



# AHMEDABAD

## THE CITY WITH A MIDAS TOUCH





**Shri Govindbhai C Patel 11-03-1937 to 29-10-2009**

Born in Ahmedabad, Shri Govindbhai Patel was the Promoter Director and Chairman of the Ganesh Housing Group. It is his relentless pursuit of excellence and exemplary entrepreneurial spirit which made Ganesh Housing a leading real estate developer of Gujarat.

He had rich and wide experience of more than four decades of creating 16 million sq ft of residential space and 35,000 houses. For his work in his field, he was honoured with Gujarat Gaurav and the Gujarat Garav Samman.

As the Chairman of Govindbhai C Patel Foundation, he was known for his philanthropic and charitable work.

He may have departed for the heavenly abode, but he will remain with us in spirit. We pledge to follow his principles and take the Company to still greater heights.

With sincere remembrance,

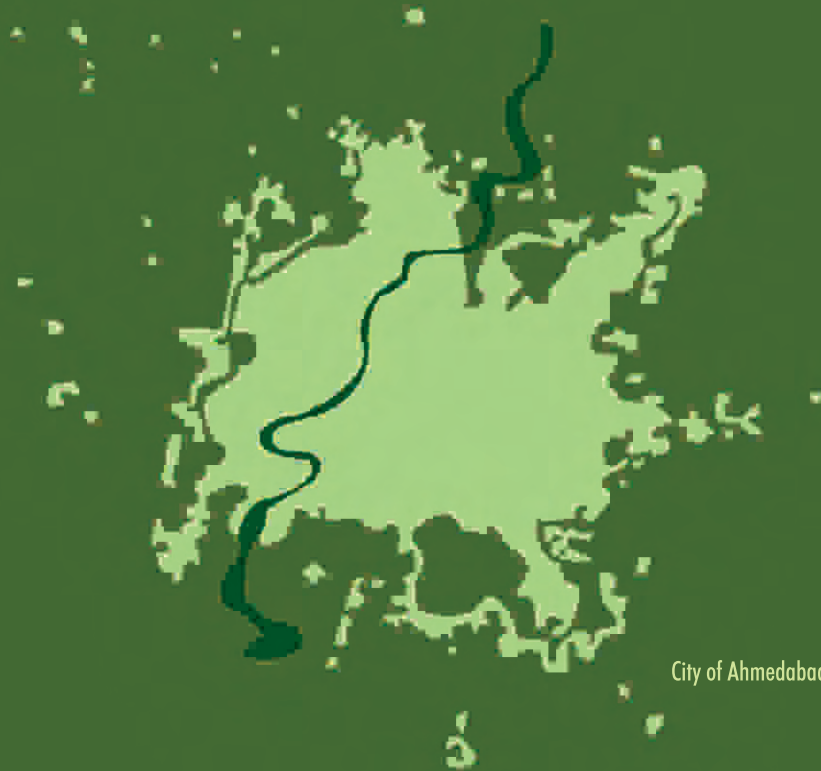
The entire Ganesh Team.



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## WHAT DO YOU SEE ?



City of Ahmedabad in 1990

## WE SAW OPPORTUNITY

This is the map of Ahmedabad, the land of opportunity, the land with a MIDAS TOUCH. Where everything has the potential to turn into gold.

The ongoing economic liberalisation in India started in 1991. The entrepreneurial Gujaratis were well poised to participate in the development of the nation. Ganesh being the largest land holder, grabbed the opportunity and began its journey to become Gujarat's largest real estate developer. Over the last two decades we have successfully completed several real estate projects of all kinds.





## THIS IS WHERE WE ARE

The fruits of liberalisation have borne fruits with India becoming the second largest growing economy in the world. Gujarat has been one of India's fastest growing states and Ahmedabad is its growth engine. Ahmedabad is poised for multi-pronged growth today and certain directions of the same are clearly visible. Recent business survey placed Ahmedabad as one of the top five destinations for investment in the country.

As of today, Ganesh has several projects in the pipeline. In last 15 months (as on 30th June, 2010), we have made substantial progress in launching projects, execution and selling of the same which includes total 1,447,412 sq ft of residential space consisting of 688 apartments and 113,683 sq ft of commercial space. Out of total 688 apartments, 627 apartments have been sold and we are hopeful that the remaining 61 apartments will get sold in the next six months. The commercial property which was launched on 13th December, 2009 is generating good response among the business communities and we are hopeful that the project will be sold out by the end of the year.

**MORE REAL ESTATE OPPORTUNITY!** IT IS ENVISAGED THAT IN THE YEAR 2020, POPULATION OF THE CITY WILL BE MORE THAN 1 CRORE. THIS WILL PUSH AHMEDABAD BOUNDARIES FORWARD AND CREATE NEED FOR MORE RING ROADS AT EVERY 7-10 KMS. AHMEDABAD WILL SOON HAVE FIVE RING ROADS. THUS THE CITY IS GROWING AT A RAPID RATE.

ACCORDING TO A GOVERNMENT REPORT, IN 2009-10 THE STATE REGISTERED 12.99% GROSS STATE DOMESTIC PRODUCT (GSDP) GROWTH, WHICH IS MORE THAN THE TARGET OF 11.2% SET BY THE PLANNING COMMISSION UNDER THE 11TH FIVE-YEAR PLAN (2007-12). ENCOURAGED BY ITS GSDP, THE STATE NOW PLANS TO ACHIEVE 14% AND 15% GROWTH IN 2010-11 AND 2011-12 RESPECTIVELY. THIS IS THE REASON WHY GUJARAT IS TRULY EMERGING AS A PREFERRED DESTINATION FOR MIGRANT POPULATION. AS PER THE URBAN VISION 2020, PREPARED BY GIHD (GUJARAT INSTITUTE OF HOUSING AND ESTATE DEVELOPERS), SEVERAL STEPS ARE BEING TAKEN TO MAKE AHMEDABAD THE MOST LIVEABLE CITY IN INDIA, FOR THE HUMONGOUS POPULATION WHICH MAY EXCEED 1 CRORE IN THE FUTURE.

THIS INCLUDES • PLANTING TREES EVEN ON SMALL ROADS • CONSTRUCTION OF ENERGY EFFICIENT BUILDINGS • SETTING UP OF EFFICIENT DRAINAGE AND WASTE REMOVAL SYSTEM • CREATING ARTIFICIAL WATER BODIES • PLATFORMS FOR SOCIAL AND CULTURAL INTERACTIONS • SPORTS PARK • MULTILAYERED FLYOVERS. THIS WILL INSTILL A SENSE OF PRIDE AMONGST THE PEOPLE FOR BEING THE CITIZEN OF AHMEDABAD CITY. THE GROWTH IS TAKING PLACE MORE ON THE WESTERN SIDE OF THE CITY ESPECIALLY IN THE SUBURBS, WHICH IS WHERE OUR AMBITIOUS PROJECT SMILE CITY IS SITUATED.



## AND THIS IS WHERE WE CAN BE



With a total of 522 acres of highly developable land in its books, Ganesh is at the right place, at the right time. With 43 years of rich real estate experience, Ganesh is the ideal partner for realty investments for anyone looking at investing in Ahmedabad. Today and in the future.

## MILLION MINDS - A MILLION ENTREPRENEURIAL MINDS. A MILLION DAZZLING IDEAS.

HAVING A MIXED DEVELOPMENT OF 106 ACRES OUT OF WHICH 80 ACRES IS NOTIFIED FOR DEVELOPMENT OF IT-SEZ. REMAINING 26 ACRES HAVE BEEN KEPT FOR OTHER DEVELOPMENTS LIKE RESIDENTIAL, COMMERCIAL, HOSPITALITY, RETAIL ETC. WITHIN AMC CITY LIMITS, THIS PROJECT IS LOCATED ON S G ROAD AND IS AT A DISTANCE OF 15 KMS FROM THE AHMEDABAD AIRPORT AND 18 KMS FROM AHMEDABAD RAILWAY STATION. GODREJ PROPERTIES HAS ACQUIRED AND IS DEVELOPING A VERY LARGE TOWNSHIP. THIS TOWNSHIP IS SITUATED JUST BEHIND MILLION MINDS. SINCE GODREJ GARDEN CITY HAS GOT SUCH A TREMENDOUS RESPONSE AND VALUATION, WE BELIEVE THAT THIS PROJECT WILL BE ABLE TO GENERATE GREAT VALUE FOR GANESH HOUSING.

Sardar Patel Ring Rd



Million minds  
106 acres

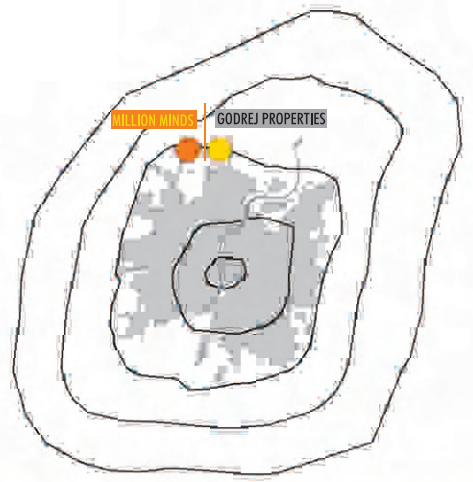


million minds  
the city of it wizards

GODREJ PROPERTIES TOWNSHIP

Image © 2007 DigitalGlobe





# AHMEDABAD

## CONTINUED GROWTH. CONTINUED SUCCESS.

INDIA IS THE SECOND MOST FAVOURED INVESTMENT NATION IN THE WORLD. IN INDIA, FDI INFLOW GREW AT AN AVERAGE OF 9% EVEN DURING THE GLOBAL MELTDOWN. AND GUJARAT HAS BEEN CONSISTENTLY INVITING INVESTMENTS. AHMEDABAD IS THE CAPITAL AND THE LARGEST CITY OF GUJARAT. AND WE ARE ONE OF THE LARGEST LAND OWNERS IN AHMEDABAD. SO OBVIOUSLY THE OPPORTUNITY FOR US IS MASSIVE.

Several key high-growth industries such as chemicals, diamond, real estate, automobile, textiles, pharmaceuticals and petrochemicals are already firmly anchored in Ahmedabad. Also the industrial centres in and around Ahmedabad, its traditional strength, are witnessing a turnaround to Ahmedabad's advantage. Ahmedabad is now one of the most preferred destinations for opening retail outlets. Ahmedabad is advantageously located on the planned Delhi Mumbai industrial corridor. The area falling on this route can be developed as a freight corridor, and warehouses can be developed to make Ahmedabad the key point for entry and exit for northern India. The influential area of DMIC in Gujarat would cover 62% of state, 74% of population in 18 of the 25 districts and would include 29 of the 39 upcoming SEZ's.

With a large number of IT-ITES SEZ's coming up in and around Ahmedabad; it has all the potential to become the IT capital of India in the next decade.



## SMILE CITY - GOLF LIVING PARADISE

GANESH'S BIGGEST PROJECT TILL DATE SPREAD OVER 534 ACRES, SMILE CITY IS LOCATED IN THE MOST PREMIUM WESTERN SUBURBS OF AHMEDABAD.

IT IS SITUATED JUST 7.5 KMS FROM S G ROAD AND 4.5 KMS FROM THE AHMEDABAD CITY LIMITS. FURTHER, LARGE SCALE DEVELOPMENT IS EXPECTED IN THE FUTURE ON THE WESTERN SIDE. THIS AREA IS ALSO BECOMING AN AUTOMOBILE HUB WITH THE WORLD FAMOUS TATA NANO CAR PLANT LOCATED AT A DISTANCE OF JUST 17 KMS.





# AHMEDABAD

INNOVATING TODAY. TRANSFORMING TOMORROW.

AHMEDABAD IS COMPETING FOR WORLD HERITAGE CITY STATUS. THE GOVERNMENT IS TAKING SEVERAL URBAN DEVELOPMENT INITIATIVES FOR HIGH QUALITY LIVING SUCH AS SOLID WASTE MANAGEMENT, ENERGY EFFICIENCY MECHANISM, CREATING A METRO RAIL SYSTEM ETC.

Ahmedabad is poised for multi-pronged growth today and certain directions of the same are clearly visible. Recent business survey placed Ahmedabad as one of the top five destinations for investment in the country. The completion and operation of the Sardar Sarovar Project of dams and canals has improved the supply of potable water and electricity for the city. In recent years, the Gujarat government has increased investment in the modernisation of the city's infrastructure, providing for the construction of larger roads and improvements to water supply, electricity and communications.

The Sanand area is already on high with TATA's Nano car plant already functioning here and other ancillary industries marking their presence here. More automobile and related mechanical industries, are expected to be developed making Ahmedabad an automobile hub of India. Other major automobile players are already on plans to enter and set-up their units in Ahmedabad. Most new development is expected to take place on the west side of the city.



# AHMEDABAD

## BUILDING TODAY. FOR A BEAUTIFUL TOMORROW.

THE CITY OF AHMEDABAD IS GROWING RAPIDLY IN EVERY WAY. GEOGRAPHICALLY, POPULATIONWISE AND INDUSTRIALLY. THIS HAS HAPPENED BECAUSE THE GUJARAT GOVERNMENT HAS TAKEN SEVERAL PROACTIVE STEPS TO SCALE UP THE INFRASTRUCTURE WITH THE NEEDS OF THE GROWING CITY. THIS MAKES AHMEDABAD A PREFERRED DESTINATION FOR PEOPLE TO SETTLE DOWN LEADING TO A LARGE MIGRANT POPULATION. NEEDLESS TO SAY, THIS BODES WELL FOR THE RESIDENTIAL SEGMENT. BESIDES, WITH INCREASING PROSPERITY, PEOPLE DEMAND BIGGER AND BETTER HOUSES. GANESH HAS THE RIGHT EXPERIENCE AND IS POISED WELL TO CAPTURE THIS OPPORTUNITY TO THE FULLEST.

The sky rail and metro rail which will be developed very shortly which will connect all the business and industrial hubs to the key centers of the city and will also provide congestion less high speed transportation. Government of Gujarat has planned a hi-tech GIFT city in Gandhinagar to create world class finance-tech city with world class infrastructure. The completion of this project in the next decade is a major step towards making Gujarat the 2nd financial hub of India.



## CHAIRMAN'S MESSAGE

**"GANESH IS AT AN  
ACCELERATED EXECUTION  
STAGE WITH LARGE  
PROJECTS BEING  
LAUNCHED AND SOLD."**

Dear Shareholders,

I report with deep and profound regret the sad, sudden and untimely demise of Shri Govindbhai C Patel, Chairman of the Company. Shri Govindbhai C Patel was a man of rare acumen, broad vision and robust confidence. His was a life of unusual dedication, tenacity and achievement. He was and will always continue to be a pillar of strength at Ganesh to everyone. The void created by his sudden demise will never be filled in. His thoughts, leadership and achievements will continue to remain the valuable source of inspiration for all of us. May his soul rest in peace.

Ganesh went through an interesting phase last year. The first two quarters were marked with the impact of the global liquidity crisis and the slowdown, but the last two quarters saw recovery and is now showing signs of improvement.

As you know, Ganesh has preferred a regional play with Ahmedabad as its focus. Ahmedabad has not disappointed us. As we look ahead we see Ahmedabad no different to a Bengaluru or a Hyderabad. Ahmedabad has emerged as one of the fastest growing states in India. Under the able governance of the Gujarat Government, the state has made tremendous strides in all fields - infrastructure, industrial development, educational institutes and real estate.

We are at the right place, at the right time. Ganesh has been carefully scaling the execution and launching great projects at great prices. In the last 15 months, Ganesh sold 1.28 million sq ft. Currently, Ganesh is executing over 1.56 million sq ft of residential and commercial projects to be delivered in the next 18 months. Besides, it has a land bank of over 522 acres.

I will now share with you the projects under execution and launch.

1. Maple County 407,250 sq ft has been sold and expected delivery date is June 2011.
2. Maple County 2: 319,500 sq ft has been sold and expected delivery date is September 2011.
3. Satva: 328,680 sq ft sold and expected delivery date is March 2011.
4. Suyojan: 228,960 sq ft sold and expected delivery date is June 2011.
5. Smile City: It is the largest integrated township project from Ganesh spread over 534 acres. The project is expected to be completed in 7-8 years.
6. Million Minds: 106 acres of IT SEZ and other developments.

Ganesh is at an accelerated execution stage with large projects being launched and sold.

Ganesh has emerged stronger financially post the downtrend. The Company has a net debt of Rs 90.65 crore as on March 31, 2010 and the debt equity stands at 0.18. This happened as we adopted online payment collection and reminder system for the prospective acquirers of apartments/ bungalows which in turn have resulted in improving the liquidity position. Also, cut throat competition among the bankers has resulted in faster clearance of home loan files of our customers. Innovative marketing strategies helped us remarkably improving our sales which eventually resulted in a handsome operational cashflow. We have started targeting the right customer segment. For this purpose, apart from our

database we contacted various professional bodies and clubs for generating business. Further, we offered a more competitive rate than prevalent in the area for our products.

Ganesh has continuously improved the quality of its products. We have adopted latest technologies and materials like self compacting concrete, UPVC windows (integrated in our products), LED lighting, variable frequency drives in lifts and water pumping for improving quality of products.

Your Company expanded the team further and recruited various professionals in technical and managerial categories taking the total strength of employees to 86 as on 31st March, 2010. They bring with them wide experience in the real estate segment which will help to take Ganesh to greater heights.

Before I conclude, I would once again pay my homage to our late Chairman Shri Govindbhai C Patel. We assure you, shareholders, that the vision that the late Chairman has seen will be delivered. Ganesh is a unique company focused on Ahmedabad and known for very high quality of construction and right pricing. We will continue to bring smiles on the Amdavadis by giving them their dream home.

Thank you for your support,

Sincerely,

DIPAK G PATEL

# GANESH HOUSING AT A GLANCE

VISION

TO BE RECOGNIZED A TRULY INFRASTRUCTURE DEVELOPMENT COMPANY BY 2015 BY CREATING, WORLD CLASS STRUCTURES AND BEAUTIFUL HOMES FOR OUR CUSTOMERS.

