year was ₹ 35,45,58,748/- and the year end balance of loan taken from such parties was ₹ 29,11,84,911/-.
- (f) Based on the information and explanation given to us, we are of the opinion that rate of interest and other terms and conditions of loans taken by the Company from such parties are prima-facie not pre-judicial to the interest of the Company.

(g) The Company is regular in payment of principal amount and interest wherever stipulated.
- 4) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the Internal Control System.
- 5) (a) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the Register maintained under 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 in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000/- in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act 1956 and the Rules framed there under. Hence Clause (vi) of the Order is not applicable.
- 7) In our opinion, the Company has internal audit system commensurate with the size and nature of its business.
- 8) As informed to us, the maintenance of cost records has not been prescribed by the Central Government u/s. 209(1)(d) of the Companies Act, 1956, in respect of the activities carried on by the Company.

- 9) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other statutory dues except in the following cases.

Sr. No.	Statutory Dues	Period/Due Date	Amount Due ₹
1.	VAT	AY 2012-13	7,22,889
2.	Service Tax	AY 2013-14	7,68,469
3.	Income Tax	AY 2007-08 AY 2008-09	1,69,763 2,32,727

According to the information and explanations given to us, no undisputed arrears of statutory dues except, above tabulated undisputed dues outstanding for more than six month as at 31st March, 2013 from the date they became payable.

- (b) According to information and explanation given to us, there are no disputed dues in respect of sales tax, wealth tax, service tax, custom duty, excise duty and cess as at last day of the financial year.
- 10) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- 11) According to the information and explanations given to us and the records examined by us, the Company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- 12) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of Shares, Debentures and other securities.
- 13) In our opinion the Company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society. Therefore Clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.

- 14) The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name.
- 15) According to the information and explanations given to us, the Company has given Corporate Guarantee of ₹ 17,00,00,000/- to Bank for the Loan taken by a Firm in which the Company is Partner, the terms and condition whereof are not *prima-facie* prejudicial to the interest of Company.
- 16) In our opinion and according to the information and explanations given to us and the records examined by us, the term loans have been applied for the purposes for which they were obtained.
- 17) On the basis of an overall examination of the Balance Sheet and Cash Flow Statement of the Company and the information and explanations given to us, we report that the Company has not utilised any funds raised on short-term basis for long-term investments.
- 18) The Company has not made any preferential allotment of shares during the year.
- 19) The Company has not issued any debentures.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

M. Mehta
Partner

M. No. 42990

For and on Behalf of MITTAL & ASSOCIATES
Chartered Accountants
Firm Registration No. : 106456W

Place : Mumbai
Dated : 30th May, 2013.



KAMANWALA HOUSING CONSTRUCTION LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

Sr. No.	Particulars	Note No.	As at 31-03-2013 ₹	As at 31-03-2012 ₹
I.	EQUITY AND LIABILITIES			
	1. Shareholders' Funds			
	(a) Share Capital	2	14,09,31,600	<i>14,09,31,600</i>
	(b) Reserves and Surplus	3	73,56,94,658	<i>70,92,12,105</i>
			87,66,26,258	<i>85,01,43,705</i>
	2. Money Received against Share Warrants.....		—	<i>—</i>
	3. Non-current liabilities			
	(a) Long-Term Borrowings.....	4	4,46,02,509	<i>44,38,99,411</i>
	(b) Deferred Tax Liabilities (Net)	5	13,62,819	<i>92,93,640</i>
	(c) Other Long-Term Liabilities	6	83,61,890	<i>64,20,886</i>
	(d) Long-Term Provisions.....	7	44,67,633	<i>62,19,009</i>
			5,87,94,851	<i>46,58,32,946</i>
	4. Current liabilities			
	(a) Short-Term Borrowings.....	8	57,77,28,104	<i>56,24,05,522</i>
	(b) Trade Payables	9	3,56,39,014	<i>5,13,49,245</i>
	(c) Other Current Liabilities	10	17,55,47,631	<i>17,82,13,346</i>
	(d) Short-Term Provisions	11	16,29,61,148	<i>9,35,08,341</i>
			95,18,75,897	<i>88,54,76,454</i>
	Total.....		<u>1,88,72,97,006</u>	<i><u>2,20,14,53,105</u></i>
II.	ASSETS			
	1. Non-current Assets			
	(a) Fixed Assets (Net)	12	2,44,40,033	<i>2,42,79,518</i>
	(b) Non-current Investments	13	1,34,50,250	<i>2,09,50,151</i>
	(c) Deferred Tax Assets (Net).....		—	<i>—</i>
	(d) Long-Term Loans and Advances.....	14	13,20,850	<i>13,05,850</i>
	(e) Other Non-current Assets	15	1,17,74,707	<i>5,94,468</i>
			5,09,85,840	<i>4,71,29,987</i>
	2. Current assets			
	(a) Current Investments.....	16	17,07,69,591	<i>14,30,00,924</i>
	(b) Inventories	17	70,74,92,150	<i>1,05,10,63,137</i>
	(c) Trade Receivables	18	74,76,16,776	<i>72,13,90,033</i>
	(d) Cash and Bank Balances	19	1,32,88,572	<i>2,85,00,210</i>
	(e) Short-Term Loans and Advances.....	20	19,61,17,008	<i>21,02,86,452</i>
	(f) Other Current Assets.....	21	10,27,069	<i>82,362</i>
			1,83,63,11,166	<i>2,15,43,23,118</i>
	Total.....		<u>1,88,72,97,006</u>	<i><u>2,20,14,53,105</u></i>

See accompanying Notes to the Financial Statements as under:

Significant Accounting Policies	1
Notes to Financial Statements.....	2 to 34

As per our report attached
For Mittal & Associates
Chartered Accountants
 Registration No. 106456W

For and on behalf of the Board of Directors
Kamanwala Housing Construction Limited

M. Mehta
Partner
 Membership No. 42990

Bankim Purohit
Company Secretary
 M. No. A-21865

Murari Lal Gupta
*Vice-Chairman &
 Managing Director*

Atul Jain
Whole-Time Director

Mumbai: 30th May, 2013.

Mumbai: 30th May, 2013.

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

Sr. No.	Particulars	Note No.	For the Year ended 31-03-2013 ₹	For the Year ended 31-03-2012 ₹
I.	Revenue from Operations (Gross)	22	84,70,39,745	76,34,97,263
	<i>Less : Excise Duty</i>		—	—
	Revenue from Operations (Net).....		84,70,39,745	76,34,97,263
II.	Other Income	23	2,18,95,153	1,62,54,133
III.	Total Revenue (I+II)		86,89,34,898	77,97,51,396
IV.	Expenses			
	(a) Cost of Materials Consumed	24.a	40,60,81,195	66,24,57,125
	(b) Purchases of Stock-In-Trade.....	24.b	—	—
	(c) Changes in inventories of Finished Goods, Work in Progress & Stock in Trade	24.c	34,29,09,192	(7,94,22,167)
	(d) Employees Benefits Expense	25	3,18,20,964	2,63,98,279
	(e) Finance Costs	26	8,17,31,001	10,58,50,711
	(f) Depreciation and Amortisation Expense	27	20,67,300	19,41,226
	(g) Other Expenses	28	2,74,74,823	3,79,28,406
	Total Operating expenses		89,20,84,475	75,51,53,580
V.	Profit/(Loss) before Prior Period Items, Exceptional & Extraordinary Items and Tax (III-IV)		(2,31,49,577)	2,45,97,816
VI.	Prior Period Item	29	2,51,22,061	3,31,96,661
VII.	Profit/(Loss) before Exceptional & Extraordinary Items & Tax (V+VI)		19,72,484	5,77,94,477
VIII.	Exceptional Items	30	2,50,79,248	(11,46,263)
IX.	Profit/(Loss) before Extraordinary Items & Tax (VII+VIII)		2,70,51,732	5,66,48,214
X.	Extraordinary Items		—	—
XI.	Profit/(Loss) before Tax (IX-X)		2,70,51,732	5,66,48,214
XII.	Tax Expense:			
	(a) Current Tax Expense.....		85,00,000	1,72,47,667
	(b) Short Provisions of Income Tax		—	2,52,111
	(c) Deferred Tax Charge/(Credit).....		(79,30,821)	1,68,566
XIII.	Profit/(Loss) from the year from continuing operations (XI-XII)		2,64,82,553	3,89,79,870
XIV.	Profit/(Loss) for the year from discontinuing operations		—	—
XV.	Tax Expenses from discontinuing operations		—	—
XVI.	Profit/(Loss) from the year from discontinuing operations (XIV-XV)		—	—
XVII.	Profit/(Loss) for the year (XIII+XVI)		2,64,82,553	3,89,79,870
XVIII.	Earnings per Equity Share:	31		
	(1) Basic.....		1.88	2.77
	(2) Diluted.....		1.88	2.77

See accompanying Notes to the Financial Statements as under:

Significant Accounting Policies	1
Notes to Financial Statements.....	2 to 34

As per our report attached
For Mittal & Associates
Chartered Accountants
Registration No. 106456W

For and on behalf of the Board of Directors
Kamanwala Housing Construction Limited

M. Mehta
Partner
Membership No. 42990

Bankim Purohit
Company Secretary
M. No. A-21865

Murari Lal Gupta
Vice-Chairman & Managing Director

Atul Jain
Whole-Time Director

Mumbai: 30th May, 2013.