THE LARGEST REAL ESTATE  
DEVELOPER OF GUJARAT

CORE VERTICALS INCLUDE

- RESIDENTIAL
- COMMERCIAL
- SEZ AND  
OTHER DEVELOPMENTS
- RETAIL
- INTEGRATED TOWNSHIP

OVER 43 YEARS OF  
EXPERIENCE

LARGEST LANDHOLDER IN  
AHMEDABAD

16.7 MILLION SQ FT OF  
CONSTRUCTION  
COMPLETED TILL DATE

ISO 9001-2008, ISO  
14001: 2004 & OHSAS  
18001: 2007 CERTIFIED  
COMPANY

'SMILE CITY' IS THE BIGGEST  
PROJECT TILL DATE

TOTAL 522 ACRES OF  
HIGHLY DEVELOPABLE  
LAND IN ITS BOOKS



# FINANCIAL SNAPSHOT (Consolidated)

Particulars	Rs. in lakhs		
	2009-10	2008-09	2007-08
Total Income	10,173.72	9,325.32	14,007.03
EBIDTA	6,967.00	7,678.92	11,842.36
Depreciation	143.82	151.34	43.13
Interest	1,402.08	2,310.68	646.20
Profit Before Tax	5,421.09	5,216.90	11,153.03
Profit After Tax	4,759.85	4,949.26	10,599.05
Gross Block	4,883.88	4,818.84	4,742.38
Net Block	4,446.74	4,519.79	4,579.27
Capital WIP	825.09	637.94	55.19
Investments	1.04	1.04	1.04
Net Current Assets	63,429.05	50,011.75	44,964.38
Cash & Bank Balance	752.92	157.37	5,773.24
Total Debts	10,432.82	9,443.85	8,122.27
Share Capital	3,265.59	3,265.59	3,265.59
Reserves & Surplus	47,181.61	42,523.23	38,510.53
Earnings Per Share (Basic)	14.51	15.16	32.58

# CORPORATE INFORMATION

## Board of Directors

Shri Dipak G Patel

Dr Bharat J Patel

Dr Tarang M Desai

Shri Arvindbhai R Nanavati

Smt Lalitaben G Patel

Shri Ashish Mody

Shri Shekhar G Patel

Chairman & Whole-Time Director

Director

Director

Director

Director

Director

Managing Director

## Bankers

Tamilnad Mercantile Bank Limited

ICICI Bank Limited

HDFC Bank Limited

## President (Legal) & Company Secretary

Shri Vijay R Lalaji

## Auditors

J M Parikh & Associates

Chartered Accountants

## Registered Office

1st floor, "Samudra",

Nr Klassic Gold Hotel,

Off C G Road,

Ellisbridge,

Ahmedabad - 380 006.

## Registrar and Share Transfer Agent

MCS Limited

101 Shatdal Complex,

Opp Bata Showroom,

Ashram Road,

Ahmedabad - 380 009.

# NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of GANESH HOUSING CORPORATION LIMITED will be held on Thursday, 30th September, 2010 at 3.00 p.m. at Ganesh Corporate House, 100 Feet Habatpur – Thaltej Road, Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054 to transact the following business:

## ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with the Directors' and Auditors' Reports thereon.
2. To declare Dividend for the year ended 31st March, 2010.
3. To appoint a Director in place of Dr. Tarang M. Desai, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Dipak G. Patel, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company and to fix their remuneration.

Registered Office: 1st Floor "SAMUDRA"

Nr KClassic Gold Hotel

Off C G Road

Ellisbridge

Ahmedabad - 380 006

Date: 14th August, 2010

Place: Ahmedabad

By order of the Board

Vijay R. Lalaji

President (Legal)

& Company Secretary

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy should be lodged with the Company not less than 48 hours before the scheduled commencement of the meeting at the Registered Office of the Company. The proxy form is enclosed.
3. The Register of Members and the Share Transfer Books shall remain closed from Thursday, 23rd September, 2010 to Thursday, 30th September, 2010 (Both days inclusive) for the purpose of payment of Dividend and Annual general meeting.
4. The Dividend for the year ended March 31, 2010, if declared at the meeting will be paid on or after September 30, 2010 to those members of the Company holding shares in physical form whose names appear on the Register of Members of the Company on September 22, 2010. In respect of shares held in electronic form, the dividend will be paid to the beneficial owners holding shares on September 22, 2010 as per the details provided by the Depositories for this purpose.
5. Members are requested to communicate the change in address if any, (i) to the Company's Registrar for physical share accounts and (ii) to their Depository Participants (DPs) in respect of the electronic share accounts.
6. Members are requested to bring a copy of Annual Report while attending the Annual General Meeting of the Company.
7. If any shareholder has any query with regard to accounts the same may be sent to the Company's Registered Office at least 7 days before the Meeting.

ADDITIONAL INFORMATION IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT ON DIRECTORS RECOMMENDED FOR APPOINTMENT/ REAPPOINTMENT OR SEEKING ELECTION AT THE ANNUAL GENERAL MEETING.

It is proposed to re-appoint Shri Tarang M. Desai and Shri Dipak G. Patel, who retire by rotation and are eligible for re-appointment. The particulars of the aforesaid directors are as follows:



## DR. TARANG M. DESAI

### Profile:

Dr Tarang M Desai, aged 52 years [Birth date: 24/07/1958] is an Independent Director of the Company. He is a prominent consultant physician of Ahmedabad. As the consultant physician, he possesses more than 23 years of experience.

The Board of Directors considers that the continuation of Dr. Tarang M. Desai on the Board of the Company will be beneficial to the Company and recommends the resolution for your approval.

### Other Directorships:

Dr. Tarang M. Desai is not a Director of any other Company.

### Shareholding:

Dr. Tarang M. Desai does not hold any shares in the Company as on the date of this Notice.

### Inter se relationship with other Directors:

Dr. Tarang M. Desai is not related to any other Director of the Company in terms of revised Clause 49 of the Listing Agreement.

## SHRI DIPAK G. PATEL

### Profile:

Shri Dipakbhai G Patel, aged 42 years [Birth date: 12/11/1967] is Chairman and Whole-Time Director of the Company. He is a Promoter Director of the Company. He possesses wide experience of 19 years in construction, finance, real estate development etc. At present, Mr. Patel looks after new projects, quality control, overseas tie up, etc.

The Board of Directors considers that the continuation of Shri Dipakbhai G Patel on the Board of the Company will be beneficial to the Company and recommends the resolution for your approval.

### Other Directorships:

Shri Dipak G. Patel is a Director in Ganesh Plantations Ltd, Ganesh Infotech Ltd, Mihika Buildcon Limited, Starnet Software (I) Ltd and Shree Ganesh Fintrade Limited. He is also a Director in 54 Private Limited Companies.

### Shareholding:

Shri Dipak G. Patel holds 4770308 (14.60%) shares in the Company as on the date of this Notice.

### Inter se relationship with other Directors:

Mr. Patel is related to Shri Shekhar G. Patel, Managing Director and Smt. Lalitaben G. Patel, Director of the Company in terms of revised Clause 49 of the Listing Agreement.

### Registered Office:

1st Floor "SAMUDRA"

Nr Classic Gold Hotel

Off C G Road

Ellisbridge

Ahmedabad - 380 006

Date: 14th August, 2010

Place: Ahmedabad

By order of the Board

Vijay R. Lalaji

President (Legal)

& Company Secretary

# DIRECTORS' REPORT

Dear Shareholders,

Ganesh Housing Corporation Limited,

Your Directors have pleasure in presenting the Nineteenth Annual Report and the Audited Accounts for the Financial Year ended 31st March, 2010.

## STANDALONE FINANCIAL RESULTS

(Rupees in Lacs)		
Particulars	Year Ended 31-03-2010	Year Ended 31-03-2009
Net Sales / Income from operations	12828.04	10920.64
Total Expenditure	5827.95	3239.76
Interest	1399.32	2310.39
Gross Profit before dep. and taxation	5600.77	5370.49
Depreciation	143.83	151.34
Net Profit / Loss before tax	5456.94	5219.15
Less: Provision for taxation	930.00	281.00
Less: Provision for Wealth Tax	3.72	3.11
Add/ (Less): Deferred Tax	4.87	12.18
: Provision for Fringe Benefit Tax	0	(11.20)
: Excess provision of income tax of earlier years w/off	231.96	13.49
: Short provision of Wealth Tax of earlier years w/off	(0.04)	0
: Short provision of Fringe Benefit Tax of earlier years w/off	(0.16)	(0.07)
Profit After Tax	4759.85	4949.44
Add: Extra ordinary items	0	0
Net Profit after extra ordinary items	4759.85	4949.44
Income Tax & expenses of earlier years	0	0
Profit available for appropriation	4759.85	4949.44
Add: Balance of Profit brought forward from last year	15382.25	11870.52
Total Amount available for appropriation	20142.10	16819.96

(Rupees in Lacs)

Particulars	Year Ended 31-03-2010	Year Ended 31-03-2009
Appropriations:		
(a) General Reserve	750.00	750.00
(b) Dividend on Equity shares	587.81	587.81
(c) Tax on Dividend	99.89	99.89
Balance carried to Balance Sheet	18704.40	15382.26

## REVIEW OF OPERATIONS

There has been improvement in the operations of the Company during the year under review. The total income of the Company has increased from Rs. 10920.64 lacs to Rs. 12828.04 lacs. Net Profit after Tax has marginally decreased from Rs. 4949.43 lacs to Rs. 4759.85 lacs. During the year under review, the Company launched three projects for construction of Residential Complexes viz. Suyojan, Maple County and Maple County 2.

A Project under the name and style of "Suyojan" was launched for construction of 96 apartments near Bhagwat Vidhyapith, Sarkhej Gandhinagar Highway, Ahmedabad. Further, Maple County Project was rolled out for construction of 192 apartments at Shilaj, Nr. S. P. Ring Road, Ahmedabad. Moreover, another project called Maple County 2 was launched for construction of 192 apartments near the said location. Over the years we have created a brand image of the Company which attracts customers and investors alike. Real Estate Sector, especially residential segment is slowly but surely coming out of the severe impact of global slow down.

## FUTURE OUTLOOK

As per the various surveys carried out by various agencies, Ahmedabad is ranked in the top ten cities of India which is poised for tremendous growth in real estate sector. Pursuant to Mega City status accorded to Ahmedabad, the city is receiving JNNURM funds which have resulted in development of excellent infrastructure. Uninterrupted power supply by the City based Power Company, supply of Narmada Water and smooth transition from diesel to CNG are the major factors which had contributed to the growth of Ahmedabad. Further, the City is also being developed as Medical Tourism destination. Bus rapid transport system has commenced its operation in phases and has won accolades and awards at National &

International levels. River Front Project is full swing and will be completed in a year or two. The Government is proactive with regard to the implementation of GIFT CITY which is coming up in Ahmedabad in a huge and sprawling complex.

At present the Company is executing four Residential Schemes and one Commercial Scheme which involves a total selling price of Rs. 445 Crores. Out of which, selling price of Rs. 90 Crores has been accounted for during the year under review. The balance selling price of Rs. 355 crores shall be accounted for in the year 2010-11 and 2011-12.

The Company is also planning to start three new projects involving a total selling price of Rs. 310 crores. These projects shall be started in the current year and shall be completed within 24 months from the date of starting.

With a big project being undertaken by a Subsidiary Company, the future outlook seems extremely bright.

## DIVIDEND

Your directors are pleased to recommend a dividend of Rs. 1.80/- (Previous year Rs. 1.80/-) per equity share of Rs 10/- each for the year ended March 31, 2010. This will absorb Rs 587.81/- Lacs. The Company will pay dividend distribution tax amounting to Rs. 99.89/- Lacs to the Central Government.

## DEPOSITORY SYSTEM

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2010, 98.69% of the Company's total paid up capital representing 32229277 shares are in dematerialized form. In view of the numerous advantages offered by the Depository System, Members holding shares in physical mode are advised to avail of the facility of dematerialization on either of the Depositories.

## FIXED DEPOSITS

During the year under review, there were no such deposits which were due for repayment on or before 31st March, 2010 and were not claimed by the depositors on that date. As on the date of this report, deposits aggregating to Rs. 2,07,50,000/- thereof have been claimed and paid.

## SUBSIDIARIES

During the year under review, Gatil Properties Private Limited became a Subsidiary. The said Company is setting up a township near Village: Godhavi. In the said Company there is a FDI player viz. Monsoon India Infrastructure Direct II Limited.

Yash Organiser Private Limited, Subsidiary Company is in the process of construction of shopping mall in a posh locality called Memnagar under the name and style of 'GCP Business Centre'.

## STATUTORY DISCLOSURES

### PARTICULARS OF EMPLOYEES

The information as required under the provisions of section 217(2A) of the Companies Act 1956, read with the Companies (Particulars of the Employees) Rules, 1975, have been set out in the annexure to the report. However, in terms of the provisions of section 219(1)(b) (iv) of the Act the Annual Report has been sent to the Members of the Company excluding this information. Members who desire to obtain this information may write to the Company Secretary at the registered office address.

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

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure - A annexed hereto and forms part of this Report.

### MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

Management Discussion & Analysis report for the year under review as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges is annexed as Annexure — B hereto and forms part of this Report.

### CORPORATE GOVERNANCE REPORT

Your company is committed to maintain the highest standard of Corporate Governance. Your Directors adhere to the requirements set out in Clause 49 of the Listing Agreement with the Stock Exchanges. Report on Corporate Governance as stipulated in the said Clause is annexed as Annexure — C hereto and forms part of this Report.



Certificate from the Statutory Auditors M/s J. M. Parikh & Associates, Chartered Accountants, confirming compliance of conditions of Corporate Governance as stipulated under Clause 49, is also annexed to the Report on Corporate Governance.

## BUY BACK OF SHARES

The Board of Directors of your Company approved buy back of equity shares of Rs. 10/- each from open market through stock exchange mechanism at a price not exceeding Rs. 101/- per share payable in cash for an aggregate amount not exceeding Rs 20 crores. The maximum shares proposed to be bought back were 1980198 shares. However, subsequently the said limit was removed by the Board of Directors at a subsequent meeting. Thereafter pursuant to application, SEBI has granted permission to promoters from the applicability of Regulation 11(2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 1957 with regard to proposed buy back of equity shares.

Further, in term of Section 77A (4) of Companies Act, 1956, the buy back has to be completed within a period of 12 months from the date of passing of the Board Resolution/ General Meeting Resolution i.e. in our case, the buy back was to be completed on or before October 24, 2009. However, the Company has not made public announcement for buy back of shares and hence not proceeded with the buy back offer.

## DIRECTORS

With profound regret we state that Shri Govindbhai C. Patel, Chairman of the Company passed away on 29th October, 2009 after a brief illness. The members of the Board place on record the warm appreciation of valuable services rendered by him during the tenure of his office as a Chairman with the Company. During the year under review Shri Dipakbhai G. Patel was inducted as the Chairman of the Company.

Pursuant to Section 256 of the Companies Act, 1956 read with Clause 110 of Articles of Association of the Company, Dr. Tarang M. Desai and Shri Dipak G. Patel retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA), your Directors confirm that:-

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2010 and of the profit of the Company for the year ended 31st March, 2010.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on a going concern basis.

## CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and prepared with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

## AUDITORS

M/s. J. M. Parikh & Associates, Chartered Accountants, Ahmedabad, Statutory Auditors of the Company will retire at the ensuing Annual General Meeting. The Board has proposed their re-appointment as Auditors to audit the accounts of the Company for the financial year ending March 31, 2011. M/s. J. M. Parikh & Associates, the retiring auditors, have confirmed that their re-appointment, if made, would be in conformity with the provisions of Sections 224 and 226 of the Companies Act, 1956, further they have indicated their willingness to be re-appointed. The observations of the Auditors are self explanatory and do not call for further clarifications.

M/s. J. M. Parikh & Associates has submitted the Peer Review Certificate dated 20th July, 2010 issued to them by Institute of Chartered Accountants of India (ICAI).

## ACKNOWLEDGMENTS

Your directors express a deep sense of gratitude for assistance and cooperation received from customers, vendors and shareholders and banks namely Tamilnad Mercantile Bank Limited, ICICI Bank Limited and HDFC Bank Ltd, Central & State Government

authorities, other business associates, who have extended their valuable support during the year under review. Your directors take this opportunity to place on record their gratitude and appreciation for the unstinted supports of all the employees at all the levels of the Company.

for & on behalf of Board of Directors

Place : Ahmedabad

Dipak G. Patel

## ANNEXURE A

Details of particulars under section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are given as under

### A. CONSERVATION OF ENERGY

The operations of the Company involved low energy consumption. Adequate measures have, however, been taken to conserve energy by incorporating energy efficient equipments. Additional investments for reduction of consumption of energy are minor in value. Due to installation of energy efficient devices there has been reduction of energy consumption. However, the same has not been measured considering very low cost of energy consumption.

### B. TECHNOLOGY ABSORPTION

Particulars to be given in form B under Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are as under:

Research and development (R & D):

#### 1. Specific areas in which R & D carried out by the Companya.

- Green building technology
- Self Compacting concrete was further improved.

#### 2. Benefits derived as a result of the above R & D

- Double glazed energy efficient UPVC windows are used.
- Rain water harvesting has been carried out.

- Started machine mixed mortar with constant water cement ratio for much better exterior plastering.
- Making buildings more energy efficient by using LED/ CFL lights. Also used energy efficient buildings. Using VRF (Variable Refrigeration Flow) in our air-conditioning plants with linkage to central building management system making more energy efficient corporate house. AMF panels are used in DG sets making operations very efficient.
- Porosity decreased making the concrete impervious.
- Compression strength improved by 30% and also initial 7 days strength was improved by 40%
- Hazardous material not being used in construction carried out by our Company.
- Construction noise pollution reduced as mechanical vibration zeroed out.

#### 3. Future Plan of action

- Company will make more energy efficient buildings and will use more portion of renewable energy like solar panels to burn LED lights, street lights and Water pumps.
- Sewage treatment plants will be installed and more water will be recycled.