Mumbai: 30th May, 2013.



KAMANWALA HOUSING CONSTRUCTION LIMITED

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

	Year ended 31-03-2013 Amount ₹	Year ended 31-03-2012 Amount ₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax and extra-ordinary items	2,70,51,732	5,66,48,214
i. Adjustments for:		
Depreciation & Amortisation.....	20,67,300	19,41,226
Preliminary Expenses written off	—	1,40,000
Interest Income	(4,24,40,370)	(4,35,15,833)
Interest and Financial Expenses	8,17,31,001	10,58,50,711
Investments written off	1,00,000	—
Sundry Balances written off	48,565	88,660
Credit Balances no longer required, written back	(1,34,16,783)	(24,25,000)
Profit/Loss on Sale of Fixed Assets.....	(1,16,62,749)	11,46,263
	1,64,26,964	6,32,26,027
Operating Profit before Working Capital Changes.....	4,34,78,696	11,98,74,241
ii. Movement in Working Capital		
Decrease/(-Increase) in Trade Receivables.....	(1,60,11,573)	13,79,92,091
Decrease/(-Increase) in Inventories.....	34,35,70,987	(7,97,49,821)
Decrease/(-Increase) in Loans & Advances.....	1,41,54,444	(3,77,43,101)
Decrease/(-Increase) in Current Assets.....	(11,06,707)	—
Increase/(-Decrease) in Non Current Liabilities & Provisions....	5,07,587	(4,48,644)
Increase/(-Decrease) in Current Liabilities & Provisions.....	5,04,95,580	9,14,89,079
	39,16,10,318	11,15,39,604
Cash generated from operations	43,50,89,014	23,14,13,845
Taxes paid	(88,63,615)	(2,41,50,894)
Net Cash from Operating Activities.....	42,62,25,399	20,72,62,951
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets/Capital Expenditure	(1,07,42,222)	(73,97,844)
Decrease/(-Increase) in Investments	6,70,315	12,75,47,756
Investments written off	(1,00,000)	—
Sundry Balances written off.....	—	—
Sales/Decapitalisation of Fixed Assets.....	2,01,77,155	15,68,887
Interest received	8,46,253	4,35,15,833
Net Cash from Investing Activities	1,08,51,501	16,52,34,632
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long-Term Borrowings:		
Secured Loans	(39,20,05,943)	40,74,64,818
Unsecured Loans	(72,90,959)	3,58,08,942
Short-Term Borrowings:		
Unsecured Loans	1,53,22,582	(71,09,07,111)
Credit Balances no longer required, written back.....	1,34,16,783	24,25,000
Interest and Financial Expenses.....	(8,17,31,001)	(10,58,50,711)
Net Cash from Financing Activities.....	(45,22,88,538)	(37,10,59,062)
Net Increase (Decrease) in Cash & Cash		
Equivalents (A+B+C)	(1,52,11,638)	14,38,521
Opening Balance of Cash & Cash Equivalents.....	2,85,00,210	2,70,61,689
Closing Balance of Cash & Cash Equivalents	1,32,88,572	2,85,00,210

Notes:

- Figures in brackets represent outflows.
- Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash Flow Statements" prescribed under the Companies (Accounting Standards) Rules 2006.
- Cash and cash equivalents represent cash and bank balances.
- Previous period figures have been regrouped / reclassified wherever applicable.

As per our report attached
For Mittal & Associates
Chartered Accountants
 Registration No. 106456W

For and on behalf of the Board of Directors
Kamanwala Housing Construction Limited

M. Mehta
Partner
 Membership No. 42990

Bankim Purohit
Company Secretary
 M. No. A-21865

Murari Lal Gupta
*Vice-Chairman &
 Managing Director*

Atul Jain
Whole-Time Director

Mumbai: 30th May, 2013.

Mumbai: 30th May, 2013.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in respects with the notified Accounting Standards by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India.

Presentation of financial statements as per the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, from previous year.

1.2. Fixed Assets (Own)

Fixed Assets are stated at cost of acquisition including attributable interest & financial costs till date of acquisitions/ installation of the assets and improvement thereon less accumulated depreciation/amortization, impairment losses, if any.

1.3. Depreciation and Amortization

Depreciation on Fixed Assets has been provided on Straight Line Method at the current effective rates prescribed under Schedule XIV to the Companies Act, 1956. Depreciation in respect of asset acquired during the year has been provided on pro-rata basis.

1.4. Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Long Term Investments are stated at cost of acquisition. Provision for diminution in the value of Long Term Investments is made only if, such decline in the opinion of management is other than temporary.

1.5. Inventory

Items of inventory are measured as per basis mentioned below:-

Raw Materials are valued at cost on FIFO basis.

Work In Progress is valued at cost including cost of finance, which consist of interest on loan from bank which is capitalized in proportion of its area remain unsold irrespective of its construction stage.

Finished Goods are valued at cost including borrowing cost.

1.6. Gratuity/Retirement Benefits

Gratuity/Retirement Benefits is classified as Long Term Provisions as it will be payable after 12 months from the reporting date.

Gratuity has been determined and provided for all employees who have completed 5 years of continuous service. The total accrued liability of Gratuity will be deposited in Gratuity Fund with LIC of India in 5 years. The Company has formed the Trust for Group Gratuity Scheme with Life Insurance Corporation of India.

1.7. Revenue Recognition

Revenue from sale of flat is recognized on issue of letter of allotment/execution of agreement (whichever is earlier) and also sale completely recorded on booking of previous years as the project is near to completion.



SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS AS AT 31ST MARCH, 2013

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES (Contd.)

1.8. Service Tax and Value Added Tax

Service tax is paid on the services provided or to be provided on receipts basis. Value Added Tax is paid on the basis of Agreement registered during the year or booking made after 01.04.2010 inclusive of current year.

1.9. Provision for Current and Deferred Tax

1.9.1 Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961 and considering assessment orders and decisions of appellate authorities in Company's case.

1.9.2 Provisions for Current Tax is made after taking into considerations benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date.

1.9.3 Deferred Tax Liability has been reversed during the year and added in Statement of Profit and Loss as wrongly calculated in previous year.

1.10. Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

1.11. Other Information and Explanation

1.11.1. Balances in various accounts included in Sundry Debtors, Sundry Creditors, Advances Recoverable, Deposits/ Advances from Customers and Joint Venture Accounts are subject to confirmation.

1.11.2. In the opinion of the Board, the aggregate value of current assets (including stock) and loans and advances on realization in the ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.

1.11.3. All lands/development rights/premises are purchased on agreement basis and conveyance in respect of the same will be executed directly in favor of Co-operative Societies whenever they are formed.

1.11.4. The Company has no information as to whether any of its suppliers constitute small-scale undertakings and therefore, the amount due to such suppliers has not been separately identified.

1.11.5. The Company has taken the advances from various parties against the ongoing projects at BKC, Malad and Turbhe. Basically to promote the sale of the Company they can get minimum compensation or they can also apply the option to buy the Property at prevailing market rate. Meanwhile the Company is regularly paying commitment charges to the parties on amount paid by them.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Previous year figures have been regrouped/reclassified wherever necessary to conform to current year's presentation.

NOTE 2 : SHARE CAPITAL

Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
Authorised Capital		
2,00,00,000 Equity Shares of ₹ 10/- each	<u>20,00,00,000</u>	<u>20,00,00,000</u>
Issued Capital		
1,42,05,580 Equity Shares of ₹ 10/- each	<u>14,20,55,800</u>	<u>14,20,55,800</u>
Subscribed and Paid Up Capital		
1,40,93,160 Equity Shares of ₹ 10/- each	<u>14,09,31,600</u>	<u>14,09,31,600</u>
Total	<u>14,09,31,600</u>	<u>14,09,31,600</u>

(a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Particulars	Quantity Value	As at 31-03-2013	As at 31-03-2012
Equity Shares			
Numbers of Shares outstanding at the beginning of the Year.....	Qty. value ₹	1,40,93,160	<i>1,40,93,160</i>
<i>Add</i> : Further Shares issued during the year	—	—	—
<i>Less</i> : Shares bought back during the year	—	—	—
Numbers of Shares outstanding at the end of the Year.....	Qty. value ₹	1,40,93,160	<i>1,40,93,160</i>
		14,09,31,600	<i>14,09,31,600</i>

(b) Terms/rights attached to Shares

The Company has only one class of Equity Share having a par value of ₹ 10/- per Share.
Each holder of Equity Share is entitled to one vote per Share.