#### 4. Expenditure on R & D:

Rs. 1.5 lacs has been spent on procuring various plasticizing compounds for deciding right mix.

#### Technology, absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation
  - a. Company has carried out various experiments and increase flexural values of concrete by 20%.
  - b. Company has almost completed making of one green building with the help of consultants and architect.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.
  - a. Buildings are becoming more energy efficient.
  - b. Improved earthquake resistant as flexural strength of concrete improved as well reducing porosity has worked as waterproofing.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)
  - a. Technology imported: Nil
  - b. Year of import: Not Applicable

- c. Has technology been fully absorbed? : Not Applicable
- d. If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action: Not Applicable

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

As regards foreign exchange earning and outgo, members are requested to refer to Note no. 15 of Schedule No. 19 in notes forming part of accounts for the year ended 31st March, 2010.

Place : Ahmedabad  
Date : 14th August, 2010

for & on behalf of Board of Directors  
Dipak G. Patel  
Chairman



# MANAGEMENT DISCUSSION AND ANALYSIS

## ECONOMY OVERVIEW

The year 2009-10 proved to be a year of global economic resurgence. The global economy, after faltering due to recession during 2008-09, witnessed an improvement, mainly on account of infusion of stimulus funds by respective countries. China and India led the recovery from the front, on account of huge domestic demand and continued thrust on infrastructure creation, further propelling demand within the core sectors. The US economy, largely driven by fiscal and monetary stimulus, is expected to clock a GDP growth of 2.8% in 2010.

The Indian economy grew at 7.4% in 2009-10 mainly driven by factors like rising per-capita income, urbanisation, favourable demographics, declining household size and increasing job security. Barring any problems caused by the country's fiscal vulnerability, growth is expected to strengthen in subsequent years, as it will continue to reap the benefits of the ongoing opening up of the economy and gradual improvements in infrastructure.

India is expected to exceed International Monetary Fund's projected Gross Domestic Product (GDP) growth rate of 8.4% in 2010-11, according to Union Finance Minister, Mr Pranab Mukherjee. Overall consumer demand, which accounts for 56% of total GDP, remains robust. The focus has now shifted to private consumption and investment, which are being viewed as key drivers of growth in 2010-11. All this bodes well for the real estate sector.

## INDUSTRY OVERVIEW

The global economic slowdown in 2008-09, slowed the demand and investor interest in all segments of real estate in India. There was a significant correction in prices. The decrease in demand forced developers to offer discounts and incentives to boost sales.

However, 2009-10 witnessed a sharp recovery in the market and in fact, the sector is now on a rapid growth trajectory. This was largely fuelled by improving economic environment, strong capital markets and relatively low interest rates. Projects which were delayed due to limited financial resources and lack of demand are now on track of completion. The sector is also one of the highest Foreign Direct Investment (FDI) attracting sectors in India, having recorded FDI inflows worth more than USD 2.8 billion between 2000 and 2009.

Gujarat is a leading investment destination of India; thanks to the several proactive steps taken by the Government. It is a power sufficient state with one of the highest per capita consumption of power. The state has excellent road and rail network. It has one of the highest teledensity in India. It is India's only state with an integrated state-wide gas grid. Ahmedabad, the largest city of Gujarat is one of the preferred choice of investors and is witnessing fast development across the region.

As witnessed by other Tier-II cities, post the economic downturn, Ahmedabad also showed strong signs of recovery, albeit at a lower pace than Tier-I cities. Several new projects were launched and there has been a steady increase in the number of transactions.

## Residential

The residential sector showed great resilience during 2009-10. This was attributed largely to increased liquidity coupled with a drop in home loan interest rates. The sharp recovery implies that consumers are fast regaining confidence to make big ticket purchases.

The total demand estimated for the residential segment is estimated to reach 7.5 million units by 2013, of which 4.5 million units are expected to be required in the top 7 metros of India and 43% of which will be in the Tier-I cities of Mumbai, NCR, Chennai and Bengaluru. There is also a growing demand for affordable housing, which is a priority segment for both the government and developers.

Ahmedabad too saw the launch of several new mid-income projects as well as high-end premium apartments.

## Commercial

The commercial real estate segment, primarily office space has grown with the growth in the Indian economy. However, this segment was one of the most affected post the global financial meltdown as corporate put their expansion plans on hold.

With the economy back on track, this segment has slowly started showing signs of recovery. Lease rentals in Ahmedabad which had significantly dropped over the past year have now stabilised. While vacancy rates are still high, they have significantly dropped from the peak of 2008-09.

## SEZ

SEZ in Gujarat has been planned with the aim bring in large dividends to the state that will lead to an accretion in the industrial development as well as generate new job opportunities. The Development Commissioner of the Gujarat Special Economic Zone (SEZ) has been playing a crucial role in granting permission for single window clearance for the proposed units in the SEZ of the state thus providing a hassle-free environment in the special economic zone. Similarly, an uninterrupted power supply will be ensured to the units in Gujarat SEZ by the SEZ authority.

Under the new SEZ Policy, formal approvals have been granted to 574 SEZ proposals as of March, 2010. As of March 2010, there were 350 notified SEZs and 146 have received in-principle approval.

## Retail

The retail segment too mirrored the overall industry trend. Low occupancy rates and benign demand forced developers to alter their retail development plans to residential or mixed-use development. However, the demand-supply mismatch in 2010 was reduced and vacancy rates are also likely to further decline by 2011.

Gujarat and particularly Ahmedabad with a burgeoning middle class population and one of the highest per capita GDP is slowly attracting investments back in organised retail.

## COMPANY OVERVIEW

Ganesh Housing Corporation Limited (Ganesh) is a real estate development and management company with a significant presence in varied asset classes. The Company is considered as the top 5 real estate companies of Gujarat with a significant presence in one of India's largest city- Ahmedabad. Ganesh has established a reputation for itself in the industry for being Best in Class on the basis of its superlative work, i.e. customer centric innovative design, cutting-edge technology, superior quality and on-time execution. Over 19 years, Ganesh has a rich history of completed projects offering excellent results. The Company has successfully managed to execute projects with the help of a competent leadership team that has experience and expertise across the entire value chain of the real estate development lifecycle - from land acquisition, conceptualisation, execution, sales and marketing.

As of 31st March, 2010, the Company has developed and sold to the tune of approximately 16.70 million sq ft. Some of the projects completed in the recent past include - International Pharma and Bio-tech Park (IPBP)- 75 acres; Ratnam- 216 apartments; Maniratnam - 92 row houses; Maniratnam II 51 row houses, Shangrila I - 39 bungalows; Shangrila II 21 bungalows; Mahalaya 70 bungalows etc.

### Overview of the Company's projects to be undertaken-

- 1.45 million sq ft of Residential development to be undertaken. The three projects under this are-

Satva- 208 units and 13 shops with a total construction area of 0.36 million sq ft; situated at Shantivan, Paldi. The project is expected to be completed by March 2011.

Maple Country- 384 units in two phases with a total construction area of 0.86 million sq ft situated at Shilaj, SG Road. The Phase I of the project is expected to be completed by June 2011 and Phase II is expected to be completed by September 2011.

Suyojan- 96 units with a total construction area of 0.23 million sq ft situated at SG Road. The project is expected to be completed by June 2011.

- 14.80 million sq ft of township development to be undertaken under the name Smile City. Located just five kilometres from Ahmedabad city, the project will include- 10.78 million sq ft of residential development, 3.92 million sq ft of commercial development and 1,00,000 sq ft of International Standard Country Club, 53 acres of educational, health and hospitality development in township. The highlight of the project is the 85 acres of international championship quality golf course, featuring natural contouring, native grass, crowned greens and spectacular bunkering. The project is expected to be completed by December 2020.
- 0.114 million sq ft of retail and commercial development to be undertaken under the name GCP Business Centre. The property is situated in a densely populated area with the next nearest mall and multiplex 3-4 kms far. GCP Business Centre is very near to 132 ft ring road and CG Road.
- 13.85 million sq ft of SEZ development in the name of Million Minds. Situated within the Ahmedabad city (Chharodi & Tragad village) on S G Road, it is about 15 kilometres from the Ahmedabad airport. The Commercial development in IT-ITES

SEZ = 10.45 million sq. ft., Residential development = 3.00 million sq. ft., Retail/Recreational = 0.20 million sq. ft., Hotel development = 0.20 million sq. ft. The project is expected to commence by March 2011.

The project infrastructure and amenities include eco friendly lights, high speed internet and modern telecom facilities, rain water harvesting, sewage waste management system etc.

## OPPORTUNITIES AND THREATS

While the real estate sector witnessed tough times, the last six months of 2009 were more positive and this trend has continued into 2010. The market has witnessed increasing levels of activity with the residential sector showing sharp recovery. Allocation for housing and urban poverty alleviation has been raised from USD 177 million (Rs 8.5 billion) to USD 208 million (Rs 10 billion) for 2010–11. There is improvement in the IT sector outlook with leading IT companies having announced salary hikes and promotions. The Indian consumer is still spending and both local and international retailers are offering an ever increasing range of products at more and more retail outlets across this vast nation.

On the supply side, a large number of schemes were delivered during the year despite developers putting on hold a number of new schemes. With current levels of demand and the lack of new construction, rents have bottomed out and may now even be increasing.

Across Gujarat and Ahmedabad, a number of deals across all sectors have been completed. The state is well positioned to ride the upturn, already contributing around 22% of Indian exports. The state has been creating value for investors and has been ranked as the best state for investment approved by financial institutions. At Ganesh, we are already beginning to see potential opportunities to build on our existing portfolio.

However, due to concern over property values and shortage of credit, banks are still reluctant to lend money to finance commercial property transactions which in turn has slowed transaction volumes in the market. Furthermore, banks are charging increased margins on loans, reducing the impact of interest rate cuts. Despite the quality of our construction and the reliability of our rental streams, the downturn has inevitably impacted on our growth plans.

## OUTLOOK

The ongoing recovery in the real estate sector has been faster than anticipated and this trend is likely to continue. According to Cushman & Wakefield research estimates, the pan-India demand projection for the real estate by 2012, in various sectors is expected to be 196 million sq ft for commercial, 7.5 million residential units, 43 million sq ft of retail and 6,90,000 hospitality rooms. Ganesh has a presence in all these verticals. Ganesh has sufficient land bank as well as the execution capability to maximise the opportunity ahead. The Company has exhibited strong growth in the current year and will continue to focus on growth in the coming years, thus offering strong value proposition to all its stakeholders. Ahmedabad has all the potential to surpass other cities and become the IT capital of India in the next 10 years. The Government is also in the process of planning the GIFT city, to create world class finance-tech city with world class infrastructure. The completion of this project will make Ahmedabad the second financial hub of India. All this development will attract migrant population and it is estimated that the population of the city will be more than 10 million by the year 2022, giving rise to residential demand.

Thus, although 2009-10 was a challenging year, the Management looks ahead with optimism and confidence. As the green shoots of recovery are being witnessed globally, the Company believes that the worst is behind them. The improving Indian economy, backed by robust growth projections, massive infrastructure investments and improving industrial climate in Ahmedabad is boding well for the real sector. Ganesh believes that given its expertise and experience, it is well placed to leverage these opportunities.

## RISK MANAGEMENT

Core to its continued success is the Company's ability to identify and effectively manage its business risks. Many political, economic, legal and other factors affect the development of the real estate industry. Accordingly, the Company has well defined, rigorous policies and processes designed to identify, mitigate and control risks.

The primary risks that have the potential to impact the business over the next twelve months and the mitigants are considered to be as follows-

### 1. Economic Risk

Any adverse change in the economic conditions of the country due to slowdown in the GDP growth, rise in interest rates, inflation, changes in tax, trade, fiscal and monetary policies,

etc could have an adverse effect on the Company's business, financial condition and results of operations.

The Indian economy showed great resilience after the global meltdown. Due to sustained domestic demand, India clocked a 7.4% growth. Reflecting these sentiments, the real sector has also shown an increase in pace of construction and demand. Besides, the Government of India has well-drafted regulations for the Indian real estate sector. FDI of up to 100% is now allowed under the automatic route in most asset classes.

As the market conditions become more favourable, the Company plans to move ahead full throttle in executing its existing land inventory. While the Company actively monitors the external environment, government policies and local market conditions, with signs of improving environment and more than four decades of experience in this sector, the Company does not expect to be significantly affected by this risk.

## 2. Concentration Risk

The Company is dependent upon the economic climate in Gujarat and Ahmedabad as its land bank is entirely situated in that area. This exposes us to a greater amount of market dependent risk than if we were geographically diverse.

The Company believes that Ahmedabad is one of the most attractive real estate markets in India in terms of depth of demand for real estate developments across business segments and price points. It is on its way to becoming one of the key cities for the IT and the financial sector. It continues to be optimistic about the opportunities Ahmedabad provides backed by the increasing city limit and the infrastructure development and the Government support. With two decades of experience, the Company believes that it is well placed to understand the opportunities and the risk the geography provides.

## 3. Competition Risk

The Company can face competition from other players in the real estate industry. The market in which the Company operates is highly fragmented and competitive.

The Company believes that they remain competitive by distinguishing themselves on the basis of their strong presence in Ahmedabad, their established brand and reputation, the quality of their design and construction and the location of their projects.

While competition risk cannot be entirely mitigated, the Company believes they are in a

strong competitive position.

## 4. Development Risk

Developing properties presents a number of execution risks due to various factors, such as obtaining required government permits, weather, labour conditions, escalating costs, material shortages and other factors beyond the Company's control.

The Government, both at a national and state level, is trying to ease the way for real estate developers to accelerate growth of infrastructure in the country. Further, the Company has a successful execution track record of 16 million sq ft. This was achieved by building contingencies into all the development plans to allow for cost overruns. The management oversees construction projects using in-house and external project managers and undertakes regular project reviews to monitor progress against plans. While other concerns like labour shortage, delay due to government permits are faced by the entire industry, the Company believes that its commitment and dedication, enables it to mitigate these risks to a high degree.

## 5. Health and Safety Risks

Real estate companies constantly face the risk of injury or illness to the Company's or third parties' construction workers.

Ganesh is a OHSAS 18001:2007 certified company. At Ganesh, extensive health and safety training is provided to all its employees. Projects are executed using standard quality certified equipment and materials benchmarked against global standards. A crisis management team has been set up at all project sites to manage any eventuality. Also, the project operating procedures institute the most effective accident prevention measures across all stages of construction activity.

## HUMAN RESOURCE DEVELOPMENT

Ganesh firmly believes in and has consistently practiced progressive HR values. The Company's philosophy is reflected by the values of transparency, professionalism and accountability. The Company endeavours to improve on these aspects on an ongoing basis and thereby perpetuate it to generate long-term, socio-economic values for its shareholders, customers and employees.

At Ganesh, people from divergent disciplines work in perfect harmony to attain greater



growth and development. This has been made possible through a consistent emphasis on every individual's sense of responsibility and ability to exercise initiative and judgment while working as a member of the team.

As on 31st March, 2010, the number of employees on payroll were 86.

## INTERNAL CONTROLS AND SYSTEMS

In any industry, the processes and internal control systems play a critical role in the health of a company. Ganesh's well defined organisational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies, applicable laws, regulations and protection of resources. Moreover, the Company continuously upgrades these systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. Rigorous business planning as well as expense, capital and manpower budgeting processes ensure that progress is monitored against targets, and control is exercised on all major expenses, so that actual spending is in accordance with the budgets.

## FINANCIAL OVERVIEW

**Income:** The Company recorded total income of Rs. 10174 lakhs, as compared to Rs. 9325 lakhs for 2008-09, a growth of 9.10%.

**EBIDTA:** The EBIDTA of the Company was Rs. 7679 lakhs in 2008-09 and Rs. 6967 lakhs in 2009-10, a decrease of 9.27%.

**PAT:** The Company's Profit After Tax (PAT) stood at Rs. 4760 lakhs against Rs. 4949 lakhs in 2008-09, a decrease of 3.82%.

## CAUTIONARY STATEMENT

The statement made in this section describes the Company's objectives, projections, expectations and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. The annual results can differ materially from those expressed or implied, depending on the economic and climatic conditions, Government policies and other factors which are beyond the control of the Company

# CORPORATE GOVERNANCE REPORT

## 1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate governance is about maximizing shareholder value legally, ethically and on a sustainable basis, while ensuring fairness to every stakeholder - our customers, employees, investors. Thus, corporate governance is a reflection of our culture, policies, our relationship with stakeholders and our commitment to values.

We believe that sound corporate governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity.

## 2. BOARD COMPOSITION & PARTICULARS OF DIRECTORS

### Board Composition

The Company has Seven Directors comprising of an Executive Chairman & Wholetime Director, Managing Director, Non-Executive Director & four Independent Non-Executive Directors. The appointment of four Independent Non-Executive Directors is in conformity with the provisions of clause 49 of the listing Agreement(s) entered with the Stock Exchange(s) by the Company. There are three Promoter Directors, out of which two are Executive Directors and one of them is Non-Executive Director. The remaining four Directors are Independent Non-Executive Directors.