(c) Details of Shares held by each Shareholder holding more than 5% Shares

Name of the Shareholders	As at 31-03-2013		As at 31-03-2012	
	% held	No. of Shares	% held	No. of Shares
(A) Promoters:				
M/s Attar Construction Co. Pvt. Ltd.....	10.25	14,43,800	10.25	14,43,800
Shri Tarun Jain	6.39	9,00,400	6.39	9,00,400
Shri Atul Jain	6.34	8,93,582	6.34	8,93,582
Shri Amit Jain	6.18	8,71,200	6.18	8,71,200
(B) Public:				
M/s. Nirmal Bang Financial Services Pvt. Ltd.	—	—	13.02	18,35,117
Mrs. Nisha Suman Jain	16.55	23,31,813	—	—

(d) Bonus Shares/Buy Back/Shares for consideration other than Cash issued during past five years

Particulars	Aggregate number of shares	
	As at 31-03-2013	As at 31-03-2012
Equity Shares with voting rights		
Fully paid up pursuant to contract(s) without payment being received in cash		
6,80,000 Equity Shares of ₹ 10/- each were issued fully paid to the Shareholders of the erstwhile M/s. Doongursee Diamond Tools Ltd. on its Amalgamation with the Company for consideration other than cash on September 18, 2008.....	6,80,000	<i>6,80,000</i>
Fully paid up by way of bonus shares		
70,46,580 Equity Shares of ₹ 10/- each were issued as fully paid up Bonus Shares on 1:1 basis to the Shareholders by capitalisation of Securities Premium Account on September 25, 2008.	70,46,580	<i>70,46,580</i>



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 3 : RESERVES AND SURPLUS

Sr. No.	Particulars	As at	
		31-03-2013 ₹	31-03-2012 ₹
(a) Capital Reserve			
	Opening Balance	1,04,60,143	1,04,60,143
	Addition during the year	—	—
	Less : Transferred/utilized during the year	—	—
	Closing Balance	<u>1,04,60,143</u>	<u>1,04,60,143</u>
(b) Securities Premium Account			
	Opening Balance	23,56,86,200	23,56,86,200
	Addition during the year	—	—
	Less : Transferred/utilized during the year	—	—
	Closing Balance	<u>23,56,86,200</u>	<u>23,56,86,200</u>
(c) General Reserve			
	Opening Balance	3,54,77,524	3,54,77,524
	Addition during the year	—	—
	Less : Transferred/utilized during the year	—	—
	Closing Balance	<u>3,54,77,524</u>	<u>3,54,77,524</u>
(d) Surplus as per Statement of Profit & Loss			
	Opening Balance	42,75,88,238	38,86,08,368
	Add : Profit/(Loss) for the year	2,64,82,553	3,89,79,870
	Less : Transfer to General Reserves.....	—	—
	Closing Balance	<u>45,40,70,791</u>	<u>42,75,88,238</u>
	Total (a + b + c + d)	<u>73,56,94,658</u>	<u>70,92,12,105</u>

NOTE 4 : LONG TERM BORROWINGS

Sr. No.	Particulars	Non-Current Portion		Current Maturities (Refer to Note No. 10)	
		As at 31-03-2013 ₹	As at 31-03-2012 ₹	As at 31-03-2013 ₹	As at 31-03-2012 ₹
I.	Secured Loan				
	Term Loans				
	(a) From Bank:				
	(i) ICICI Bank Ltd. (Loan A/c. No. 1877927).....	—	—	—	4,91,16,729
	(ii) Allahabad Bank (A/c. No. 50138526820)	1,12,18,249	—	41,72,000	—
	Car Loans:				
	(i) ICICI Bank Ltd. (Loan A/c. No. 23856229)	—	9,26,196	9,26,196	9,15,329
	(ii) Kotak Mahindra Pvt. Ltd. (Loan A/c. No. 6962494).....	27,709	3,64,273	3,36,564	2,73,687
	(iii) ICICI Bank Ltd. (Loan A/c. No. LAMUM00026715824)	6,17,842	—	2,37,816	—
	(iv) Volkswagen Finance Pvt. Ltd. (A/c No. 20121018744).....	21,10,363	—	8,20,908	—
	(v) Volkswagen Finance Pvt. Ltd. (A/c. No. 20121019363).....	21,10,363	—	8,20,908	—
	(vi) ICICI Bank Ltd. (Loan A/c. No. 20368331)	—	—	—	6,28,410
	(vii) ICICI Bank Ltd. (Loan A/c. No.17265079).....	—	—	—	42,412
	(b) From Other Parties:				
	Capital First Ltd. (NBFC)	—	40,68,00,000	13,70,52,470	9,70,80,732

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 4 : LONG TERM BORROWINGS (Contd.)

Sr. No.	Particulars	Non-Current Portion		Current Maturities (Refer to Note No. 10)	
		As at 31-03-2013 ₹	As at 31-03-2012 ₹	As at 31-03-2013 ₹	As at 31-03-2012 ₹
II.	Unsecured Loan				
	Term Loans from Banks:				
	ICICI Bank Ltd. (Loan A/c. No. 1890626)	2,85,17,983	3,58,08,942	67,41,504	15,48,744
	Total	4,46,02,509	44,38,99,411	15,11,08,366	14,96,06,043

(a) Additional Information to Long Term Borrowings

The Long term portion of term loan are shown under long term borrowings and current maturities of the Long term borrowings are shown under the current maturities as per the disclosure requirements of the Revised Schedule VI.

(b) Details of Securities and Terms of Repayments

I. Secured Loan:

(i) ICICI Bank Ltd. (Loan A/c. No. 1877927):

The said loan sanctioned on 19th July, 2011 @ 12.75% floating interest rate p.a. which is to be repaid in 120 EMI w.e.f. 19th July, 2011. However, it is fully repaid on 23-05-2012. The said loan is secured by Exclusive First charge on Company's property located at Premises No. 102, 1st Floor, Savoy Chambers, Santacruz (w) alongwith 13 car parkings.

(ii) Allahabad Bank (A/c. No. 50138526820), Worli, Mumbai:

Term Loan of ₹ 1.50 Crores sanctioned by the Bank for the purpose of working capital and the said Loan against property which will be repaid in 84 equal monthly installment, 'rate of interest @ 16% (base rate +5.5%). The details of the property mortgage with the bank are as under:

(1) Office No. B-4C, B-Wing at New Udyog Mandir-2, Mogul Lane, Mahim (West), Mumbai 400016 which belongs to the Company.

(2) Office No. 403 along with 13 nos. car parking on second floor at Savoy Chambers, Santacruz (West), Mumbai which belongs to M/s. Classy Investment Pvt. Ltd.

(iii) ICICI Bank Ltd. (Loan A/c. No. 23856229):

Secured by First charge by way of hypothecation of Car No. MH 01 AX 3205 as per loan sanctioned as on 28th April, 2011. The loan is repayable in 36 equal monthly installment of ₹ 77,777/-, interest @ 1.26% p.a. is applicable on the said loan. The period of maturity with reference to Balance Sheet is 1 year.

(iv) Kotak Mahindra Pvt. Ltd. (Loan A/c. No. 6962494) – NBFC:

Secured by First charge by way of hypothecation of Car No. MH 01 AX 5600 as per loan sanctioned executed as on 8th June, 2011. The loan is repayable in 35 equal monthly installment of ₹ 28,047/- interest @ 6.50% p.a. is applicable on the said loan. The period of maturity with reference to Balance Sheet is 1.2 years.

(v) ICICI Bank Ltd. (Loan A/c. No. LAMUM00026715824):

Secured by First charge by way of hypothecation of Car No. MH 43 AL 9825 as per loan sanctioned as on 1st February, 2013. The loan is repayable in 60 equal monthly installment of ₹ 19,818/-. interest @ 11.99% p.a. is applicable on the said loan. The period of maturity with reference to Balance Sheet is 4.9 years.

(vi) Volkswagen Finance Pvt. Ltd. (Loan A/c. No. 20121018744):

Secured by First charge by way of hypothecation of Car No. MH 43 AL 9466 as per loan sanctioned as on 28th December, 2012. The loan is repayable in 60 equal monthly installment of ₹ 68,409/-, interest @ 11.65% p.a. is applicable on the said loan. The period of maturity with reference to Balance Sheet is 4.8 years.

(vii) Volkswagen Finance Pvt. Ltd. (Loan A/c. No. 20121019363):

Secured by First charge by way of hypothecation of Car No. MH 43 AL 9772 as per loan sanctioned as on 28th December, 2012. The loan is repayable in 60 equal monthly installment of ₹ 68,409/-, interest @ 11.65% p.a. is applicable on the said loan. The period of maturity with reference to Balance Sheet is 4.8 years.