### Directors' Profile

Brief details of all the Directors, nature of their expertise in specific functional areas and the names of companies in which they hold Directorships and Memberships/ Chairmanships of Board Committees are provided below:

- (a) Shri Dipakbhai G Patel, aged 42 years [Birth date: 12/11/1967] is Chairman and Whole-Time Director of the Company. He is a Promoter Director of the Company. He possesses wide experience of 19 years in construction, finance, real estate development etc. At present, Mr Patel looks after new projects, quality control, overseas tie up, etc. As on 31st March, 2010 he held 4770308 (14.60%) shares in the Company. He is a Director in Ganesh Plantations Ltd, Ganesh Infotech Ltd, Mihika Buildcon Limited, Starnet Software (I) Ltd and Shree Ganesh Fintrade Limited. He is also a Director in 54 Private Limited Companies.
- (b) Shri Shekhar G Patel, aged 39 years [Birth date: 09/08/1971] is Managing Director of the Company. He possesses rich and varied experience of 15 years in construction, marketing, administration, real estate development etc. At present, Mr. Patel looks after day to day affairs of the Company including finance, marketing, administration, recruitment, etc. As on 31st March, 2010 he held 5535591 (16.94%) shares in the Company. He is a Director in Ganesh Plantations Ltd, Ganesh Infotech Ltd, Mihika Buildcon Ltd and Shree Ganesh Fintrade Limited. He is a Managing Director in Starnet Software (I) Ltd. He is also a Director in 54 Private Limited companies.
- (c) Dr Bharat J Patel, aged 55 years [Birth date: 07/08/1955] is a Senior Director of the Company. He is a prominent Orthopedic Surgeon of Ahmedabad. He is practicing as an Orthopedic Surgeon in Ahmedabad for the last 30 years. He didn't hold any shares in the Company as on 31st March, 2010. He is a Director in Starnet Software (I) Ltd.
- (e) Dr Tarang M Desai, aged 52 years [Birth date: 24/07/1958] is a Director of the Company. He is a prominent consultant physician of Ahmedabad. As the consultant physician, he possesses more than 23 years of experience. He didn't hold any shares in the Company as on 31st March, 2010. He is not a Director in any other Company.
- (f) Shri Arvindbhai R Nanavati, aged 76 years [Birth date: 09/09/1933] is a Director of the Company. He is a retired Income Tax Officer. He possesses more than 43 years of experience in administration. He didn't hold any shares in the Company as on 31st March, 2010. He is not a Director in any other Company.
- (g) Smt Lalitaben G Patel, aged 64 years [Birth date: 10/11/1945] is a Director of the Company. She has rich experience in construction and real estate development business. She was holding 3094627 (9.47%) shares in the Company as on 31st March, 2010. She is a Director in Ganesh Infotech Ltd, Starnet Software (I) Ltd and Shree Ganesh Fintrade Limited.
- (h) Shri Ashish H. Mody, aged 42 years [Birth date: 12/12/1967], is a Director of the Company. He possesses over 21 years of experience in real estate and infrastructure development business especially road construction. He didn't hold any shares in the Company as on 31st March, 2010. He is not a Director in any other Company.

Attendance of each Director at the Board Meetings, last AGM and the number of other Board/ Committees in which he is a Member/ Chairman

The names and categories of the Directors on the Board, their attendance at Board

Meetings held during the year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and Foreign companies.

Name of Director	Position	Attendance Particulars		No. of Directorships in other Public Companies	Committee Memberships/ Chairmanships of other Companies	
		Board Meeting	Last AGM		Member	Chairman
Shri Govindbhai C. Patel*	Ex-Chairman & Wholetime Director	5	No	5	Nil	Nil
Shri Deepak G. Patel	Chairman & Wholetime Director	10	Yes	5	Nil	Nil
Shri Shekhar G. Patel	Managing Director	11	Yes	5	Nil	Nil
Smt. Lalitaben G. Patel	Promoter and Non-Executive	11	No	3	Nil	Nil
Dr Bharat J. Patel	Non-Executive and Independent	11	No	1	Nil	Nil
Dr Tarang M. Desai	Non-Executive and Independent	11	Yes	Nil	Nil	Nil
Shri Arvindbhai R. Nanavati	Non-Executive and Independent	11	Yes	Nil	Nil	Nil
Shri Ashish H. Mody	Non-Executive and Independent	11	Yes	Nil	Nil	Nil

\* Shri Govindbhai C. Patel ceased to be Chairman and Wholetime Director of the Company w.e.f. 29.10.2009 due to death.

## Details of Board Meetings held during the year 2009-2010

The details of Board meetings held during the year 2009-2010 are stated in the table shown hereunder

Sr. No.	Dates of Board Meeting	No. of Directors Present
1	15/04/2009	8
2	21/05/2009	8
3	08/06/2009	8
4	27/06/2009	8
5	31/07/2009	8
6	07/10/2009	7
7	31/10/2009	6
8	07/11/2009	7
9	30/01/2010	7
10	15/03/2010	7
11	31/03/2010	7

## Board/ Committee Meetings

The procedures with respect to Board Meetings and the Meetings of the Committees thereof are in total compliance with the requirements of the Companies Act, 1956, the Secretarial Standards (SS-1) prescribed for Board meetings by the Institute of Company Secretaries of India, Listing Agreement with Stock Exchange(s) and other applicable laws and regulations.

## Code of conduct for the Board of Directors and senior management personnel

In terms of Clause 49 of the Listing Agreement, the Board at its meeting held on 5th December, 2005 has adopted the code of conduct for the Board of Directors and senior management personnel of the Company. This code of conduct is a comprehensive code which is applicable to all directors and senior management personnel. A copy of the code has been put up on the Company's website [www.ganeshhousing.com](http://www.ganeshhousing.com). The said code has been circulated to all the members of the Board and senior management personnel. The compliance of the said code has been affirmed by them annually. A declaration signed by the Managing Director of the Company forms the part of this Report.

### 3. AUDIT COMMITTEE

The Board has constituted Audit Committee, comprising of three Independent Non-Executive Directors. Shri Arvind R. Nanavati is a Chairman of the Committee. He possesses adequate financial accounting knowledge. The Constitution of the Audit Committee is in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956. Mr. Vijay R. Lalaji, Company Secretary is the Secretary to the Audit Committee.

The Primary Objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

The terms of reference/ powers of the Audit Committee has been specified by the Board of Directors as under:

#### A. The Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### B. The role of Audit Committee shall include the following:

- i. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true & fair position and that sufficient and credible information is disclosed.
- ii. Recommending to the Board, the appointment, re-appointment and, if required, replacement or removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- iii. Reviewing with management the annual financial statements before submission to the board, focusing primarily on ;
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reason for the same.
  - Major accounting entries based on exercise of judgment by management.

- Qualifications in draft audit report
- Significant adjustments arising out of audit
- The going concern assumption
- Compliance with accounting standards
- Compliance with stock exchange and legal requirements concerning financial statements
- Any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

- iv. Reviewing, with the management - the quarterly financial statements before submission to the Board for approval & uses /application of funds raised through an issue (public issues , right issues, preferential issues , etc.)
- v. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- vi. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audits.
- vii. Discussion with internal auditors regarding any significant findings and follow up thereon.
- viii. Reviewing the findings on any internal investigation by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board.
- ix. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern.
- x. To look into the reasons for substantial defaults, if any, in the payments to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- xi. To review the functioning of the Whistle Blower mechanism, if and when introduced.
- xii. Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committee(s) of Directors of the Company.

#### C. Information for Review:

- i. Management discussion and analysis of financial condition and results of operations.



- ii. Statement of significant related party transactions (as may be defined by the audit committee), submitted by the management.
- iii. Management letters/ letters of internal control weaknesses issued by the statutory auditors.
- iv. Internal audit reports relating to internal control weaknesses.
- v. Appointment, removal and terms of remuneration of the Internal Auditors.

Attendance of each Member of Audit Committee at meetings held during the year.

Four audit committee meetings were held during the year on June 26, 2009; July 30, 2009; October 30, 2009 and January 29, 2010. The time gap between any two meetings was less than four months. The names of the members of the Audit Committee, and its Chairman, and details of meetings attended by them are stated hereunder:

Name	Designation	No. of meetings	
		Held	Attended
Shri Arvindbhai Nanavati	Chairman of the Committee, Independent and Non-Executive Director.	4	4
Dr Tarang M Desai	Member of the Committee, Independent and Non-Executive Director	4	4
Shri Ashish H. Mody	Member of the Committee, Independent and Non-Executive Director	4	4

#### SUBSIDIARY COMPANIES:

During the year under review, Gatil Properties Private Limited became a subsidiary of our Company w.e.f. 01/04/2009. The Financial statements of two Unlisted Subsidiary Companies viz. Yash Organiser Private Limited and Gatil Properties Private Limited were reviewed by the Board of Directors of the Company. The Minutes of the Board of Directors of Subsidiary Companies were placed before the Board. Moreover, a statement of significant transactions and arrangements entered into by the unlisted subsidiary companies were brought to the attention of Board of Directors.

## 4. REMUNERATION COMMITTEE

The Remuneration Committee has three Independent Non-Executive Directors. The objective of the constitution of the Committee is to recommend and review compensation

plans of the Managerial Personnel and the senior management based on their performance, defined assessment criteria and job responsibilities.

The following are the terms of reference of the Remuneration Committee:

#### Terms of reference of the Committee

- To review & approve/ recommend the remuneration of Managerial Personnel like Managing Director and Whole Time Directors.
- To review & recommend the remuneration policy of Non-Executive Directors of the Company.
- To perform such other functions as may be detailed in the Remuneration Committee under Schedule XIII of the Companies Act, 1956.
- To discharge such other functions or exercise such powers as may be delegated to the Committee by the Board from time to time.

During the financial year 2009-2010 remuneration of Rs.35,00,000/-, Rs 58, 50,000/- and Rs 58,50,000/- was paid to Late Shri Govindbhai C. Patel, Shri Shekhar G. Patel & Shri Dipak G. Patel respectively.

The Composition and attendance of the members of the Remuneration Committee is as follows:

The Remuneration Committee met on June 27, 2009 during the Financial Year 2009-2010. The names of the members of the Remuneration Committee, its Chairman and the details of meetings attended by them are stated hereunder:

Name	Designation	Attendance
Shri Arvindbhai R Nanavati	Chairman of the committee, Independent and Non-Executive Director	One
Dr Tarang M Desai	Member of the committee, Independent and Non-Executive Director	One
Shri Ashish H Mody	Member of the committee, Independent and Non-Executive Director	One

## 5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/ Investors' Grievance Committee consists of three independent Non Executive directors. This Committee is specifically responsible for the Redressal of shareholders' / Investors' grievances related to non-receipt of Annual reports, non-receipt of declared dividend, Transfer/ Transmission/ Demat of Shares/ Issue of Duplicate Share Certificates, etc. The Committee also oversees the performance of the Registrar & transfer agents of the Company relating to the investors' services and recommend measures for improvement.

The Composition, powers, role and terms of reference of the Committee are in accordance with the provisions of Clause 49 of the Listing Agreement(s).

### The Terms of Reference

The terms of reference of the Investors' Grievance Committee, inter alia, include the following:

- Investor relations and redressal of shareholdings' grievances in general & relating to non-receipt of dividends, non- receipt of annual reports, etc. in particular.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements by such a Committee.

The Composition and attendance of the members of the Investors' Grievance Committee is as follows:

The Committee held fifteen meetings during the Financial Year 2009-2010. The committee whose terms of reference have been specified as per clause 49 of the Listing Agreement consists of:

Name	Designation	Attendance
Shri Arvindbhai R Nanavati	Chairman of the committee, Independent and Non-Executive Director	Fifteen
Dr Tarang M Desai	Member of the committee, Independent and Non-Executive Director	Fifteen
Shri Ashish H. Mody	Member of the committee, Independent and Non-Executive Director	Fifteen

### Name and designation of compliance officer

Ms. Priti Jani, Deputy Manager (Secretarial) who is a qualified Company Secretary, is the Compliance Officer.

### Details of complaints received and redressed:

Number of complaints outstanding as on 01/04/2009	-	Nil
Number of complaints received from the investor from 01/04/2009 to 31/03/2010	-	8
Number of complaints solved to the satisfaction of the Investors as on 31/03/2010	-	8
Number of complaints pending as on 31/03/2010	-	Nil

## 6. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings are as follows:

Year	Date	Time	Venue
2006-2007	December 14, 2007	3.00 p.m.	1st Floor, "Samudra" Nr Klassic Gold Hotel Off C G Road, Ellisbridge Ahmedabad-380 006.
2007-2008	September 27, 2008	3.00 p.m.	1st Floor, "Samudra" Nr Klassic Gold Hotel Off C G Road, Ellisbridge Ahmedabad-380 006.
2008-2009	September 30, 2009	3.00 p.m.	1st Floor, "Samudra" Nr Klassic Gold Hotel Off C G Road, Ellisbridge Ahmedabad-380 006.

### SPECIAL RESOLUTIONS

Two Special Resolutions were put through in the last three years' Annual General Meetings.

No Extra Ordinary General Meeting was held during the year 2009-2010.

## POSTAL BALLOTS

No ordinary or special resolutions were passed through a postal ballot for the year ended March 31, 2010.

## 7. DISCLOSURE

- (a) Disclosure on materially significant related party transaction i.e. transactions of the Company of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large:-

- Transactions with related parties as per requirements of Accounting Standard—18 are disclosed in Notes to Accounts. None of these transactions have potential conflict with interest of the Company at large.
- Independent Directors, who are also Non-executive Directors, do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management, which in the judgment of the Board may affect independence of the judgment of the Directors.

The directors regularly make full disclosures to the Board of Directors regarding nature of their interest in the Companies in which they are directors or members. Full particulars of contract entered with the companies/ partnership firms in which the directors are directly or indirectly concerned or interested are entered in the Register of Contract maintained under Section 301 of the Companies Act, 1956 and the same is placed in every Board meeting for the noting of the directors.

- (b) Details of non compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years

There were no instances of non-compliance by the Company or Penalties, imposed on the Company by the Stock Exchange/(s) or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.

- (c) Risk Management

Business risk evaluation and management is an ongoing process within the Company. During the year under review, the Board of Directors reviewed the risk management and minimization procedure adopted by the Company covering the business operations of the Company.

- (d) Proceeds from public issues, rights issues, preferential issues etc.

During the year under review, the Company has not raised any proceeds from public issue or right issue.

- (e) Remuneration to Non—Executive Directors:

Non—Executive Directors of the Company are not paid any remuneration except sitting fees for attending Board/ Committee meetings and they even didn't hold any shares and/or convertible instruments.

- (f) CEO/ CFO Certification

In terms of revised Clause 49 of Listing Agreement, the certification by Chairman & Wholetime Director and Managing director has been obtained and the said certification is attached as part of this Report.

## 8. MEANS OF COMMUNICATION

(a) Half yearly report	- Half yearly report is not sent to shareholders
(b) Quarterly Results	- Normally quarterly results of the Company are published in Economic Times (English) and Economic Times (Gujarati)
(c) Website where results are displayed	- <a href="http://www.ganeshhousing.com">www.ganeshhousing.com</a>
(d) Whether it also displays official news release and the presentation made to institutional investors or to the analysts	- No
(e) Whether Management Discussions & Analysis forms part of Annual Report	- Yes

## 9. GENERAL SHAREHOLDER INFORMATION

### A Date, time and venue of 19th Annual General Meeting

Thursday, September 30, 2010 at 3.00 p.m.

Ganesh Housing Corporation Ltd.

Ganesh Corporate House

100 Feet Hebatpur – Thalrej Road

Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054

### B Financial Calendar:

(Tentative and subject to change for the financial year 2010-2011)

Quarter ending	Release of Results
June 30, 2010	Second week of August, 2010
September 30, 2010	Second week of November, 2010
December 31, 2010	Second week of February, 2011
March 31, 2011	End of May, 2011
Annual General Meeting for the year ending March 31, 2011	End of September, 2011

### C. Date of Book Closure

23rd September, 2010 (Thursday) to 30th September, 2010 (Thursday) (Both the days inclusive)

### D Dividend Payment Date

The final dividend, if approved by the shareholders, shall be paid on or after September 30, 2010, within the statutory time limit.

### E. Listing on Stock Exchanges :

BOMBAY STOCK EXCHANGE LTD  
1ST FLOOR, NEW TRADING RING  
ROTUNDA BUILDING  
P J TOWERS  
DALAL STREET  
FORT, MUMBAI – 400 001

NATIONAL STOCK EXCHANGE OF INDIA LTD.

EXCHANGE PLAZA,

PLOT NO. C/1, G BLOCK BANDRA-KURLA COMPLEX

BANDRA E, MUMBAI – 400 051

Listing fees for the financial year 2010-2011 have been paid to the aforesaid Stock Exchanges.

### F. Stock Code / Symbol

(i) Bombay Stock Exchange Ltd	- 526367
Scrip ID	- GANESHSG
Scrip forms part of BSE500 and BSE Small cap index.	
(ii) National Stock Exchange Of India Ltd	
Company Symbol	- GANESHHOUC
ISIN No. Equity shares NSDL/CDSL	- INE 460C01014

### G. Market Price Data:

The Monthly high /low and the volume of the Company's shares traded on stock exchanges and the Monthly high /low of the said exchanges are as follows:

Month	Company			BSE	
	High (Rs.)	Low (Rs.)	Volume (Nos.)	BSE Sensex (High)	BSE Sensex (Low)
April 2009	67.00	38.95	25,57,653	11,492.10	9,546.29
May 2009	86.35	51.60	16,43,803	14,930.54	11,621.30
June 2009	99.95	75.00	15,86,761	15,600.30	14,016.95
July 2009	90.90	63.30	11,76,051	15,732.81	13,219.99
August 2009	137.10	81.00	28,59,253	16,002.46	14,684.45
September 2009	147.65	112.50	12,89,094	17,142.52	15,356.72
October 2009	147.00	114.25	10,06,066	17,493.17	15,805.20
November 2009	127.60	104.00	6,84,832	17,290.48	15,330.56
December 2009	132.20	114.40	10,08,903	17,530.94	16,577.78
January 2010	162.00	122.55	17,94,563	17,790.33	15,982.08
February 2010	154.90	124.05	5,23,428	16,669.25	15,651.99
March 2010	183.00	138.00	15,85,102	17,793.01	16,438.45



Month	Company			NSE	
	High (Rs.)	Low (Rs.)	Volume (Nos.)	Nifty (High)	Nifty (Low)
April 2009	66.85	39.50	1924813	3517.25	2965.70
May 2009	86.00	53.00	1274610	4509.40	3478.70
June 2009	100.05	74.25	1912090	4693.20	4143.25
July 2009	90.80	63.10	1703612	4669.75	3918.75
August 2009	137.85	82.10	3087417	4743.75	4353.45
September 2009	148.95	112.55	1433520	5087.60	4576.60
October 2009	147.00	114.50	865108	5181.95	4687.50
November 2009	127.25	103.00	690653	5138.00	4538.50
December 2009	133.10	109.75	1136468	5221.85	4943.95
January 2010	162.45	123.55	1818679	5310.85	4766.00
February 2010	154.95	120.00	573448	4992.00	4675.40
March 2010	183.50	139.00	1941269	5329.55	4935.35

The following promoters' shares to the extent of 34.50% of post issued capital on amalgamation, are lock-in for a period of 3 years i.e. upto 2nd March, 2011.