(c) Capital First Ltd. (Formerly known as Future Capital Holdings Ltd.) — NBFC:

Secured by way of first exclusive charge on Pinnacle Corporate Park Project, CTS No. 4207(pt), Taluka Andheri, Manavsthal project CTS No. 2841(pt), Taluka Borivali Properties together with land and all the present and future superstructures, receivable, escrow accounts etc. as per loan sanctioned as on 14th September, 2011. The loan is repayable in 24 equal monthly installment. Repayment has started from 30th April, 2012 to 31st March, 2014. The period of maturity with reference to Balance Sheet is 1 year. Accordingly the due amount of Term Loan shown in Current Maturities.

II. Unsecured Loan:

(i) ICICI Bank Ltd. (Loan A/c. No. 1890626)

The said loan taken by the Company jointly with Directors and for which director has given his personal assets as securities. The said loan sanctioned to the Company on 25th October, 2011 interest @ 12.75% floating. Repayable in 120 EMI w.e.f. December 2011. The period of maturity with reference to Balance Sheet is 8.8 years.

(d) The Company has not made default in repayment of dues (Principal and interest) during the period ended March, 2013 except for two installments of Term Loan of Allahabad Bank for February and March, 2013 installments amounting to ₹ 2.98 lakhs per month which were paid on 04.04.2013 & 26.04.2013 respectively. However, the Company had deposited the money in Current Account with the Bank but the Bank did not recover the said installments inspite of the standing instruction given by the Company.



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 5 : DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
Tax effect of items constituting Deferred Tax Liability		
Deferred Tax Liability		
Related to Fixed Assets.....	13,62,819	92,93,640
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961.....	—	—
Total	13,62,819	92,93,640

NOTE 6 : OTHER LONG TERM LIABILITIES

Sr. No.	Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
	Society Deposits-Bandra Kurla Complex		
	Pinnaacle Corporate Park		
(i)	Society Formation	3,25,000	1,50,000
(ii)	Legal Charges	3,25,000	1,50,000
(iii)	Electricity Meter.....	7,00,000	3,50,000
(iv)	Entrance Fees	5,763	1,506
(v)	Legal Charges for Assignment.....	2,95,000	30,000
(vi)	Share of Taxes and Maintenance	54,85,400	45,00,000
	Unpaid Dividend		
(i)	Dividend Payable FY: 2006-07.....	2,69,880	2,74,552
(ii)	Dividend Payable FY: 2007-08.....	3,60,737	3,61,237
(iii)	Dividend Payable FY: 2008-09.....	2,88,383	2,94,447
(iv)	Dividend Payable FY: 2009-10.....	3,06,727	3,09,144
	Total	83,61,890	64,20,886

NOTE 7 : LONG TERM PROVISIONS

Gratuity Payable	88,86,733	83,21,419
Less : Payment made in GGCA Scheme.....	44,19,100	21,02,410
Total	44,67,633	62,19,009

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 8 : SHORT TERM BORROWINGS

Sr. No.	Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
I.	Secured:	—	—
II.	Unsecured:		
	(a) Loans From Directors.....	1,58,90,003	91,37,718
	(b) Loans & Advances From Related Parties	24,32,67,034	6,38,63,463
	(c) Intercompany Deposit	12,24,50,000	9,86,01,878
	(d) Other Loans and Advances:		
	(i) On Demand Repayable	7,32,51,000	17,11,91,761
	(ii) Other Loans and Advances	12,28,70,067	21,96,10,702
	Total	<u>57,77,28,104</u>	<u>56,24,05,522</u>

NOTE 9 : TRADE PAYABLES

Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
Trade Payables for Materials, Supplies and Development Rights.....	3,56,39,014	5,13,49,245
Total.....	<u>3,56,39,014</u>	<u>5,13,49,245</u>

NOTE 10 : OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
1.	Current maturities of Long-Term Borrowing (Refer to Note 4)	15,11,08,366	14,96,06,043
2.	Society Deposits Payable (Savoy Residency).....	—	1,39,17,722
3.	Advances from Customers		
	(a) Directors & Related Parties	—	55,99,125
	(b) Others	—	84,11,110
4.	Other Payables	2,44,39,265	6,79,346
	Total.....	<u>17,55,47,631</u>	<u>17,82,13,346</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 11 : SHORT TERM PROVISIONS

Sr. No.	Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
(a)	Provision For Employees Benefit:		
	Bonus Payable	43,121	35,827
	Exgratia Payable	14,64,368	12,77,941
		15,07,489	13,13,768
(b)	Provisions – other:		
	ESIC Payable.....	18,604	19,849
	EPF Payable	3,92,272	2,97,511
	Profession Tax Salaries.....	14,975	9,100
	Service Tax Payable.....	54,10,200	29,36,881
	Interest VAT	8,08,745	—
	VAT-Payable	15,54,613	19,445
	TDS-Payable	26,98,244	24,49,170
	Expenses Payable.....	19,43,144	18,39,854
		1,28,40,797	75,71,810
(c)	Provision for Project Expenses:		
	Expenses Payable for Savoy Residency, Santacruz (W)	—	83,49,000
	Expenses Payable for Manavsthal, Malad (W).....	14,31,40,000	6,06,22,183
	Expenses Payable for Manavsthal, Andheri (E)	4,00,000	—
	Expenses Payable for BKC, Bandra (E).....	—	1,11,60,000
		14,35,40,000	8,01,31,183
(d)	Provision for Taxation:		
	Income Tax Payable – F.Y. 2006-07 A.Y.: 2007-08	1,69,763	1,69,763
	Income Tax Payable – F.Y. 2007-08 A.Y.: 2008-09	2,32,724	2,32,724
	Income Tax Payable – F.Y. 2011-12 A.Y.: 2012-13	—	40,89,093
	Income Tax Payable – F.Y. 2012-13 A.Y.: 2013-14	46,70,375	—
		50,72,862	44,91,580
	Total (a + b + c + d)	16,29,61,148	9,35,08,341

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 12 : FIXED ASSETS

Sr. No.	Particulars	Rate	Gross Block		Depreciation		Net Block					
			As at 01-04-2012 ₹	Addition during the year ₹	Deduction during the year ₹	As at 31-03-2013 ₹	As at 01-04-2012 ₹	Deduction Adjustments ₹	As at 31-03-2013 ₹	As at 31-03-2012 ₹		
	Tangible Assets											
1.	Office Premises:											
	(i) Flat at Hermitage Villa, Khar (W)..	1.63%	50,07,500	—	50,07,500	—	—	12,78,852	48,750	13,27,602	—	37,28,648
	(ii) Office at B-4, Kamanwala Chambers	1.63%	41,73,858	—	—	41,73,858	—	3,03,974	68,034	—	3,72,008	38,69,884
	(iii) Office Premises- Belapur.....	1.63%	22,20,660	—	—	22,20,660	—	5,44,372	36,197	—	5,80,569	16,76,288
2.	Furniture & Fixtures ..	6.33%	71,560	—	—	71,560	—	32,380	4,530	—	36,910	39,180
3.	Plant & Machinery.....		—	—	—	—	—	—	—	—	—	—
4.	Air Conditioners.....	4.75%	7,82,232	—	—	7,82,232	—	2,66,962	37,156	—	3,04,118	5,15,270
5.	Vehicles*	9.50%	1,73,91,616	1,07,26,922	79,49,269	2,01,69,269	—	37,45,957	17,46,062	33,05,304	21,86,715	1,36,45,659
6.	Office Equipments....	7.07%	9,14,138	—	3,81,868	5,32,270	—	3,24,169	43,327	1,91,324	1,76,172	5,89,969
7.	Computers.....	16.21%	5,00,123	15,300	—	5,15,423	—	2,85,503	83,244	—	3,68,747	2,14,620
	Total		3,10,61,687	1,07,42,222	1,33,38,637	2,84,65,272	—	67,82,169	20,67,300	48,24,230	40,25,239	2,44,40,033
	<i>Previous Year</i>		<i>2,92,23,908</i>	<i>73,97,844</i>	<i>55,60,065</i>	<i>3,10,61,687</i>	—	<i>76,85,858</i>	<i>19,41,226</i>	<i>28,44,915</i>	<i>67,82,169</i>	<i>2,42,79,518</i>

* Four Vehicles purchases during the year.
Three Vehicles sales during the year.
One Vehicle is not in the name of Company



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 13 : NON CURRENT INVESTMENTS

Sr. No.	Particulars	As at 31-03-2013		As at 31-03-2012	
		Quoted ₹	Unquoted ₹	Quoted ₹	Unquoted ₹
A.	Trade Investments				
	(a) Investment in Equity instruments.....	—	—	—	—
	(b) Other non-current investments	—	—	—	—
B.	Non-Tradeable Unquoted Investments				
	(a) Investment in Equity instruments at cost				
	(i) Hermitage Villa Co-Op. Hsg. Soc. Ltd. 10 Equity Shares of ₹ 50/- each Fully Paid..	—	—	—	501
	(ii) Kamanwala Chambers Premises Co-op. Soc. Ltd. 5 Equity Shares of ₹ 50/- each Fully Paid	—	250	—	250
	(iii) Jivan Builders Pvt. Ltd. (Equity shares) 750 Equity Shares of ₹ 100/- each Fully Paid	—	—	—	75,000
	(b) Investments in Preference Shares at cost Jivan Builders Pvt. Ltd.	—	—	—	25,000
	12%, 250 Cumulative Preference Shares of ₹ 100/-each Fully Paid-up				
	(c) Investments in Partnership Firm at cost				
	(i) Prajay Kamanwala Developers (foot note 2 (i)).....	—	90,00,000	—	90,00,000
	(ii) Kamanwala Lakshachandi Todays Developers (foot note 2 (ii)).....	—	50,000	—	50,000
	(iii) Kamanwala Lakshachandi Todays Construction (foot note 2 (iii)).....	—	50,000	—	50,000
	(d) Investments in Joint Venture (foot note 3) at cost				
	(i) Aspen Properties Pvt. Ltd.	—	43,50,000	—	45,12,000
	(ii) Anand Infoedge Pvt. Ltd.	—	—	—	72,37,400
		—	1,34,50,250	—	2,09,50,151
	Less : Provision for dimunition in the value of Investments	—	—	—	—
	Total.....	—	1,34,50,250	—	2,09,50,151

Notes:

1. Investment in Partnership Firms at cost

The Company has entered in partnerships in three Firms as under:

Name of Partnership Firm	Registered/ Unregistered	Project undertaken in the Firm and status of Project	Shares in Profit/ Loss	Name of the Partners in the Firm
(i) Prajay Kamanwala Developers	Unregistered	SEZ Project at Hyderabad	20.00%	M/s. Kamanwala Housing Construction Ltd.
		Not Commenced	60.00%	M/s. Prajay Engineers Syndicate Ltd.
			20.00%	M/s. Namita Builders Pvt. Ltd.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

Name of Partnership Firm	Registered/ Unregistered	Project undertaken in the Firm and status of Project	Shares in Profit/ Loss	Name of the Partners in the Firm
(ii) Kamanwala Lakshachandi Todays Developers	Registered	Commercial Project at Santacruz (West) "Savoy Chambers" Completed	50.00% 16.50% 33.50%	M/s. Kamanwala Housing Construction Ltd. M/s. Lakshachandi Developers Pvt. Ltd. M/s. Todays Infrastructure & Construction Ltd.
(iii) Kamanwala Lakshachandi Todays Construction	Registered	Residential Project at Mahim "Shimmering Heights" Under Construction	50.00% 25.00% 12.50% 12.50%	M/s. Kamanwala Housing Construction Ltd. M/s. Lakshachandi Constructions Pvt. Ltd. Mrs. Janhavi Drolia Miss Akriti Drolia

- (i) M/s. Prajay Kamanwala Developers as on 8th May, 2006 of which the Company has not provided Profit and Loss Account & Balance Sheet for last 7 years since inception. As such there is no development work started so the financial statement has not been prepared.
- (ii) There is no profitability made by the M/s. Kamanwala Lakshachandi Todays Developers, so that no profit or loss has been determined.
- (iii) During the year provision for interest on capital investment made for ₹ 2,09,39,081/- which includes prior period interest ₹ 1,57,30,839/- (refer note no. 29). M/s. Kamanwala Lakshachandi Todays Construction has been received booking of 3 flat during the year and recorded the sale of 70% as the work completed and as per Provisional Financial of the Firm profit arrived ₹ 34,88,662/-.

2. Classification of Investments in Partnership Firm into Current and Non-Current Portion

Name of Partnership Firm	As at 31-03-2013		As at 31-03-2012	
	Non-Current Portion ₹	*Current Portion ₹	Non-Current Portion ₹	*Current Portion ₹
(i) Prajay Kamanwala Developers	90,00,000	7,97,00,000	90,00,000	7,97,00,000
(ii) Kamanwala Lakshachandi Todays Developers.....	50,000	—	50,000	82,12,430
(iii) Kamanwala Lakshachandi Todays Construction ..	50,000	9,07,43,622	50,000	4,30,32,543
Total.....	91,00,000	17,04,43,622	91,00,000	13,09,44,973

* Current portion of Investment in Partnership Firm is shown under Current Investments under Note No. 16.

3. Investment in Joint Venture at cost

Investment in Joint Ventures with: - Non Current Investment	Contribution Paid As at 31-03-2013 ₹	Contribution Paid As at 31-03-2012 ₹
1. Aspen Properties Pvt. Ltd. For redevelopment of property at Filimistan Studio, Goregaon (West), Mumbai in which Company's share is 33%	43,50,000	45,12,000
2. Anand Infoedge Pvt. Ltd. For Development of I.T. Park at Noida in which Company's share is 10%	—	72,37,400
Total.....	43,50,000	1,17,49,400

- (i) Aspen Properties Pvt. Ltd.
The Company has made the payment towards joint venture contribution to M/s. Aspen Properties Pvt. Ltd. for the project at Filimistan Studio, Goregaon (West) and the said amount is confirmed by M/s. Aspen Properties Pvt. Ltd in their Balance Sheet for assessment year 2011-2012 and to take the concrete steps for commence the project, Company had sent the notice through Legal Advisor to the Co-venturer and also made the provision for compensation receivable which has been shown separately in Current Assets.
- (ii) Anand Infoedge Pvt. Ltd.
Investment made in Anand Infoedge Pvt. Ltd. received back during the year.



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 14 : LONG TERM LOANS AND ADVANCES

Sr. No.	Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
	Security Deposit		
	Unsecured, considered Good		
1.	Rent Deposit: A. S. Jain & Sons	6,72,000	6,72,000
2.	Deposit: Batra Brothers.....	20,000	20,000
3.	Deposit: Prakash Automobiles	10,000	10,000
4.	Deposit: Sachdeva Automobiles.....	12,500	12,500
5.	Deposit: Mahim Service Station.....	5,000	5,000
6.	Deposit: Khana Hotels Pvt. Ltd.	5,00,000	5,00,000
7.	Deposit: Kshamata Courier.....	5,000	5,000
8.	Deposit: MTNL	62,550	47,550
9.	Deposit: Hughes Ispat Ltd.	1,000	1,000
10.	Deposit: Tata Indicom.....	1,000	1,000
11.	Deposit: Maimoon Distributors	4,500	4,500
12.	Deposit: Tata Power Company Ltd.	27,300	27,300
	Total.....	13,20,850	13,05,850

NOTE 15 : OTHER NON-CURRENT ASSETS

1.	Income Tax Paid – F.Y. 2009-10 A.Y.: 2010-11	5,46,019	5,46,019
2.	Income Tax Paid – F.Y. 2010-11 A.Y.: 2011-12	48,449	48,449
3.	Income Tax Paid – F.Y. 2011-12 A.Y.: 2012-13	9,44,897	—
4.	Interest Receivables*	1,02,35,342	—
	Total.....	1,17,74,707	5,94,468

* Interest receivable is subject to confirmation and realisation

NOTE 16: CURRENT INVESTMENT

Current Portion of Long Term Investment at Cost			
(a)	Current Account with Partnership Firm [Refer Note no. 13(3)]*	17,04,43,622	13,09,44,973
(b)	Margin Money with IOB for Bank Guarantee to MPCB.....	3,25,969	3,00,000
(c)	Investment in Fixed Deposit with Indian Overseas Bank – A/c. Savoy Residency*.....	—	1,17,55,951
	Total.....	17,07,69,591	14,30,00,924

* Fixed Deposit in Indian Overseas bank has been realised during the year and the same amount has been transferred to Savoy Residency, Santacruz (W), Mumbai Society A/c

* Classification of Investments in Partnership Firm into Current and Non-Current Portion

Name of Partnership Firm	As at 31-03-2013		As at 31-03-2012	
	Non-Current Portion ₹	*Current Portion ₹	Non-Current Portion ₹	*Current Portion ₹
(i) Prajay Kamanwala Developers	90,00,000	7,97,00,000	90,00,000	7,97,00,000
(ii) Kamanwala Lakshachandi Todays Developers.....	50,000	—	50,000	82,12,430
(iii) Kamanwala Lakshachandi Todays Construction ..	50,000	9,07,43,622	50,000	4,30,32,543
Total.....	91,00,000	17,04,43,622	91,00,000	13,09,44,973

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 17 : INVENTORIES (AT COST)