Sr. No.	Name of the shareholder	Category of Shareholders (Promoters/ Public)	Number of locked-in shares	%
1.	SHRI GOVINDBHAI C PATEL	Promoter	4471740	13.69
2.	SMT. LALITABEN G PATEL	Promoter	1162660	3.56
3.	SHRI SHEKHAR G PATEL	Promoter	3178450	9.73
4.	SHRI DIPAK G PATEL	Promoter	2310640	7.08
5.	SMT. SAPNA D PATEL	Promoter	145310	0.44
Total			11268800	34.50

#### H. Registrar and Transfer Agents:

M/s. MCS Limited, 101 Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009, Tel. Nos. 079 - 26582878, 26581296, 26584027, Fax No. 079 – 30070678.

#### I. Share Transfer System

Transfers in physical form are lodged with the Company/ Transfer Agent. The Transfer Agent has complete computerized facility for processing the transfer. After verification of the transfers lodged in physical form, the transfer agent prepares a statement of transfers which is reviewed by the Shareholders/Investors Grievances Committee of Directors and if in order, the transfers are approved generally once in a fortnight. The share certificates duly transferred are then sent by the transfer agent to the transferees, which complete the transaction. In case of any complaint from shareholder for delay in transfer, the matter is actively followed up by the Company with the transfer agent and the same is resolved to the satisfaction of the shareholder.

#### J. Distribution of shareholding (As on March 31, 2010)

(a) On the basis of Nominal value of each Share held

Shareholding of Nominal Value of Rs.	No. of Shareholders	Percentage to total Shareholders	No. of shares held	Percentage to total shares held
Upto 5000	10832	98.49	1794164	5.49
5001-10000	62	0.56	469302	1.44
10001-20000	25	0.23	349997	1.07
20001-30000	16	0.15	390296	1.19
30001-40000	14	0.13	473930	1.45
40001-50000	8	0.07	368179	1.13
50001-100000	16	0.15	1238974	3.79
100001 and Above	24	0.22	27571038	84.43
TOTAL	10997	100.00	32655880	100.00

(b) On the basis of Category

Category	No. of shares held	Percentage to total shares held
Indian Public	4301704	13.17
Promoters	18374723	56.27
FII/ Mutual Funds/ Banks	8054223	24.66
Corporate Bodies	1752571	5.37
Non-Resident Indians	172659	0.53
TOTAL	32655880	100.00

**K. Dematerialization of Shares and Liquidity**

32229277 equity shares were held in the demat form as on 31st March, 2010, constituting 98.69% of the total paid up share capital.

The shares are actively traded on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. For those shareholders who hold the shares in physical form may contact Depository Participant.

**L. Outstanding GDRs/ ADRs/Warrants or any Convertible instruments conversion date and likely impact on equity**

There are no outstanding warrants.

**N. Plant Locations**

The Company is engaged in Construction and real estate Development activities. The Company does not have any plant or factory.

**O. Address for Correspondence**

All enquiries, clarifications and Correspondence should be addressed to the compliance officer at the following address:

Ms PRITI JANI

Deputy Manager (Secretarial)

Ganesh Housing Corporation Limited

Ganesh Corporate House

100 Feet Hebatpur – Thaltej Road

Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054.

Tel. No. 2656 2345

Fax No. 2642 1085

**P. Compliance Certificate of the Auditors**

A Certificate from the Auditors of the Company M/s. J M Parikh & Associates, Chartered Accountants, Ahmedabad confirming the compliance with the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed to the Directors' Report forming part of the Annual Report. The said certificate has also been forwarded to the Stock Exchanges in India where the securities i.e. equity shares of the Company are listed.

# AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members  
Ganesh Housing Corporation Limited,  
Ahmedabad

We have examined the compliance of conditions of Corporate Governance by Ganesh Housing Corporation Limited for the year ended 31st March, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the abovementioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrars and Share Transfer Agents of the company have maintained records to show the Investors Grievances against the Company and have certified that on 31st March, 2010 there were no investor grievances remaining unattended/pending for more than 30 days.

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

PLACE : AHMEDABAD  
DATE : 14/08/2010

FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

# CEO AND CFO CERTIFICATION

We, Dipakbhai G. Patel, Chairman & Whole-time director and Shekhar G. Patel, Managing Director responsible for the finance function certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2010 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2010 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) **DECLARATION BY THE MANAGING DIRECTOR**

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and the senior management personnel and the same is available on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2010, received from the senior management personnel of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

- e) We have indicated to the Auditors and the Audit Committee that:
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii) There are no instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system.
- f) We further declare that all the Board members have affirmed compliance with the code of conduct for the current year.

PLACE: AHMEDABAD

DATE: 14/08/2010

DIPAKBHAJI G. PATEL

CHAIRMAN &

WHOLETIME DIRECTOR

SHEKHAR G. PATEL

MANAGING DIRECTOR



# AUDITORS' REPORT

TO THE MEMBERS OF :

GANESH HOUSING CORPORATION LIMITED,

1. We have audited the attached Balance Sheet of GANESH HOUSING CORPORATION LIMITED as at 31st March, 2010 and the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
- 4 Further, 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 such books.
  - c) The Balance Sheet the Profit and Loss Account and the Cash Flow statement referred to in this report are in agreement with the books of account.

- d) In our opinion the Balance- Sheet, the Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors of the company and taken on record by the board of directors, we report that no director is disqualified as at March 31, 2010 from being appointed as director of the company under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India.
  - i. in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
  - ii. in so far as it relates to the Profit and Loss Account, of the profit for the year ended on that date.
  - iii. in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

FOR, J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLACE:- AHMEDABAD

DATE :- 14/08/2010.

KAUSHAL SHAH  
PARTNER

MEMBERSHIP NO. :- 127379.

FRN:- 118007W

# ANNEXURE TO THE AUDITORS' REPORT

## TO THE MEMBERS OF :

GANESH HOUSING CORPORATION LIMITED,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off during the year, do not constitute substantial part of the fixed assets of the company and such disposal in our opinion, has not affected the going concern status of the company.
- (ii) (a) The company is accounting various construction projects being built by it, as inventory. There is a continuous monitoring of the construction projects. Hence, the question of physical verification of the project does not arise. The question of frequency of verification being reasonable does not arise. In case of Inventory of Raw materials, the Company follows the policy that Raw materials received on the site are taken as consumed. Hence, the question of physical verification of inventory conducted at reasonable intervals does not arise. There is a closing stock of WIP at the end of the year.
- (b) The question of the procedures of physical verification of inventory followed by the management being reasonable and adequate in relation to the size of the company does not arise considering the nature of inventory.
- (c) The inventory shown in the accounts is in the nature of various construction projects. Hence, normal inventory records associated with manufacturing companies are not being kept. However, the company is maintaining the necessary records to our satisfaction. No discrepancies were noticed on verification between the physical stocks and book records.
- (iii) (a) The company has granted interest free business advance, secured or unsecured to 10(Ten) companies covered in the registered maintained under section 301 of the Companies Act, 1956. The maximum amount involved

during the year was Rs. 4,94,05,08,052/- and the year end balance of business advances granted to such companies was Rs. 3,62,57,45,123/-.

The company has granted interest free unsecured loan to one other party covered in the registered maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 4,00,000/- and the year end balance of loan granted to such other party was Rs. 4,00,000/-. The company has not granted any loan to firm.

- (b) The company has granted unsecured interest free business advances, to companies covered in the registered maintained under section 301 of the Companies Act, 1956. As the said advances are in the nature of business advances, the question regarding the rate of interest and other terms and conditions being prima facie prejudicial to the interest of the company does not arise.

*The company has also granted unsecured interest free loan, to other party covered in the registered maintained under section 301 of the Companies Act, 1956. In our opinion, the rate of interest and other terms and conditions on which loan has been granted to a other party, listed in the register maintained under section 301 of the Companies Act, 1956 are, prima-facie, prejudicial to the interest of the Company, as they are interest free and unsecured.*

- (c) The business advances and loan granted are interest free and repayable on demand. Hence, the question of regular repayment of principal amount and interest does not arise.
- (d) There is no overdue amount of business advances and loan granted by the company to companies & other party listed in the register maintained under Section 301 of the Companies Act, 1956, as the loans are repayable on demand.
- (e) The company had taken unsecured loans from 4(Four) Companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 5,53,22,942/- and the year end balance of loans taken from such Companies was Rs. 4,27,898/-.

The company had taken unsecured loan from 1 (One) other party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 1,07,66,500/- and the year end balance of loan taken from such other party was Rs. NIL.

- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from Companies & other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima-facie, prejudicial to the interest of the Company as the said loans are interest free and unsecured.
- (g) There is no overdue amount in case of loans taken by the company as the loans are repayable on demand and interest free.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the contracts & arrangements that need to be entered into 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 such contracts/arrangement have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) Directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under, to the extent applicable, have been complied with.

We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or

any Court or any other Tribunal.

- (vii) In our opinion, the Company has an internal audit system, commensurate with the size of the company and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of subsection (1) of section 209 of the Companies Act, 1956 for any of the products of the company.
- (ix) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities have been generally regularly deposited.
- (b) According to the information and explanations given to us no other undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable other than the following:

Name of Statute	F.Y.	Amt. Rs.	Name of Authority
Stamp Duty	2001-2002	175402/-	Superintendent of stamps— Gandhinagar, Gujarat
Stamp Duty	2007-2008	Amount not determined. However, as per estimate by the company approximately Rs. 30000000/-	Superintendent of stamps— Gandhinagar, Gujarat
Dividend Distribution Tax	2007-2008	24981749/-	Income Tax Authority
Dividend Distribution Tax	2008-2009	9989761/-	Income Tax Authority

- (c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, which have not been deposited on account of any dispute other than the following:

Name of Statute	F.Y.	Amt. Rs.	From where dispute is pending
Service Tax	2004-2005 TO 2006-2007	2219026/-	Joint/Addl. Commissioner of Service Tax

- (x) The company has no accumulated losses and has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us at the end of the year the company has not defaulted in repayment of dues to a bank. The company has not borrowed any money from financial institutions. The company has not issued any debentures.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities. Accordingly, clause 4(xii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- (xiii) In our opinion, the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in Shares, Securities, Debentures and other Investments. All the investments are held by the Company in its own name. Accordingly the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks and Financial Institutions. Accordingly, Clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xvi) In our opinion the term loans have been applied for the purpose for which they were availed.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that the no funds raised on short term basis have been used for long term investment.
- (xviii) According to information and explanations given to us, during the year the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, Clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xix) The Company has not issued any Debentures. Accordingly, Clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xx) The Company has not raised any money by Public Issue during the year Accordingly, Clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, in course of our audit.

FOR, J.M.PARIKH & ASSOCIATES

CHARTERED ACCOUNTANTS

PLACE:- AHMEDABAD

DATE :- 14/08/2010.

KAUSHAL SHAH

PARTNER

MEMBERSHIP NO. :- 127379.

FRN:- 118007W



## BALANCE SHEET AS AT 31-03-2010

Particulars	Schedules	Rupees	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SOURCES OF FUNDS</b>				
<b>SHARE HOLDERS' FUNDS</b>				
Share Capital	1	326558800		326558800
Reserves & Surplus	2	4685140802		4277925656
			5011699602	4604484456
<b>LOAN FUNDS :</b>				
Secured	3	906463150		871038839
Unsecured	4	136811179		73261214
			1043274329	944300053
<b>TOTAL</b>			6054973931	5548784509
<b>APPLICATION OF FUNDS</b>				
<b>FIXED ASSETS</b>	5			
Gross Block		488387837		481884364
Less : Depreciation		43713475		29905577
Net Block		444674362		451978787
Add: Capital Work In Progress		82509711		63793543
			527184073	515772330
<b>INVESTMENTS</b>	6		499329050	25104100
Deferred Tax Assets			6546182	6058703
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
Inventories	7	264533046		159600781
Sundry Debtors	8	1758162569		1655621856
Cash and Bank Balances	9	54263922		17005839
Loans & Advances	10	3867845306		3920899639
		5944804843		5753128115
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>				
Liabilities	11	635430839		515661526
Provisions	12	287459378		235617213
		922890217		751278739
<b>NET CURRENT ASSETS</b>			5021914626	5001849376
<b>TOTAL</b>			6054973931	5548784509
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES FORMING PART OF ACCOUNTS</b>	19			

SCHEDULES REFERRED TO ABOVE FORM PART OF THIS BALANCE SHEET

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
COMPANY SECRETARY

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

Particulars	Schedules	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>INCOME</b>			
Sale Proceeds of Residential Projects		896623155	46478476
Sale of Land		109147000	0
		1005770155	46478476
Income from SEZ Project		0	504022500
Profit on Sale of Land		0	344778585
Other Income	13	11592720	36299743
Stock of Land transferred from Current Assets to Fixed Assets		0	883839
Stock of WIP transferred to Subsidiary		907993	0
Closing Stock of WIP		264533046	159600781
<b>TOTAL</b>		<b>1282803914</b>	<b>1092063924</b>
<b>EXPENDITURE</b>			
Opening Stock of WIP		159600781	56924543
Project expenses	14	326593219	168843280
Administrative & Other Exp.	15	41416072	56892125
Interest & Finance Exps.	16	139932084	231054848
Staff Cost	17	35088172	30452984
Marketing Expenses	18	20096391	10847233
Depreciation		14382508	15134045
<b>TOTAL</b>		<b>737109227</b>	<b>570149058</b>
Profit before Tax		545694687	521914866
Less: Provision for Income Tax		-93000000	-28100000
Less: Provision for Wealth Tax		-372000	-311110
Less: Provision for Fringe Benefit Tax		0	-1120038
Add / Less: Deferred Tax		487479	1218262
Add / Less: Excess provision of Income Tax of earlier years W/off.		23195718	1349419
Add / Less: Excess provision of Wealth Tax of earlier years W/off.		-4003	0
Add / Less: Provision of Fringe Benefit Tax of earlier years w/off.		-16390	-7922
		-69709196	-26971389
Net Profit after taxation		475985491	494943477
Add: Balance of Profit brought forward from last year		1538224656	1187051524
Total Amount available for Appropriation		2014210147	1681995001
Appropriations :			
Transfer to General Reserve		75000000	75000000
Proposed/Interim Dividend on Equity Shares		58780584	58780584
Tax on Dividend		9989761	9989761
		143770345	143770345
Balance carried to Balance Sheet		1870439802	1538224656
Basic & Diluted Earning Per Share :-	19(18)		
- Before extra ordinary items		14.58	15.16
- After extra ordinary items		14.58	15.16
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES FORMING PART OF ACCOUNTS SCHEDULES REFERRED TO ABOVE FORM PART OF THIS PROFIT &amp; LOSS ACCOUNT</b>	<b>19</b>		

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
COMPANY SECRETARY

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

## CASH FLOW STATEMENT FOR YEAR ENDED ON 31-03-2010

Particulars	Rupees	2009-2010 Rupees	2008-2009 Rupees
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit Before Tax And Previous Year 's Figures		545694687	521914866
Less: Interim Dividend & Dividend Tax		68770345	68770345
Total		476924342	453144521
Add:- Provision For Previous Year Now Written Back	23175325		1341497
Add:- Deferred Tax	487479		1218262
		23662804	2559759
Net Profit After Tax		500587146	455704280
Add/less Adjustments For			
Depreciation	14382508		15134045
Provision For Taxation	-93000000		-28100000
Provision For Wealth Tax	-372000		-311110
Provision For FBT	0		-1120038
Interest Expenses	139932084		231039188
Interest Income	-1442218		-7510073
		59500374	209132012
Operating Profit Before Working Capital Changes		560087520	664836292
Add/less Adjustments For			
Trade and other Receivables	-102540713		198701508
Current Liabilities	171611478		-67223107
Inventories	-104932265		-102676238
Loans and Advances	53054333		-1093624761
Increase in Deferred Tax Assets	-487479		-1218262
Cash Generated From Operations		16705354	-1066040860
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchase of Fixed Assets	-7284399		-48602876
Capital Work in Progress	-18716168		-58274910
Sale of Fixed Assets	206316		39179444
Investments Made	-474224950		0
Interest Received	1442218		7510073
Net Cash Used in Investing Activities		-498576983	-60188269
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds From Long Term Borrowings	46807760		67316477
Increase of Unsecured Loans	63549965		57100491
Increase of Secured Loans	-11383449		7655880
Interest Paid	-139932084		-231039188
Net Cash Used in Financing Activities		-40957808	-98966340
Net Increase in Cash And Cash Equivalents		37258083	-560359177
Cash and Cash Equivalents As At 01-04-2009 (opening Balance)		17005839	577365016
Cash and Cash Equivalents As At 31-03-2010 (closing Balance)		54263922	17005839

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
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ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-1</b>		
SHARE CAPITAL		
AUTHORISED		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of Rs.10/- each	500000000	500000000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
3,26,55,880 (Previous year 3,26,55,880) Equity shares of	326558800	326558800
Rs.10/- each fully paid up		
Of which 10,02,360 Equity shares of Rs.10 each are allotted as fully paid up		
without payment being received in cash on account of amalgamation in 1997-98		
Of which 80,04,720 shares are allotted as fully paid up by way of		
bonus shares by capitalisation of profits in 2005-06.		
Of which 1,12,68,800 Equity shares of Rs.10/- each are allotted as fully paid up		
without payment being received in cash on account of Amalgamation in 2006-07.		
<b>Total</b>	<b>326558800</b>	<b>326558800</b>
<b>SCHEDULE-2</b>		
RESERVES & SURPLUS		
(a) GENERAL RESERVE		
Balance As Per Last Balance Sheet	289561000	214561000
Add : Transfer from Profit & Loss A/c	75000000	75000000
	364561000	289561000
(b) PROFIT & LOSS		
Balance As Per Last Balance Sheet	1538224656	1187051524
Add : Transfer from Profit & Loss A/c	332215146	351173132
	1870439802	1538224656
(c) SECURITIES PREMIUM	2450140000	2450140000
	2450140000	2450140000
<b>Total</b>	<b>4685140802</b>	<b>4277925656</b>



## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-3</b>		
<b>SECURED LOANS:</b>		
A) From Banks		
(I) Term Loans		
(i) From Bank of India	0	5105937
(ii) From Tamilnad Mercantile Bank Ltd.	264291068	505815149
(iii) From ICICI Bank Ltd. - For SEZ Project	362881800	333116249
(iv) From India Infoline Investment Services Ltd.	240000000	0
(v) From Reliance Capital Ltd.	23672227	0
(Refer to note no. 8 of Schedule-19)		
(II) Vehicle Loans	11441206	20444098
(Against hypothecation of Motor Cars)		
B) From Others		
Vehicle Loans	4176849	6557406
(Against hypothecation of Motor Cars)		
<b>Total</b>	<b>906463150</b>	<b>871038839</b>
<b>SCHEDULE-4</b>		
<b>UNSECURED LOANS:</b>		
Loan from Companies	41195240	54958798
Loan from others	95615939	7535916
Loan from a Director	0	10766500
<b>Total</b>	<b>136811179</b>	<b>73261214</b>

### SCHEDULE-5

#### FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-04-2009	ADDITION DURING YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2010	AS AT 01-04-2009	DEPRECIATION / AMORTISATION DURING THE YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
LAND	392634939	1887327	0	394522266	0	0	0	0	394522266	392634939
OFFICE PREMISES	9361880	0	0	9361880	2724102	331890	0	3055992	6305888	6637778
PLANT & MACHINERY	2580239	23100	0	2603339	1214499	327069	0	1541568	1061771	1365740
FURNITURE & FIXTURES	8122857	260792	0	8383649	6005267	404545	0	6409812	1973837	2117590
VEHICLES	62420550	3623278	777821	65266007	16213771	12562480	571647	28204604	37061403	46206779
OFFICE EQUIPMENTS	4360862	892055	0	5252917	1912303	412427	0	2324730	2928187	2448559
COMPUTER	2168896	590347	3105	2756138	1671740	271349	2963	1940126	816012	497156
SOFTWARE	234141	7500	0	241641	163895	72748	0	236643	4998	70246
<b>T O T A L</b>	<b>481884364</b>	<b>7284399</b>	<b>780926</b>	<b>488387837</b>	<b>29905577</b>	<b>14382508</b>	<b>574610</b>	<b>43713475</b>	<b>444674362</b>	<b>451978787</b>
PREVIOUS YEAR	473931385	48602876	40649897	481884364	16241985	15134045	1470453	29905577	451978787	

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-6</b>		
INVESTMENTS (AT COST)		
Unquoted & Fully paid up		
Long Term Investments in Subsidiary Company		
10,000 Equity Shares (Previous year 10,000) of Rs.10/- each in Yash Organiser Pvt Ltd.	25000000	25000000
24,41,410 Equity Shares (Previous year Nil ) of Rs.10/- each in Gatil Properties Pvt Ltd.	474224950	0
Trade Investments		
10 Equity Shares (Pre. Yr. 10) of Rs.10/- each Starnet Software (India) Ltd.	100	100
40 Equity Shares(Pre. Yr. 40) of Rs.100/- each Shrinidhi Office Owners' Association	4000	4000
10,000 Equity Shares (Previous year 10,000) of Rs.10/- each in Ganesh Infrastructure (India) Pvt Ltd.	100000	100000
<b>Total</b>	<b>499329050</b>	<b>25104100</b>
<b>SCHEDULE-7</b>		
INVENTORIES		
Work-In-Process - (Construction Projects) (As taken Valued & Certified by Management)	264533046	159600781
<b>Total</b>	<b>264533046</b>	<b>159600781</b>
<b>SCHEDULE-8</b>		
SUNDRY DEBTORS : (UNSECURED, CONSIDERED GOOD)		
Due for a period exceeding six months	1269307183	1631054796
Others	488855386	24567060
<b>Total</b>	<b>1758162569</b>	<b>1655621856</b>
<b>SCHEDULE-9</b>		
CASH & BANK BALANCES :		
Cash on hand	1914256	170276
BALANCES WITH SCHEDULED BANKS :		
In Current Accounts	26055752	14056635
In Fixed Deposits with Scheduled Bank	21618072	109940
In Unpaid Dividend Accounts	4675842	2668988
<b>Total</b>	<b>54263922</b>	<b>17005839</b>

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-10</b>		
LOANS & ADVANCES : (Unsecured, Considered Good)		
Business Advances to Co-Operative Societies	117750514	114812514
Business Advances to Non Trading Corporation	5225380	5225380
Advances for Purchase of land to Companies under the same management (Refer to note no. 9 of Schedule-19)	2756331285	2387603000
Business Advances to Companies under the same management (Refer to note no. 10 of Schedule-19)	7081898	2207898
Business Advances to Subsidiary Company (Refer to note no. 11 of Schedule 19)	139781940	605668149
Mobilisation deposit to a contractor company under the same management (Refer to note no. 10 of Schedule-19)	722550000	722600000
Loan given to Trust In which Directors of the company are interested (Refer to note no. 12 of Schedule-19)	400000	0
Advance for purchase of Land	2100000	2100000
Other Advances	15000000	15000000
Advance to Supplier	5439618	1623
Advance to Staff	504000	500000
Advances recoverable in cash or kind	9128163	3399678
Electricity, AUDA, Legal charges receivable for residential projects	28913474	2665610
Registration deposit	1162290	1075725
Office Maintenance Deposit	395940	395940
Advance payment of Income Tax, FBT,TDS & WT	56080804	57644122
<b>Total</b>	<b>3867845306</b>	<b>3920899639</b>
<b>SCHEDULE-11</b>		
CURRENT LIABILITIES :		
Sundry Creditors	495220433	478756983
Unpaid / Unclaimed Dividends (Liability towards Investors Education and Protection Fund u/s 205C of the Companies Act, 1956 not due)	4675103	2668309
Other Current Liabilities	133171106	33028002
Tax Deducted at Source Payable	2364197	1208232
<b>Total</b>	<b>635430839</b>	<b>515661526</b>
<b>SCHEDULE-12</b>		
PROVISIONS :		
Provision for Gratuity	2743376	4109836
Proposed/ Interim Dividend	58780584	58780584
Tax on Dividend	44961271	34971510
Provision for Fringe Benefit Tax	1593550	1736546
Provision for Wealth Tax	780597	418737
Provision for Income Tax	178600000	135600000
<b>Total</b>	<b>287459378</b>	<b>235617213</b>

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE-13</b>		
OTHER INCOME		
Interest from Banks (TDS Rs.33729/- Previous Year Rs.1958850/-)	273200	7417724
Interest on FDR with SSNNL (TDS Rs.9855/- Previous Year Rs.7302/-)	98549	92349
Interest on IT Refund	1070469	0
Excess provision of Bonus W/off.	66922	41086
Excess provision of Gratuity W/off	0	6899726
Sundry Balances written off	18644	21804
Extra Work Income	0	7500
Income from past Projects	9392022	21808808
Profit on sale of Fixed Assets	1358	10746
Home Loan commission	81621	0
Previous year Income	134875	0
Sale of Scrap	455060	0
<b>Total</b>	<b>11592720</b>	<b>36299743</b>
<b>SCHEDULE-14</b>		
PROJECT EXPENSES		
Brochure Exp.	1006317	561745
Carting Exp	698490	191864
Electric Exp.	1905984	595304
Labour Exp.	53150093	20269382
Land Purchase	105085500	87907250
Land Revenue	16027200	0
Machinery Rent	571116	197422
Material Testing Charges	51431	4610
Professional Charges	0	1391711
Raw Material purchase	145152138	50310341
Repairs & Maintenance Exp.	199446	82158
Road Work Exp.	1447107	415396
Site Exp.	378046	403617
Site Office Exp.	659268	179157
Site Security Exp.	103200	159750
Survey Exp.	156893	150000
Expenses of past projects	990	6023573
<b>Total</b>	<b>326593219</b>	<b>168843280</b>

## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE-15</b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
Annual Custody Fee	110300	67416
Annual Listing Fee	126569	127184
Appeal Fee	10000	1000
Audit Fee	551500	275750
Books & Magazine Expenses	12906	6005
Carting Exp.	975	320
Computer Consumable	163363	84251
Conveyance Reimbursement	287163	321196
Corporate Action Fee (NSDL)	0	3402
Courier Charges	120431	62590
Director's Travelling Exp.	667551	3015323
Demat Charges	1111	0
Donation	7632566	4383982
Electric Expenses	1256452	1043917
Filing Fee	11262	5474
Income Tax Practitioner Fee	1000000	0
Insurance Exp.	84038	14782
Internal Audit Fee	50000	50000
Internet Charges	247950	129644
Loss on sale of Fixed assets	55174	110075
Miscellaneous Expenses	19063	106768
Mobile Phone Exp.	1065042	963207
Motor-Car Exp.	2393814	1705613
Motor-Car Insurance	672692	294876
Municipal Tax	278603	257323
Newspaper Exp.	14265	18006
Office Exp.	329036	493586
Office Maintenance Charges	155760	155760
Penalty	80787	20000
Penalty on Provident Fund	24525	0
Penalty on VAT	2200	1900
Postage Exp.	179341	121768
Previous Year Exp.	744966	104754
Professional Fee	13228007	14525199
Professional Tax	2400	2400
Registration Fee	5000	0
Religious Exp.	894040	19569508
Repair & Maintenance Exp.	195800	313360
Security Service Charges	1324522	2262452
Seminar fee	2000	4494
Service Tax	223936	77142
Sitting Fee	201000	212400
Software Licence	345708	0
Staff Training fee	2200	0
Stamp Exp.	45668	33060
Stationery & Printing Exp.	509610	759358
Subscription	0	39736
Sundry balances written off	42844	12768
Survey Charges	0	15000
Tax Audit Fee	55150	55150
Tea Exp.	121790	110017
Telephone Exp.	73445	64270
Travelling Exp.	987078	2517060
Typing & Xerox Exp.	741361	990266
VAT Exp.	4065108	1382613
<b>Total</b>	<b>41416072</b>	<b>56892125</b>



## SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE-16</b>		
INTEREST & FINANCE EXPENSES :		
Bank Charges	125343	106077
Loan Insurance Premium	545596	0
Loan Processing Charges	5129392	61767682
Finance Charges	2222752	2820569
Foreign Exchange Fluctuation	14600540	63144056
Interest to Bank	96267936	102790991
Interest on Professional Tax	34	0
Interest on Service Tax	0	52
Interest on Wealth Tax	0	3679
Interest on T D S	573420	5551
Interest on VAT	118475	14159
Interest to Others	20079421	386372
F.D. Commission	269175	15660
<b>Total</b>	<b>139932084</b>	<b>231054848</b>
<b>SCHEDULE-17</b>		
STAFF COST:		
Bonus Exp.	1340328	979981
Conveyance Allowance	547758	236195
Director's Medical Exp	741629	0
Director's Remuneration	9350000	11400000
ESI Contribution	127426	119644
P.F.Contribution	231946	186723
Gratuity	720589	331353
M.D.Remuneration	5850000	5400000
Medical Allowance	6288	3652
Salary Exp.	16090388	11763801
Staff Uniform	32875	13125
Staff Welfare	3815	0
Vehicle Exp to Employee	41305	18510
Vehicle Exp	3825	0
<b>Total</b>	<b>35088172</b>	<b>30452984</b>
<b>SCHEDULE-18</b>		
MARKETING EXPENSES		
Advertisement Expenses	13660501	5429772
Brokerage Exp.	110000	50000
Marketing Exp.	313352	0
Sales Promotion Exp	3066558	5317461
Sample House Furniture	85921	0
Sponsorship Charges	2010000	50000
Stall Rent	832725	0
Website Charges	17334	0
<b>Total</b>	<b>20096391</b>	<b>10847233</b>

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### SCHEDULE - 19

#### SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

##### SIGNIFICANT ACCOUNTING POLICIES:

1. SYSTEM OF ACCOUNTING:

The company adopts the accrual concept in preparation of accounts.

2. RECOGNITION OF INCOME & EXPENDITURE

All Income & Expenditure are accounted for on accrual basis.

3. FIXED ASSETS & DEPRECIATION:

A. Fixed assets are stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

B. Depreciation on fixed assets:

Depreciation is provided at the rates and in the manner laid down in Schedule XIV to the Companies Act, 1956 on "Written down value" method in respect of all assets.

C. In accordance with Accounting Standard—26, Intangible Assets, issued by The Institute of Chartered Accountants of India, Software is being amortized over a period of three years.

4. BORROWING COST:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for their intended use or sale) are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

5. TAXES ON INCOME:

Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

6. DEFERRED TAX:

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

7. INCOME FROM REAL ESTATE DEVELOPMENT PROJECTS:

(a) The Company records revenue on all its Real Estate Development Projects based on Accounting Standard—9, i.e. Revenue Recognition and also based on guidance note issued by the Institute of Chartered Accountants of India "Revenue Recognition for Real Estate Developers".

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

- (b) The full revenue is recognized on sale of property when the Company has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.
- (c) However, when the Company is obliged to perform any substantial acts after transfer of all significant risks & rewards of ownership on sale of property, the revenue is recognized on proportionate basis as the acts are performed i.e. by applying the percentage completion method.

### 8. LEASE OF LAND OF SEZ PROJECT:

Land given on perpetual lease is treated as actual sale of land.

### 9. RETIREMENT & OTHER EMPLOYEE BENEFITS:-

#### A. Defined Contribution Plans:-

The company's contribution paid / payable for the year to Provident Fund are recognized in the Profit & Loss Account. The company has no obligation other than the contribution payable to the Government.

- B. The company has defined benefits plans for Gratuity. The liability for which is determined on the basis of an actuarial valuation at the year end an incremental liability is provided for in the books. The gratuity scheme is administered by a trust. The payment for gratuity is made to LIC of India through the trust.

- C. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.

### 10. IMPAIRMENT OF FIXED ASSETS:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

### 11. INVENTORY:

- A. In case of inventory of raw materials, the raw materials received on the site are treated as consumed in the books of the Company.
- B. The Closing stock of WIP has been valued at cost.

### 12. TRANSACTIONS IN FOREIGN CURRENCY

- A. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- B. Monetary items denominated in foreign currencies at the period end are restated at period end rates.
- C. Non monetary foreign currency items are carried at cost.
- D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the profit and loss account.

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### NOTES FORMING PART OF ACCOUNTS:

1. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.
2. CONTINGENT LIABILITIES:
  - A. The Company amalgamated with Ganesh Lea-Finvest Ltd with effect from 1st April, 1997 pursuant to the scheme of amalgamation approved by Hon'ble High Court of Gujarat. In September 2001 the office of Superintendent of Stamps, Gandhinagar has issued a notice under The Bombay Stamp Act, 1958 calling upon the Company to pay stamp duty of Rs.175402/- in view of amalgamation. Subsequently, the company had paid stamp duty on issue of bonus shares and preferential issue of shares and warrants. The said stamp duty amount was more than required. The company has made a representation to the department and requested them to adjust the amount. The response from the department is awaited.
  - B. During the financial year 2007-08 the company received the order from the Honourable High Court of Gujarat approving the amalgamation of the company with five of its group companies. The stamp duty has to be paid on amalgamation of the companies. The company has referred the matter to the Superintendent of Stamps at Gandhinagar. They have not yet determined the amount of stamp duty. Hence no provision has been made in the accounts for the payment of stamp duty.
  - C. The company had made provision for payment of Dividend Distribution Tax in the F.Y. 2007-2008 and F.Y. 2008-2009 totaling in to Rs. 34971510/-. However, the dividend was paid out of Profits of SEZ Project and hence on legal advice the company has taken a stand that Dividend Distribution Tax is not payable.
  - D. The company had completed a scheme known as International Pharma & Biotech Park during the period 2004-2005 to 2006-2007. The company had also paid service tax amounting to Rs. 2069669/- on the above scheme and interest of Rs. 448296/-. However, the service tax department has issued a show cause notice for Rs. 4288695/-. The company has preferred an appeal against this demand.
3. The Company has carefully considered the impact of Accounting Standard—28 pertaining to Impairment loss. As the recoverable amount of assets is higher than the WDV of its Fixed Assets no provision is made for impairment of Assets.
4. Balance of Secured Loans, Unsecured Loans, Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.
5. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business.
6. Payment to auditors:

SR.NO.	PARTICULARS	2009-2010	2008-2009
		Rupees	Rupees
1	As Auditors	551500	275750
2	Tax Audit Fees	55150	55150
3	For Certification & other Work etc.	145889	32776
	TOTAL	752539	363676

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### 7. Managerial Remuneration:

PARTICULARS	(Rs. In Lacs)	
	2009-2010	2008-2009
Late Shri Govindbhai C. Patel - Chairman & Whole time Director - Salary	35.00	60.00
Shri Deepakbhai G. Patel - Chairman & Whole time Director - Salary	58.50	54.00
Shri Shekharbhai G. Patel—Managing Director - Salary	58.50	54.00
Total	152.00	168.00

According to the Articles of Agreement entered into between the Company and the abovementioned directors, they were entitled to commission of 1% on the net profits of the Company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956. During the year the directors waived the commission payable to them. Hence, the calculation of the commission is not given.