Sr. No.	Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
1.	Raw Materials	21,81,825	28,43,620
2.	Work-in-Progress.....	—	94,46,47,707
3.	Finished Stock	68,86,40,432	8,69,01,917
4.	Stock-in-Trade (Land).....	1,66,69,893	1,66,69,893
	Total.....	70,74,92,150	1,05,10,63,137

NOTE 18 : TRADE RECEIVABLES

1.	Debts outstanding for a period more than six months		
	(a) Secured, Considered Good:		
	(i) Directors of the Company.....	—	—
	(ii) Directors of the Company jointly with any other person.....	—	—
	(iii) Private Companies in which Directors are Directors or Members	—	—
	(iv) Others	—	—
	Total (a)	—	—
	(b) Unsecured, Considered Good		
	(i) Directors of the Company.....	—	2,59,62,600
	(ii) Directors of the Company jointly with any other person.....	—	—
	(iii) Private Companies in which Directors are Directors or Members	—	1,64,40,000
	(iv) Others	21,10,22,722	54,96,99,948
	Total (b)	21,10,22,722	59,21,02,548
	(c) Doubtful Debts	Total (c)	—
	Total (a + b + c)	21,10,22,722	59,21,02,548
2.	Others		
	(a) Secured, Considered Good:		
	(i) Directors of the Company.....	—	—
	(ii) Directors of the Company jointly with any other person.....	—	—
	(iii) Private Companies in which Directors are Directors or Members	—	—
	(iv) Others	—	—
	Total (a)	—	—
	(b) Unsecured, Considered Good		
	(i) Directors of the Company.....	5,27,97,702	1,04,15,700
	(ii) Directors of the Company jointly with any other person.....	—	—
	(iii) Private Companies in which Directors are Directors or Members	1,64,40,000	21,000
	(iv) Others	46,73,56,352	11,88,50,785
	Total (b)	53,65,94,054	12,92,87,485
	(c) Doubtful Debts	Total (c)	—
	Total (a + b + c)	53,65,94,054	12,92,87,485
	Grand Total (1 + 2)	74,76,16,776	72,13,90,033



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 19 : CASH AND BANK BALANCES

Sr. No.	Particulars	As at 31-03-2013 ₹	As at 31-03-2012 ₹
(a)	Cash and Cash Equivalent		
	(1) Balance with Bank		
	Indian Overseas Bank A/c. No. 024702000002275	22,07,633	16,51,088
	Indian Overseas Bank A/c. No. 024702000002324	16,140	16,236
	Indian Overseas Bank A/c. No. 024702000002566	12,69,892	1,86,477
	Indian Overseas Bank A/c. No. 024702000002676	6,74,433	4,19,011
	Indian Overseas Bank A/c. No. 024702000002679 – Escrow A/c.....	16,59,758	1,00,47,300
	Indian Overseas Bank A/c. No. 024702000002677– Escrow A/c.....	5,013	2,79,795
	Indian Overseas Bank A/c. No. 024702000002948	1,45,997	16,53,986
	Oriental Bank of Commerce A/c. No. 00231011002312	37,440	37,440
	Oriental Bank of Commerce A/c. No. 00234011000333	10,10,984	25,87,615
	Punjab National Bank A/c. No. 0062002100147580.....	14,70,982	1,03,10,784
	Allahabad Bank A/c. No. 50036108387	9,95,353	5,878
	(2) Cash on Hand.....	25,69,220	65,220
(b)	Other Bank Balance for Unpaid Dividend Accounts		
	OBC – Dividend A/c. No. 00234011002138	2,69,880	2,74,552
	Corporation Bank-Dividend A/c. No. CA02000384	3,60,737	3,61,237
	Corporation Bank-Dividend A/c. No. CA02000414	2,88,383	2,94,447
	Corporation Bank-Dividend A/c. No. CA02000436	3,06,727	3,09,144
	Total.....	1,32,88,572	2,85,00,210

NOTE 20 : SHORT TERM LOANS AND ADVANCES

Others Loans and Advances			
Unsecured, considered good			
(a)	Others		
	(i) Advances Recoverable in cash or in kind or for value to be considered good	17,89,23,735	20,10,22,362
	(ii) Advances to Suppliers.....	1,60,48,755	81,96,384
(b)	Loans to employees.....	11,44,518	10,67,706
	Total	19,61,17,008	21,02,86,452

NOTE 21 : OTHER CURRENT ASSETS

(i)	Prepaid Expenses.....	2,54,719	50,491
(ii)	Prepaid Expenses – BKC Project	51,685	—
(iii)	Prepaid Expenses – Malad Project	1,62,353	—
(iv)	Rent Receivable.....	4,15,956	1,257
(v)	Deposit: Mecloids' Garage	1,42,356	30,614
	Total.....	10,27,069	82,362

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 22 : REVENUE FROM OPERATIONS

Sr. No.	Particulars	For the Year ended 31-03-2013 ₹	For the Year ended 31-03-2012 ₹
	Sale of Products from Property Development Activities		
1.	Sale of Flats – Manavsthal, Malad Project.....	61,06,47,262	38,44,13,502
2.	Sale of Office – Savoy Chambers	8,76,00,000	—
3.	Sale of Parking – Savoy Chambers*	75,00,000	—
4.	Sale of Flats – Vallabh Terrace.....	1,10,00,000	20,00,000
5.	Sale of Turbhe Project.....	—	37,00,00,000
6.	Sale of Flats – BKC Project.....	12,76,10,000	—
	Other Operating Revenues		
1.	Maintenance received	23,39,401	64,75,725
2.	Rent Income.....	3,43,082	4,59,536
3.	Sale of Scrap	—	1,48,500
	Total	84,70,39,745	76,34,97,263

* sale made to related party, refer note 32

NOTE 23 : OTHER INCOME

1.	Interest from others.....	1,11,09,988	39,15,388
2.	Interest from Firm Kamanwala Lakshachandi Todays Developers	—	64,03,784
3.	Interest from Firm Kamanwala Lakshachandi Todays Construction for current year*	52,08,242	—
4.	Interest on Gratuity Fund	3,17,959	—
5.	Other Receipts	13,50,019	16,585
6.	Compensation from Aspen Properties Pvt. Ltd.**	4,20,000	—
7.	Profit from Partnership Firm: Kamanwala Lakshachandi Todays Construction.....	34,88,662	—
8.	Profit from Partnership Firm: Kamanwala Lakshachandi Todays Developers	—	34,93,376
9.	Sundry Balances Written Off	283	24,25,000
	Total	2,18,95,153	1,62,54,133

Notes:

Particulars	Current year ₹	Prior Period ₹	Total ₹
* Interest from Firm Kamanwala Lakshachandi Todays Construction ...	52,08,242	1,57,30,839	2,09,39,081
** Compensation from Aspen Properties Pvt. Ltd.	4,20,000	96,53,342	1,00,73,342
Total.....	56,28,242	2,53,84,181	3,10,12,423



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 24 a : COST OF MATERIALS CONSUMED

Sr. No.	Particulars	For the Year ended 31-03-2013 ₹	For the Year ended 31-03-2012 ₹
(i)	Opening Stock	28,43,620	25,15,966
(ii)	Add: Purchases	40,54,19,400	66,27,84,779
(iii)	Less: Closing Stock	21,81,825	28,43,620
(iv)	Cost of Material Consumed	<u>40,60,81,195</u>	<u>66,24,57,125</u>

NOTE 24 b : PURCHASES AND ADDITION IN STOCK-IN-TRADE

Purchases	—	—
Total	<u>—</u>	<u>—</u>

NOTE 24 c : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE

(a)	Inventories at the end of the year		
	Finished Stock	68,86,40,432	76,44,917
	Work-in-Progress	—	84,99,78,077
	Land	1,66,69,893	1,66,69,893
	Stock-in-Trade	—	17,39,26,630
		<u>70,53,10,325</u>	<u>1,04,82,19,517</u>
(b)	Inventories at the beginning of the year		
	Finished Stock	76,44,917	76,89,917
	Work-in Progress	84,99,78,077	94,44,37,540
	Land	1,66,69,893	1,66,69,893
	Stock-in-Trade	17,39,26,630	—
		<u>1,04,82,19,517</u>	<u>96,87,97,350</u>
	Net (increase)/decrease (a- b)	<u>34,29,09,192</u>	<u>(7,94,22,167)</u>

NOTE 25 : EMPLOYEES BENEFIT EXPENSES

1.	Salaries and Wages (Refer to note 1)	2,96,58,404	2,32,32,143
2.	Contribution to provident fund and other funds (Refer to note 2)	17,39,536	27,39,796
3.	Staff Welfare Expenses	4,23,024	4,26,340
	Total	<u>3,18,20,964</u>	<u>2,63,98,279</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 25 : EMPLOYEES BENEFIT EXPENSES (Contd.)

Notes:

Sr. No.	Particulars	For the Year ended 31-03-2013 ₹	For the Year ended 31-03-2012 ₹
1.	Salaries to Employees:		
	a) Salaries to Staff :		
	Bonus.....	43,121	35,827
	Conveyance Allowance.....	2,16,524	1,59,043
	Dearness Allowance.....	10,57,382	8,33,806
	Education Allowance	4,09,728	3,67,495
	Exgratia	14,78,903	13,79,379
	House Rent Allowance.....	11,61,042	9,37,702
	Leave Salary	11,39,803	2,14,696
	Leave Travelling Allowance	5,83,853	5,60,933
	Medical Allowance	6,84,626	5,79,715
	Other Allowance.....	17,494	94,200
	Profession Tax - Salaries.....	1,05,800	88,325
	Medical Expenses Staff.....	6,52,365	—
	Salaries	75,45,662	66,33,223
	Site Allowance.....	4,82,300	3,78,941
	Site Handling Charges	—	40,070
	Special Allowance.....	9,04,875	6,22,463
	Vehicle Allowance.....	25,500	—
	Washing Allowance.....	22,095	26,250
		<u>1,65,31,073</u>	<u>1,29,52,068</u>
	Less: Reimbursement of Salary Expenses	18,40,186	26,20,098
	Total (a).....	<u>1,46,90,887</u>	<u>1,03,31,970</u>
	b) Salaries to Directors :		
	Directors Remuneration.....	92,30,000	73,80,000
	House Rent Allowance.....	23,72,000	19,48,000
	Leave Salary	4,47,500	3,25,000
	Leave Travelling Allowance	1,60,000	6,50,000
	Medical Expenses	2,36,034	73,415
	Provident Fund – Directors	12,08,217	9,70,004
	Perquisites – Directors	8,28,766	11,33,754
	Directors Sitting Fees.....	4,85,000	4,20,000
	Total (b).....	<u>1,49,67,517</u>	<u>1,29,00,173</u>
	Total (a + b).....	<u>2,96,58,404</u>	<u>2,32,32,143</u>
2.	Contribution to provident fund and other funds		
	Employees State Insurance Fund.....	1,63,049	1,67,977
	Maharashtra Labour Welfare Fund.....	4,320	4,320
	Provident Fund	10,06,853	8,85,637
	Gratuity	5,65,314	16,81,862
	Total	<u>17,39,536</u>	<u>27,39,796</u>



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 26 : FINANCIAL COSTS

Sr. No.	Particulars	For the Year ended 31-03-2013 ₹	For the Year ended 31-03-2012 ₹
1.	Interest on Term loans	87,39,248	2,76,48,887
2.	Interest on Car loans	2,79,689	1,97,079
3.	Interest on Other loans.....	—	42,58,528
4.	Interest paid.....	48,635	—
5.	Commitment Charges	7,06,81,120	7,07,76,930
6.	Bank Charges.....	1,55,949	7,91,562
7.	Brokerage charges for Finance	9,36,603	10,26,625
8.	Mortgage Expenses (Stamp Duty & Registration Charges).....	8,89,757	11,51,100
	Total	8,17,31,001	10,58,50,711

NOTE 27 : DEPRECIATION & AMORTISATION EXPENSES

Depreciation	20,67,300	19,41,226
Total	20,67,300	19,41,226

NOTE 28 : OTHER EXPENSES

1.	Auditors Remuneration (Refer to Note 1).....	1,68,540	1,73,901
2.	Courier & Postage.....	2,29,867	6,03,123
3.	Conveyance Expenses	4,67,414	4,65,779
4.	Donation	10,00,000	6,38,000
5.	Electricity Charges.....	5,47,670	3,64,147
6.	Brokerage Expenses – Malad Project.....	27,52,325	56,82,968
7.	Brokerage Expenses – BKC Project	29,10,320	14,69,650
8.	Brokerage Expenses – Others.....	15,50,000	17,05,250
9.	Filing Fees.....	4,672	11,454
10.	General Expenses.....	6,98,457	6,99,321
11.	Insurance Expenses	4,43,760	12,62,534
12.	Interest on Service Tax Payable/TDS	2,54,541	11,26,033
13.	Legal & Professional Fees	11,28,022	14,85,714
14.	Listing Fees.....	1,12,360	2,20,600
15.	Office Maintenance Expenses	6,53,768	5,41,455
16.	Printing & Stationery	5,96,498	7,22,878
17.	Profession Tax – Company	2,500	2,500
18.	Rates & Taxes	2,400	9,600
19.	Rent Paid	28,02,160	17,72,000
20.	Repair & Maintenance (Building) Savoy Residency, Santacruz, Mumbai.....	36,22,324	1,14,39,631
21.	Repair & Maintenance (Building) Vallabh Terrace, Opera House, Mumbai	70,206	5,15,703
22.	Property Tax – Building : Manavsthal, Andheri, Mumbai.....	4,00,000	—
23.	Repair & Maintenance	7,13,266	8,89,014
24.	Telephone Charges	12,04,310	12,84,322
25.	Travelling Expenses	6,66,679	9,03,791
26.	Vehicle Expenses	19,44,705	17,84,697
27.	Other Sundry Balances written off	48,565	88,660
28.	Advertisement Charges	7,36,068	5,95,812
29.	Entertainment Expenses	4,49,226	13,29,869
30.	MVAT Paid-Andheri Project (July, 2006 to March, 2007).....	11,94,200	—
31.	Preliminary Expenses written off.....	—	1,40,000
32.	Investment written off.....	1,00,000	—
	Total	2,74,74,823	3,79,28,406

NOTE 1 : AUDITORS REMUNERATION

(i)	Statutory Audit Fees.....	1,68,540	1,68,901
(ii)	Certification Charges.....	—	5,000
	Total	1,68,540	1,73,901

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 29 : PRIOR PERIOD ITEMS

Sr. No.	Particulars	For the Year ended 31-03-2013 ₹	For the Year ended 31-03-2012 ₹
1.	Interest from Partnership Firm – M/s. Kamanwala Lakshachandi Todays Developers.....	—	3,31,96,661
2.	Interest from Partnership Firm – M/s. Kamanwala Lakshachandi Todays Construction *	1,57,30,839	—
3.	Compensation from Aspen Properties Pvt. Ltd.	96,53,342	—
4.	Less: Excess Profit from Firm Kamanwala Lakshachandi Todays Developers.....	(2,62,120)	—
	Total	<u>2,51,22,061</u>	<u>3,31,96,661</u>

* Interest received from Partnership Firm on capital invested by the Company during the year includes above prior period income.

NOTE 30 : EXCEPTIONAL ITEMS

Sr. No	Particulars	For the Year ended 31-03-2013 ₹	For the Year ended 31-03-2012 ₹
1.	Profit on Sale of Assets (Hermitage Villa)	1,38,20,102	—
2.	Provision for Property Tax- Savoy Residency written off	83,49,000	—
3.	Credit Balance written off.....	50,67,500	—
4.	Less: Loss on Sale of Vehicles	19,68,410	11,46,263
5.	Less: Loss on Sale of Office Equipments.....	1,88,944	—
	Total	<u>2,50,79,248</u>	<u>(11,46,263)</u>

NOTE 31 : EARNING PER SHARE

(i)	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	2,64,82,553	3,89,79,870
(ii)	Weighted Average number of Equity Shares used as denominator for calculating EPS	1,40,93,160	1,40,93,160
(iii)	Basic and Diluted Earning Per Share.....	1.88	2.77
(iv)	Face Value per Equity Share.....	10.00	10.00

NOTE 32 : RELATED PARTY DISCLOSURE

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

(I) LIST OF RELATED PARTIES WHERE CONTROL EXISTS AND RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE AND RELATIONSHIPS:

Associates:	Joint Venture:	Key Management Personnel:	Other Directors:	Relatives of Key Management Personnel
M/s Attar Construction Co. Pvt. Ltd. M/s Classy Investments Pvt. Ltd. M/s Ritika Steel & Scraps Pvt. Ltd. M/s Avoir Finance & Investments Pvt. Ltd. M/s A.S. Jain & Sons (Prop. Concern of Mr. Jaipal Jain) M/s Hatimi Steels (Prop. Concern of Mr. Amit Jain)	M/s Kamanwala Lakshachandi Today Developers M/s Kamanwala Lakshachandi Today Construction M/s Prajay Kamanwala Developers	Mr. Murarilal Gupta Mr. Jaipal Jain Mr. Atul Jain Mr. Tarun Jain Mr. Amit Jain Mrs. Pushpa Jain	Mr. B.R. Maheshwari Mr. Bhanwarlal D. Jogani Mr. Ramesh J. Patel Mrs. Shobha Jain Mr. Sorabh Gupta Mr. Pankaj R. Majithia	Shri Atul Jain (HUF) Shri Tarun Jain (HUF) Shri Murarilal Ramswarup Khandelwal (HUF) Mrs. Sudha Gupta Mrs. Neena Jain Mrs. Rashmi Jain Mr. Vaibhav Jain Mrs. Tulika Gupta Mrs. Saroj Jain Mrs. Shikha Jain Mrs. Hansa Majithia Mr. Ramashankar Rastogi Mr. Vijendrapal Jain Shri Sandeep Rastogi (HUF) M/s M S Wellness & Solutions Pvt. Ltd. M/s GSP International (Prop. Arun Jain) M/s SPA Heights Pvt. Ltd. Mrs. Nita Jain Mr. Hari Makharia Shri Pankaj Ramandas Majithia (HUF) Mr. Laxminarayan Agarwal



KAMANWALA HOUSING CONSTRUCTION LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

(II) TRANSACTIONS DURING THE YEAR WITH RELATED PARTIES (All Amount in ₹) (Contd.)