### 8. The details of security offered for the secured loans taken from banks are as follows:

- a) The Term loan from Bank of India was secured against deed of hypothecation, hypothecating all tangible movable machinery and plant ( both present and future), whether installed or not and whether now lying loose or in cases at site or in transit or wherever else the same may be and

Equitable mortgage by deposit of title deeds of the open plot of land along with land and buildings and other structures, machinery and plant and other fixtures and fittings erected or installed thereon (both present and future), situate at F P No 431/part and F P No 430, Ambawadi Circle, Ahmedabad, owned by Suraj Co-op Housing Society Ltd. Deed of hypothecation hypothecating all tangible movable machinery and plant (both present and future) and

Joint and several guarantee by Shri Shekhar G. Patel, promoter director of the company and institutional guarantee of Suraj Co-op Housing Society Ltd

- b) A. The term loan from Tamilnad Mercantile Bank Ltd. is secured against the below mentioned Primary securities:

- On hypothecation of first charge over all the receivables and current assets of all ongoing projects and future projects except the present SEZ project. In addition, explicit the first charge on the following also be created in Bank's favour: 1. Shangrila Bungalow, 2. Mahalaya—II, 3. Shangrila—II at Thaljei, 4. Maple County, 5. Suyojan, 6. Satva Apartment at Paldi.
- On equitable mortgage / registered mortgage over the following projects:

PROJECT	NO. OF UNITS	AMOUNT (Rs. IN CRORES)
Mahalaya—II	21 Bungalows	16.56
Satva	13 Shops	15.46
	18 Apartments	7.00
TOTAL		39.02

- Equitable mortgage/registered mortgage, as the case may be, should be created on 21 bungalows which yet to be sold in the project Mahalaya—II.
- Equitable mortgage/registered mortgage, as the case may be, should be created on 13 shops (i.e. 12 shops + 1 shop i.e. entire shopping complex) to be constructed on the ground floor in the Satva project together with 18 apartments which will be detailed while executing the documentation.



## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

B. The term loan from Tamilnad Mercantile Bank is secured against the below mentioned Collateral securities:

1. On equitable mortgage of land to the extent of 7423 sq.yds (6195 sq.mtrs.) and to be constructed building to the extent of 11118.89 sq. mt. (Construction is in process) [Basement 2378.85 sq. mt. + Plinth 1269.37 sq. mt. + Ground floor 2621.11 sq. mt. + 1st floor 2519.54 sq. mt. + 2nd floor 2330.02 sq. mt.] situated at final plot No 248 of T.P. Scheme No 38 R.S.No. 313/2/2 and 313/3 of Thaltej village, Daskroi taluka, Ahmedabad and building under construction standing in the name of M/s Nachiket Properties Pvt Ltd, the company which has been now amalgamated with M/s Ganesh Housing Corporation Ltd. valued at Rs 1952.24 lakhs.
2. On equitable mortgage of land to the extent of 7405 sq.mt. situated at Final plot No 187 (part) of Draft T.P. Scheme No 38, R.S.No. 356 situate, lying and being Mouje Thaltej village, Daskroi taluka, Ahmedabad standing in the name of M/s Sujan Developers Pvt Ltd. valued at Rs 2132.64 lakhs)

C. Tamilnad Mercantile Bank Ltd. 1st charge on all movable assets of SEZ project will be conceded in favour of ICICI Bank Ltd. (Tamilnad Mercantile Bank Ltd. charge to continue as 2nd charge after 1st charge in favour of ICICI Bank Ltd.) if only ICICI Bank Ltd. relinquishes through letter of satisfaction/modification to the effect that ICICI Bank's charge is secondary to the charge of Tamilnad Mercantile Bank Ltd. over the receivables and current assets of all the ongoing and future projects, except the present SEZ project. Specific consent of ICICI Bank Ltd. in writing in this regard should be obtained.

D. The term loan from Tamilnad Mercantile Bank Ltd. is guaranteed by:

1. On personal guarantee of Mr Shekharbhai G. Patel and Mr Dipak G. Patel, directors of the company.
2. On the corporate guarantee of M/s. Sujan Developers Pvt. Ltd.
3. On the personal guarantee of all the directors of M/s. Sujan Developers Pvt. Ltd.
4. On the personal guarantee of owners, builders and promoters of all movable and immovable properties as well as other rights that are taken as security for this borrowing/re-schedulement. More specifically for the following projects:

1. Shangri-La Bungalow, 2. Mahalaya – II. 3. Shangri-La – II at Thaltej, 4. Maple County, 5. Suyojan, 6. Satva Apartment at Paldi.

c) The foreign currency term loan from ICICI Bank Ltd. is secured against mortgage or charge on all movable assets, if any, and immovable assets of the SEZ project. Mortgage or charge on all revenues / receivables accruing to the borrower on account of the project and all the project accounts in which the borrower has an interest and all investments made out of any proceeds lying in the TRA accounts and debt service reserve account. Mortgage or charge on assignments of all the rights, title and interest of the company in the project documents. Mortgage or charge on assignments of all insurance policies noting the interest of security Trustee / lender. Pledge of such number of shares of company (subject to section 19(2) & 19(3) of Banking Regulations Act) that a cover of 2.0 times the facility is provided where the shares of company are valued at their average of the closing price for the last 1 month or the last closing price whichever is less on the NSE. If at any time the cover falls below 1.75 times, the company shall top up the cover within 15 business days by providing a pledge over additional company shares to restore the cover to at least 2.0 times the facility amount.

On equitable mortgage of land to the extent of 11841 sq.mt. (14162 Sq. Yd.) situated at Final plot No 229 of R.S.No. 345, 346/1 & 358 situate, lying and being Mouje Thaltej village, Daskroi taluka, Ahmedabad standing in the name of M/s Rajratna Infrastructure Pvt. Ltd.

On personal guarantee of Mr Shekharbhai G. Patel and Mr Dipak G. Patel, directors of the company.

d) Loan against property from Reliance Capital Limited is secured against mortgage of immovable property situated at A-101, A-102, A-103, A-104, A105, B-101, B-102, B-103, B-104, B-105, U-31 TO U-34, Samudra Complex, Off. C.G. Road, Ellisbridge, Ahmedabad.

On personal guarantee of Mr Shekharbhai G. Patel and Mr Dipak G. Patel, promoter directors of the company.

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

- e) Loan Against Property from India Infoline Investments Services Limited is secured against mortgage of the below mentioned plots situated near Jalsa Party Plot and Sola Flyover, S.G. Highway, Ahmedabad.

FPlot No. 147/2, FPlot No. 197, FPlot No. 191 of mouje Thaltej, Ahmedabad.

Pledge on 26% shares of Ganesh Housing Corporation Limited in Gatil Properties Private Limited.

Pledge on 100% shares of companies owing the collaterals(Plots). i.e. Malvika Estate Pvt. Ltd., Rajnigandha Developers Pvt. Ltd. & Rohini Realty Pvt. Ltd.

Joint and several guarantee by Shri Shekhar G. Patel & Mr. Dipak G. Patel promoter directors of the company and institutional & corporate guarantee of Gannath Co-op Housing Society Ltd, Malvika Estate Pvt. Ltd., Rajnigandha Developers Pvt. Ltd.

9. The details of advances for purchase of land given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows

NAME OF COMPANY	BALANCE AS ON 31/03/2010 Rupees	BALANCE AS ON 31/03/2009 Rupees
GANESH PLANTATIONS LTD (Maximum balance outstanding at any time during the year Rs 1287048000/- .Previous year Rs 2081478000/-)	630956285	1247503000
MAHESHWARI (THALTEJ) COMPLEX PVT LTD (Maximum balance outstanding at any time during the year Rs 2125375000/- .Previous year Rs 1140100000/-)	2125375000	1140100000

10. The details of business advances/mobilization deposit given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31/03/2010 Rupees	BALANCE AS ON 31/03/2009 Rupees
GANESH INFOTECH LTD. (Maximum balance outstanding at any time during the year Rs 2147000/- .Previous year Rs NIL.)	2147000	0
MIHIKA BUILDCON LTD. (Maximum balance outstanding at any time during the year Rs 537000/- .Previous year Rs 150000/-)	537000	150000
SANAT COMPLEX PVT. LTD. (Maximum balance outstanding at any time during the year Rs 2300000/- .Previous year Rs NIL.)	2300000	0
STARNET SOFTWARE (INDIA) LTD. (Maximum balance outstanding at any time during the year Rs 1670000/- .Previous year Rs 1630000/-)	1670000	1630000
SUJAN DEVELOPERS PVT. LTD. (Maximum balance outstanding at any time during the year Rs 427898/- .Previous year Rs 427898/-)	427898	427898
Mobilisation deposit to a Contractor company:-		
SHRI GANESH CONSTRUCTION PVT. LTD. (Maximum balance outstanding at any time during the year Rs 722600000/- .Previous year Rs 722600000/-)	722550000	722600000

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

11. The details of business advances given to subsidiaries, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31/03/2010 Rupees	BALANCE AS ON 31/03/2009 Rupees
Business Advances to Subsidiary company for Township Project:- GATIL PROPERTIES PVT. LTD (Maximum balance outstanding at any time during the year Rs 668668005/- .Previous year Rs 477785000/-)	10046791	477785000
Business Advances to Subsidiary company for Mall Project:- YASH ORGANISER PVT. LTD. (Maximum balance outstanding at any time during the year Rs 129735149/- .Previous year Rs 127883149/-)	129735149	127883149

12. The details of loan given to trust in which directors of the company are interested, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31/03/2010 Rupees	BALANCE AS ON 31/03/2009 Rupees
GOVINDBHAI C. PATEL FOUNDATION (Maximum balance outstanding at any time during the year Rs 400000/- .Previous year Rs NIL.)	400000	0

13. Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st 2010. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

14. As this is a construction Company the information required as per paragraph 4C of part II of Schedule VI of the Companies Act, 1956, regarding Licensed Capacity, Installed Capacity and actual production are not given.

15. The information required as per paragraph 4D of Part II of Schedule VI of the Companies Act, 1956, regarding earning and amount spent in foreign currency is as follows:

Earning in Foreign Currency:

SR.NO.	PARTICULARS	2009-2010 Rupees	2008-2009 Rupees
1	Booking of Residential Property	7303753	NIL
	TOTAL	7303753	NIL

Expenditure in Foreign Currency:

SR.NO.	PARTICULARS	2009-2010 Rupees	2008-2009 Rupees
1	Foreign Travelling Exp.	389782	1272081
2	Purchase of Fixed Assets	3419148	NIL
	TOTAL	3808930	1272081

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

16. The information required as per Paragraph 3 of Part II of Schedule VI of the Companies Act, 1956, regarding quantitative information about the Purchases made, the Opening and Closing Stocks are as follows.

### INFRASTRUCTURE PROJECTS – SEZ

PARTICULARS	2009-2010		2008-2009	
	QTY	AMOUNT Rupees	QTY	AMOUNT Rupees
SALES				
LAND (SQ. YD.)	-	-	44653	537624000
TOTAL	-	-	44653	537624000
RESIDENTIAL PROJECTS				
PARTICULARS	2009-2010		2008-2009	
	QTY	AMOUNT Rupees	QTY	AMOUNT Rupees
I) OPENING STOCK				
LAND (SQ YARDS)	86874	152228827	79951	56924543
WIP	-	7371954	-	0
TOTAL	86874	159600781	79951	56924543
II) PURCHASE				
a) LAND (SQ YARDS)	19025	105085500	11400	87907250
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	2394400	5542233	739650	1869906
Cement (Bags)	48990	9571100	39852	8648339
Steel (Kgs)	1952622	60127744	68664	2591202
Other materials	-	69911061	-	37200894
TOTAL	-	250237638	-	138217591
III) CONSUMPTION				
a) LAND (SQ YARDS)	-	0	-	0
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	2394400	5542233	739650	1869906
Cement (Bags)	48990	9571100	39852	8648339
Steel (Kgs)	1952622	60127744	68664	2591202
Other materials	-	69911061	-	37200894
TOTAL	-	145152138	-	50310341
IV) CLOSING STOCK				
LAND (SQ YARDS)	78729	244715249	86874	152228827
W.I.P.	-	19817797	-	7371954
TOTAL	78729	264533046	86874	159600781
V) SALES				
LAND (SQ.YARDS) & CONSTRUCTED UNITS	27170	1005770155	4477	46478476
TOTAL	-	1005770155	-	46478476

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED

PARTICULARS	%	2009-2010 Rupees	%	2008-2009 Rupees
Imported	NIL	NIL	NIL	NIL
Indigenous	100	145152138	100	50405641
TOTAL	100	145152138	100	50310341

17. The Company has given business advances to various companies, co-operative societies and Non-Trading Corporations amongst others. No interest is chargeable on such loans. As the said advances are in the nature of business advance, the Company is of the view that there is no violation of the provision of Section 372A.

### 18. Basic & Diluted Earnings per share:-

SR. NO.	PARTICULARS	2009-2010	2008-2009
A	Calculation of Weighted Average number of Equity Shares of Rs.10/- each.		
	Number of shares at the beginning of the year	32655880	32655880
	Total number of shares at the end of the year	32655880	32655880
	Weighted average number of shares outstanding during the year	32655880	32655880
B	Net profit after tax available for equity share holders	475985491	494943477
C	Basic & Diluted Earnings per share		
	-- Before extra ordinary items	14.58	15.16
	-- After extra ordinary items	14.58	15.16

### 19. Segment Reporting:-

- The Company has considered business segment as the primary segment for disclosure. Therefore, in the opinion of the company, there are no different primary segments.
- All the projects of the Company are being implemented in and around Ahmedabad city only. Therefore, in the opinion of the company, there are no different geographical segments.

### 20. The break up of net deferred tax Assets as at 31-03-2010 is as under:

Particulars	Deferred Tax Amt. 2009-2010	Deferred Tax Amt. 2008-2009
Deferred Tax Assets		
Timing Difference :-		
Expenses disallowed U/s. 40A(7)	932474	1396933
Expenses disallowed U/s. 35DD	368406	564054
Expenses disallowed U/s. 43B	455577	497228
Difference in Net Block Fixed Assets as per books and I.T. Return	4789725	3600488
Total → A	6546182	6058703
Deferred Tax Liabilities		
Timing Difference:-		
Difference in Net Block Fixed Assets as per books and I.T. Return	0	0
Total → B	0	0
Total → A-B = Net Deferred Tax Assets	6546182	6058703



## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### 21. Related party disclosures:-

#### 1. Parties where control exists:

Shangrila Funworld Pvt Ltd, Ganesh Plantations Ltd, Ganesh Infotech Ltd, Shri Ganesh Construction Pvt Ltd, Siddhivinayak Securities Pvt Ltd, Shaligram Investments Pvt Ltd, Starnet Software (I) Ltd., Madhurkamal (Thaltej ) Complex Private Limited, Madhav (Thaltej) Complex Private Limited, Mandar (Thaltej) Complex Private Limited, Maheshwari (Thaltej) Complex Private Limited, Mitul (Thaltej) Complex Private Limited, Vinat Complex Private Limited, Sanat Complex Private Limited, Shadval Complex Private Limited, Vishad Complex Private Limited, Tarang Realty Private Limited, Shahil Infrastructure Private Limited, Gamit Builders Private Limited, Vyom Realty Private Limited, Unmesh Complex Private Limited, Shushna Complex Private Limited, Tathya Complex Private Limited, Viraj Complex Private Limited, Milind Complex Private Limited, Gavendu Land Developers Private Limited, Shaily Infrastructure Private Limited, Sadhan Buildcon Private Limited, Nilay Realty Private Limited, Sanmukh Developers Private Limited, Nihal Estate Private Limited, Mukur Real Estate Private Limited, Vimoh Land Developers Private Limited, Gaven Construction Private Limited, Mihika Buildcon Limited, Shakil Buildwell Private Limited, Vardhan Land Developers Private Limited, Vibhor Realty Private Limited, Ganesh Infrastructure (India) Pvt. Ltd., Ganeshsagar Infrastructure Private Limited, Martand Estate Private Limited, Matang Properties Private Limited, Maitrik Buildcon Private Limited, Medhbhuti Complex Private Limited, Madhuj Realty Private Limited, Madhumati Realty Private Limited, Tirth Developers Private Limited, Malvika Estate Private Limited, Mahavir (Thaltej) Complex Private Limited, Shreekala Infrastructure Private Limited, Sulabh Realty Private Limited, Rajratna Infrastructure Private Limited, Shardul Buildcon Private Limited, Rajnigandha Developers Private Limited, Tirth Realty Private Limited, Rohini Realty Private Limited, Gagan Infrastructure Private Limited, Gitanjali Infrastructure Private Limited, Sujana Developers Private Limited, Shree Ganesh Fintrade Ltd., Govindbhai C. Patel Foundation, Ganesh Housing Corporation.

#### 2. Subsidiary

A. Yash Organiser Pvt Ltd  
B. Gatil Properties Pvt. Ltd.

#### 3. Key Management Personnel

Late Shri Govindbhai C. Patel, Shri Shekhar G. Patel, Shri Dipak G. Patel,

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2010:-

(Amount in Rs.)

Nature of Transaction	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Advances by GHCL	NIL	139781940	3486363183	NIL	NIL	3626145123
Unsecured loans taken by GHCL	NIL	NIL	427898	0	0	427898
Investment in equity of other companies by GHCL	NIL	499224950	100100	NIL	NIL	499325050
Debtors of the Company	NIL	NIL	NIL	4289334	NIL	4289334
Reimbursement of Exp. by GHCL	NIL	NIL	47776	226875	666	275317
Creditors of the Company	NIL	NIL	3300500	27829406	34583	31164489
Remuneration to Directors by GHCL	NIL	NIL	NIL	15200000	NIL	15200000
Purchases by GHCL	NIL	NIL	NIL	36991770	20000	37011770

22. Donation includes Rs. 2500000/- contributed during the year to a political party viz. Akhil Bharat Congress Committee. (Gujarat Pradesh Congress Committee)

23. The land owned by Ganesh Housing Corporation Ltd. and its subsidiary companies viz. Gatil Properties Pvt. Ltd. and Yash Organizer Pvt. Ltd. are as follows. The figure also includes land over which Gatil has a right by way of various MOUs.