Sr. No.	Nature of Transactions	Associates	Joint Venture	Key Management Personnel	Other Directors	Relatives of Key Managerial Personnel	As on 31-03-2013
1.	Sales	75,00,000 (—)	— (—)	— (—)	— (—)	— (—)	75,00,000 (—)
2.	Rent paid	15,22,160 (7,68,000)	— (—)	6,52,000 (5,04,000)	— (—)	6,28,000 (5,00,000)	28,02,160 (17,72,000)
3.	Remuneration	— (—)	— (—)	1,43,81,900 (1,23,95,769)	— (—)	— (—)	1,43,81,900 (1,23,95,769)
4.	Commission paid	— (—)	— (—)	— (—)	— (—)	— (—)	— (—)
5.	Inter-Corporate Deposits	27,61,00,000 (—)	— (—)	— (—)	— (—)	— (—)	27,61,00,000 (—)
6.	Repayment of Inter-Corporate Deposits	4,31,75,000 (—)	— (—)	— (—)	— (—)	— (—)	4,31,75,000 (—)
7.	Interest paid on Inter-Corporate Deposits	61,01,222 (13,487)	— (—)	— (—)	— (—)	— (—)	61,01,222 (13,487)
8.	Loans & Advances from Directors	— (—)	— (—)	54,46,043 (2,60,50,000)	19,25,000 (10,00,000)	— (—)	73,71,043 (2,70,50,000)
9.	Repayment of Loans & Advances	— (—)	— (—)	6,46,043 (22,77,50,000)	10,24,637 (—)	— (—)	16,70,680 (22,77,50,000)
10.	Interest paid on Loans & Advances	— (—)	— (—)	9,87,785 (16,12,523)	2,89,766 (2,15,116)	— (—)	12,77,551 (18,27,639)
11.	Advances/Deposits from Customers	— (—)	— (—)	— (—)	— (—)	4,48,75,000 (3,23,66,000)	4,48,75,000 (3,23,66,000)
12.	Repayment of Advances/Deposits from Customers	— (—)	— (—)	— (—)	— (—)	8,05,25,411 (2,66,00,000)	8,05,25,411 (2,66,00,000)
13.	Interest paid on Advances/Deposits from Customers	— (—)	— (—)	— (—)	— (—)	25,33,643 (69,83,041)	25,33,643 (69,83,041)
14.	Advances for Properties	— (—)	— (—)	— (—)	— (—)	1,60,00,000 (2,33,60,000)	1,60,00,000 (2,33,60,000)
15.	Investment in Partnership Firm	— (—)	4,63,79,120 (14,87,40,013)	— (—)	— (—)	— (—)	4,63,79,120 (14,87,40,013)
16.	Purchase of Office Premises from Partnership Firm	— (—)	— (7,50,60,000)	— (—)	— (—)	— (—)	— (7,50,60,000)
17.	Purchases	24,209 (—)	— (—)	— (—)	— (—)	— (—)	24,209 (—)

Note : The Figures in the brackets represent for the Previous Year.

NOTE 33:

In the absence of information with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006, the details if any, the provision or payment of interest and related disclosure under the said Act has not been disclosed.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE 34: CONTINGENT LIABILITIES

1. Provision not made for Contingent Liability which may arise for delay in execution of project Pinnacle Corporate Park, BKC Bandra (East), Mumbai. As per the terms of Agreements executed with Purchasers, the Company has committed to give the possession of the office premises in the year 2008. However, due to certain compliance of S.R.A. the project has been delayed for four years.
2. Corporate Guarantee given by the Company for Term Loan of ₹ 17 Crores availed by M/s Kamanwala Lakshachandi Todays Construction from Allahabad Bank, Worli, Mumbai in which the Company is 50% partner.
3. The Company has given the guarantee for amounting to ₹ 3 lacs to Maharashtra Pollution Control Board on account of specific compliances of the Pollution Control Board for the Malad Project.
4. Letter of Credit opened with Allahabad Bank in favour of Su Zhou Schindler Elevator Co. Ltd., China for import of lifts 10 nos for Malad Project for the value US\$ 2,86,705 for which the Company's contingent liability as on 31st March, 2013 is ₹ 1.56 Crores.
5. The Company has entered into the following Deeds of Partnership for which liabilities are unlimited and amount not ascertained:
 - (a) M/s. Kamanwala Lakshachandi Todays Construction
 - (b) M/s. Prajay Kamanwala Developers

As per our report attached
For Mittal & Associates
Chartered Accountants
Registration No. 106456W

For and on behalf of the Board of Directors
Kamanwala Housing Construction Limited

M. Mehta
Partner
Membership No. 42990

Bankim Purohit
Company Secretary
M. No. A-21865

Murari Lal Gupta
*Vice-Chairman &
Managing Director*

Atul Jain
Whole-Time Director

Mumbai: 30th May, 2013.

Mumbai: 30th May, 2013.



KAMANWALA HOUSING CONSTRUCTION LIMITED

Regd. Office: 405/406, New Udyog Mandir-2, Mogul Lane, Mahim (West), Mumbai-400 016.

ATTENDANCE SLIP

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

I hereby record my presence at the TWENTY NINTH ANNUAL GENERAL MEETING of the Company at Tendulkar Hall, Saraswat Bhavan, Chhatrapati Shivaji Maharaj Marg, Mogul Lane, Mahim (West), Mumbai-400 016, at 11.30 A.M., on Monday, the 30th September, 2013.

.....
Full name of the Shareholder Signature
(in block capitals)

Folio No. /DP ID No.* & Client ID No.*

* Applicable for Members holding shares in electronic form.

.....
Full name of the Proxy Signature
(in block capitals)

NOTE: Shareholder/Proxyholder desiring to attend the Meeting should bring his/her copy of the Annual Report for reference at the Meeting.



KAMANWALA HOUSING CONSTRUCTION LIMITED

Regd. Office: 405/406, New Udyog Mandir-2, Mogul Lane, Mahim (West), Mumbai - 400 016.

PROXY

I/We
of in the district of being
a Member/Members of the above named Company, hereby appoint
of in the district of or failing him
..... of in the district of as my/our Proxy to attend
and vote for me/us and on my/our behalf at the TWENTY NINTH ANNUAL GENERAL MEETING of the Company to be held
on Monday, the 30th September, 2013 and at any adjournment thereof.

Signed this day of 2013.

Folio No. /DP ID No.* & Client ID No.*

* Applicable for Members holding shares in electronic form.

No. of Shares held: Signature

This form is to be used @ in favour of the resolution. Unless otherwise instructed, the Proxy will act as he/she thinks fit.
@ against.

@ Strike out whichever is not desired.

- NOTES:** (i) The proxy must be deposited at the Registered Office of the Company at 405/406, New Udyog Mandir-2, Mogul Lane, Mahim (West), Mumbai-400 016, not less than FORTY-EIGHT HOURS before the time for holding the Meeting.
(ii) Those Members who have multiple folios with different jointholders may use copies of this Attendance Slip/Proxy.



KAMANWALA HOUSING CONSTRUCTION LIMITED

405/406, New Udyog Mandir No. 2,
Mogul Lane, Mahim (West), Mumbai 400 016.
Tel.: 2445 6029 / 2445 2559 • Fax: 2447 4968
Email: kamanwala@gmail.com

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company:	KAMANWALA HOUSING CONSTRUCTION LIMITED
2	Annual Financial Statements for the year ended	31 st March, 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Whether appeared first time: Yes Since period: 01.04.2012 to 31.03.2013
5	To be signed by- <ul style="list-style-type: none">• Managing Director• CFO• Auditor of the Company• Audit Committee Chairman	<p><i>ds</i> (M. L. GUPTA)</p> <p>—</p> <p><i>M. Mehta</i> (M. MEHTA - M.NO. 42990)</p> <p><i>B.R. Maheshwari</i> (B.R. MAHESHWARI)</p>