Sr. No.	Particulars	Location	Land area (in Acres)
1	SEZ project	Tragad & Chharodi – Ahmedabad	84.41
2	Satva project	Paldi – Ahmedabad	2.35
3	Suyojan project	Sola – Ahmedabad	2.67
4	Maple County project	Shilaj - Ahmedabad	5.01
5	Maple County II project	Shilaj - Ahmedabad	5.05
6	Corporate House	Thaltej - Ahmedabad	1.53
7	Land for Commercial project	Thaltej - Ahmedabad	1.02
8	Smile City – Township - Gatil	Godhavi - Ahmedabad	419.00
9	GCP Business Centre - Yash	Memnagar - Ahmedabad	0.78
	Total		521.82

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### 24. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE-VI TO THE COMPANIES ACT, 1956

#### Balance Sheet Abstract and Company's General Business Profile

I	Registration details	
	Registration No.	L45200GJ1991PLC015817
	State Code	04
	Balance Sheet date	31/03/2010
II	Capital Raised during the year (Amt. in Rs. Thousand)	
	Public Issue	NIL
	Rights Issue	NIL
	Bonus Issue	NIL
	Private Placement	NIL
III	Position of mobilisation and deployment of funds (Amt. in Rs. Thousand)	
	Total Liabilities	6054974
	Total Assets	6054974
	Source of Funds:	
	Paid up capital	326559
	Reserve & surplus	4685141
	Secured Loans	906463
	Unsecured Loans	136811
	Application of funds:	
	Fixed Assets	527184
	Investments	499329
	Deferred Tax Assets	6546
	Net Current Assets	5021915
IV	Performance of Company (Amount in Rs. Thousand)	
	Sale and other income	1282804
	Total Expenditure	737109
	Profit before tax	545695
	Profit after tax	475985
	Basic & Diluted Earnings per share	14.58
	Dividend @ %	18%
V	Generic Names of three principal products/services of Company	
	Item Code No.	N.A.
	Product description	Builder & Developer
	Item Code No.	N.A.
	Product description	Sale of Land
	Item Code No.	N.A.
	Product description	Interest Income

#### SIGNATURES TO SCHEDULE 1 TO 19 FORMING PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
COMPANY SECRETARY

# AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF :

GANESH HOUSING CORPORATION LIMITED,

1. We have audited the attached consolidated Balance Sheet of GANESH HOUSING CORPORATION LIMITED as at 31st March, 2010 and also the consolidated Profit and Loss Account and consolidated Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of GANESH HOUSING CORPORATION LIMITED's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the management of GANESH HOUSING CORPORATION LIMITED in accordance the requirements of AS-21 on consolidated financial statements issued by the Institute of Chartered Accountants of India, as notified under the Companies (Accounting Standards) Rules 2006.
4. In our opinion and to the best of our information and according to the explanations given to us, and based on the report of other auditor, we state that the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
  - i. in so far as it relates to the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
  - ii. in so far as it relates to the consolidated Profit and Loss Account, of the profit for the year ended on that date and
  - iii. in the case of the consolidated Cash Flow Statement, of the cash flow for the year ended on that date.

PLACE:- AHMEDABAD

DATE :- 14/08/2010.

FOR, J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO. :- 127379.  
FRN:- 118007W

## CONSOLIDATED BALANCE SHEET AS AT 31-03-2010

Particulars	Schedules	Rupees	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SOURCES OF FUNDS</b>				
Share Holders' Funds:				
Share Capital	1	326558800		326558800
Share Application Money		550968625		0
Reserves & Surplus	2	4718160988		4252322729
			5595688413	4578881529
Minority Interest			238427138	100000
Loan Funds :				
Secured	3	906463150		871038839
Unsecured	4	136818679		73345714
			1043281829	944384553
<b>TOTAL</b>			<b>6877397380</b>	<b>5523366082</b>
<b>APPLICATION OF FUNDS</b>				
Fixed Assets	5			
Gross Block		488387837		481884364
Less : Depreciation		43713475		29905577
Net Block		444674362		451978787
Add: Capital Work In Progress		82509711		63793543
			527184073	515772330
Investments	6		104100	104100
Deferred Tax Assets			7204157	6308722
Current Assets, Loans & Advances				
Inventories	7	1232299146		792537228
Sundry Debtors	8	1758162569		1655621856
Cash and Bank Balances	9	75292430		15736673
Loans & Advances	10	4232178053		3321134405
		7297932198		5785030162
Less : Current Liabilities & Provisions				
Liabilities	11	667499390		548122430
Provisions	12	287527758		235732602
		955027148		783855032
Net Current Assets			6342905050	5001175130
Preliminary Expenses (To the extent not W/off. Or adjusted)			0	5800
<b>TOTAL</b>			<b>6877397380</b>	<b>5523366082</b>
SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS	19			
SCHEDULES REFERRED TO ABOVE FORM PART OF THIS BALANCE SHEET				

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
COMPANY SECRETARY

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-2010

Particulars	Schedules	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>INCOME</b>			
Sale Proceeds of Residential Projects		896623155	46478476
Sale of Land		109147000	0
		1005770155	46478476
Income from SEZ Project		0	504022500
Profit on Sale of Land		0	344847347
Other Income	13	11601787	36299743
Stock of Land transferred from Current Assets to Fixed Assets		0	883839
Closing Stock of WIP		1232299146	792537228
<b>TOTAL</b>		<b>2249671088</b>	<b>1725069133</b>
<b>EXPENDITURE</b>			
Opening Stock of WIP		792537228	172809366
Project expenses	14	660514879	685894904
Administrative & Other Exp.	15	44516765	57173044
Interest & Finance Exps.	16	140208367	231067668
Staff Cost	17	35088172	30452984
Marketing Expenses	18	20314100	10847233
Depreciation		14382508	15134045
<b>TOTAL</b>		<b>1707562019</b>	<b>1203379244</b>
Profit before Tax		542109069	521689889
Less: Provision for Income Tax		-93000000	-28116100
Less: Provision for Wealth Tax		-372000	-311110
Less: Provision for Fringe Benefit Tax		0	-1120038
Add / Less: Deferred Tax		895435	1441959
Add / Less: Excess provision of Income Tax of earlier years W/off.		23195718	1349419
Add / Less: Excess provision of Wealth Tax of earlier years W/off.		-4003	0
Add / Less: Provision of Fringe Benefit Tax of earlier years w/off.		-18352	-7922
		-69303202	-26763792
Net Profit after taxation (before adjusting Minority interest)		472805867	494926097
Add: Current Yr. Share of Loss transferred to Minority Interest		927026	0
Net Profit after taxation (After adjusting Minority interest)		473732893	494926097
Add:-Adjustment related to subsidiary		2252598	0
Net Profit after taxation (After adjustment related to subsidiary)		475985491	494926097
Add: Balance of Profit brought forward from last year		1537521729	1186365977
Total Amount available for Appropriation		2013507220	1681292074
<b>Appropriations :</b>			
Transfer to General Reserve		75000000	75000000
Proposed/Interim Dividend on Equity Shares		58780584	58780584
Tax on Dividend		9989761	9989761
		143770345	143770345
Balance carried to Balance Sheet		1869736875	1537521729
<b>Earning Per Share :-</b>	19(17)		
Basic - Before & after extra ordinary items		14.51	15.16
Diluted - Before & after extra ordinary items		11.55	15.16
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES</b>	19		
<b>FORMING PART OF ACCOUNTS</b>			
<b>SCHEDULES REFERRED TO ABOVE FORM PART OF THIS PROFIT &amp; LOSS ACCOUNT</b>			

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
COMPANY SECRETARY

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.



## CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED ON ON 31-03-2010

Particulars	Rupees	2009-2010 Rupees	2008-2009 Rupees
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit Before Tax And Previous Year 's Figures		542109069	521689889
Less: Interim Dividend & Dividend Tax		68770345	68770345
Total		473338724	452919544
Add:- Provision For Previous Year Now Written Back	23173363		1341497
Add:- Deferred Tax	895435		1441959
		24068798	2783456
Net Profit After Tax		497407522	455703000
Add/less Adjustments For			
Depreciation	14382508		15134045
Preliminary Expenses	5800		2900
Provision for Taxation	-93000000		-28116100
Provision for Wealth Tax	-372000		-311110
Provision for FBT	0		-1120038
Interest Expenses	140208367		231067668
Interest Income	-1442218		-7510073
		59782457	209147292
Operating Profit Before Working Capital Changes		557189979	664850292
Add/less Adjustments For			
Trade and other Receivables	-102540713		198701508
Current Liabilities	171172116		-38549169
Inventories	-439761918		-619727862
Loans and Advances	-911043648		-1083017663
Increase in Deferred Tax Assets	-895435		-1468281
Cash Generated From Operations		-1283069598	-1544061467
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchase of Fixed Assets	-7284399		-48602876
Capital Work in Progress	-18716168		-58274910
Sale of Fixed Assets	206316		39510482
Interest Received	1442218		7510073
Net Cash Used in Investing Activities		-24352033	-59857231
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds From Long Term Borrowings	46807760		67316477
Increase of Unsecured Loans	63472965		534892991
Increase of Secured Loans	-11383449		7655880
Increase of Share Application Money	550968625		0
Increase of Share Premium	24900000		0
Interest Paid	-140208367		-231067668
Increase Due to Subsidiary	239206542		0
Increase of Capital Reserve	36023333		
Net Cash Used in Financing Activities		809787409	378797680
Net Increase in Cash and Cash Equivalents		59555757	-560270726
Cash and Cash Equivalents As At 01-04-2009 (Opening Balance)		15736673	576007399
Cash And Cash Equivalents As At 31-03-2010 (Closing Balance)		75292430	15736673

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
COMPANY SECRETARY

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

## SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-1</b>		
SHARE CAPITAL		
AUTHORISED		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of Rs.10/- each	500000000	500000000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
3,26,55,880 (Previous year 3,26,55,880) Equity shares of Rs.10/- each fully paid up	326558800	326558800
Of which 10,02,360 Equity shares of Rs.10 each are allotted as fully paid up without payment being received in cash on account of amalgamation in 1997-98		
Of which 80,04,720 shares are allotted as fully paid up by way of bonus shares by capitalisation of profits in 2005-06.		
Of which 1,12,68,800 Equity shares of Rs.10/- each are allotted as fully paid up without payment being received in cash on account of Amalgamation in 2006-07.		
<b>Total</b>	<b>326558800</b>	<b>326558800</b>
<b>SCHEDULE-2</b>		
RESERVES & SURPLUS		
(a) GENERAL RESERVE		
Balance As Per Last Balance Sheet	289561000	214561000
Add : Transfer from Profit & Loss A/c	75000000	75000000
	364561000	289561000
(b) PROFIT & LOSS		
Opening Balance	1537521729	1186365977
Less: Adjustment due to Subsidiary	702927	0
Add : Transfer from Profit & Loss A/c	332215146	351155752
	1870439802	1537521729
(c) SECURITIES PREMIUM		
Opening Balance	2450140000	2450140000
Less: Adjustment due to Subsidiary	0	24900000
	2450140000	2425240000
(d) CAPITAL RESERVE		
	33020186	0
<b>Total</b>	<b>4718160988</b>	<b>4252322729</b>

## SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-3</b>		
SECURED LOANS:		
A) From Banks		
(I) Term Loans		
(i) From Bank of India	0	5105937
(ii) From Tamilnad Mercantile Bank Ltd.	264291068	505815149
(iii) From ICICI Bank Ltd. - For SEZ Project	362881800	333116249
(iv) From India Infoline Investment Services Ltd.	240000000	0
(v) From Reliance Capital Ltd.	23672227	0
(Refer to note no. 8 of Schedule-19)		
(II) Vehicle Loans	11441206	20444098
(Against hypothecation of Motor Cars)		
B) From Others		
Vehicle Loans	4176849	6557406
(Against hypothecation of Motor Cars)		
<b>Total</b>	<b>906463150</b>	<b>871038839</b>
<b>SCHEDULE-4</b>		
UNSECURED LOANS:		
Loan from Companies	41195240	54958798
Loan from others	95615939	7535916
Loan from a Director	7500	10851000
<b>Total</b>	<b>136818679</b>	<b>73345714</b>

### SCHEDULE-5

#### FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-04-2009	ADDITION DURING YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2010	AS AT 01-04-2009	DEPRECIATION / AMORTISATION DURING THE YEAR	DEDUCTIONS DURING YEAR	AS AT 31-03-2010	AS AT 31-03-2010	AS AT 31-03-2009
LAND	392634939	1887327	0	394522266	0	0	0	0	394522266	392634939
OFFICE PREMISES	9361880	0	0	9361880	2724102	331890	0	3055992	6305888	6637778
PLANT & MACHINERY	2580239	23100	0	2603339	1214499	327069	0	1541568	1061771	1365740
FURNITURE & FIXTURES	8122857	260792	0	8383649	6005267	404545	0	6409812	1973837	2117590
VEHICLES	62420550	3623278	777821	65266007	16213771	12562480	571647	28204604	37061403	46206779
OFFICE EQUIPMENTS	4360862	892055	0	5252917	1912303	412427	0	2324730	2928187	2448559
COMPUTER	2168896	590347	3105	2756138	1671740	271349	2963	1940126	816012	497156
SOFTWARE	234141	7500	0	241641	163895	72748	0	236643	4998	70246
<b>T O T A L</b>	<b>481884364</b>	<b>7284399</b>	<b>780926</b>	<b>488387837</b>	<b>29905577</b>	<b>14382508</b>	<b>574610</b>	<b>43713475</b>	<b>444674362</b>	<b>451978787</b>
PREVIOUS YEAR	473931385	48602876	40649897	481884364	16241985	15134045	1470453	29905577	451978787	

## SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-6</b>		
INVESTMENTS (AT COST)		
Trade Investments (Unquoted - Fully Paid up)		
10 Equity Shares (Pre. Yr. 10) of Rs.10/- each		
Starinet Software (India) Ltd.	100	100
40 Equity Shares (Pre. Yr. 40) of Rs.100/- each		
Shrinidhi Office Owners' Association	4000	4000
10,000 Equity Shares (Previous year 10,000) of Rs.10/- each in	100000	100000
Ganesh Infrastructure (India) Pvt Ltd.		
<b>Total</b>	<b>104100</b>	<b>104100</b>
<b>SCHEDULE-7</b>		
INVENTORIES		
Work-In-Process	1232299146	792537228
<b>Total</b>	<b>1232299146</b>	<b>792537228</b>
<b>SCHEDULE-8</b>		
SUNDRY DEBTORS : (UNSECURED, CONSIDERED GOOD)		
Due for a period exceeding six months	1269307183	1631054796
Others	488855386	24567060
<b>Total</b>	<b>1758162569</b>	<b>1655621856</b>
<b>SCHEDULE-9</b>		
CASH & BANK BALANCES :		
Cash on hand	1951840	203337
BALANCES WITH SCHEDULED BANKS :		
In Current Accounts	47046676	12754408
In Fixed Deposits with Scheduled Bank	21618072	109940
In Unpaid Dividend Accounts	4675842	2668988
<b>Total</b>	<b>75292430</b>	<b>15736673</b>

## SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE-10</b>		
LOANS & ADVANCES : (Unsecured, Considered Good)		
Business Advances to Co-Operative Societies	117750514	114812514
Business Advances to Non Trading Corporation	5225380	5225380
Advances for Purchase of land to Companies under the same management (Refer to note no. 9 of Schedule-19)	3235709572	2378405500
Business Advances to Companies under the same management (Refer to note no. 10 of Schedule-19)	7081898	2344198
Mobilisation deposit to a contractor company under the same management (Refer to note no. 10 of Schedule-19)	722550000	722600000
Loan given to Trust In which Directors of the company are interested (Refer to note no. 11 of Schedule-19)	400000	0
Advance for purchase of Land	9471960	2100000
Other Advances	29843054	29843054
Advance to Supplier	5441378	1623
Advance to Staff	504000	500000
Advances recoverable in cash or kind	9128163	3399678
Electricity, AUDA, Legal charges receivable for residential projects	31364720	2665610
Registration deposit	1162290	1075725
Office Maintenance Deposit	395940	395940
Advance payment of Income Tax, FBT,TDS & WT	56149184	57765183
<b>Total</b>	<b>4232178053</b>	<b>3321134405</b>
<b>SCHEDULE-11</b>		
CURRENT LIABILITIES :		
Sundry Creditors	527057521	511217585
Unpaid / Unclaimed Dividends (Liability towards Investors Education and Protection Fund u/s 205C of the Companies Act, 1956 not due)	4675103	2668309
Other Current Liabilities	133371106	33028002
Tax Deducted at Source Payable	2395660	1208534
<b>Total</b>	<b>667499390</b>	<b>548122430</b>
<b>SCHEDULE-12</b>		
PROVISIONS :		
Provision for Gratuity	2743376	4109836
Proposed/ Interim Dividend	58780584	58780584
Tax on Dividend	44961271	34971510
Provision for Fringe Benefit Tax	1593550	1783555
Provision for Wealth Tax	780597	418737
Provision for Income Tax	178668380	135668380
<b>Total</b>	<b>287527758</b>	<b>235732602</b>



## SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE-13</b>		
<b>OTHER INCOME</b>		
Interest from Banks (TDS Rs.33729/- Previous Year Rs1958850/-)	273200	7417724
Interest on FDR with SSNNL (TDS Rs.9855/- Previous Year Rs.7302/-)	98549	92349
Interest on IT Refund	1070469	0
Excess provision of Bonus W/off.	66922	41086
Excess provision of Gratuity W/off	0	6899726
Sundry Balances written off	27711	21804
Extra Work Income	0	7500
Income from past Projects	9392022	21808808
Profit on sale of Fixed Assets	1358	10746
Home Loan commission	81621	0
Previous year Income	134875	0
Sale of Scrap	455060	0
<b>Total</b>	<b>11601787</b>	<b>36299743</b>
<b>SCHEDULE-14</b>		
<b>PROJECT EXPENSES</b>		
Brochure Exp.	1006317	561745
Carting Exp	698490	191864
Electric Exp.	1905984	595304
Labour Exp.	53150093	20269382
Land Purchase	436028079	597580031
Land Revenue	16027200	0
Machinery Rent	571116	197422
Material Testing Charges	51431	4610
Professional Charges	0	1391711
Raw Material purchase	145152138	50310341
Repairs & Maintenance Exp.	199446	82158
Road Work Exp.	1447107	415396
Site Exp.	378046	403617
Site Office Exp.	659268	179157
Site Security Exp.	103200	159750
Survey Exp.	156893	150000
Expenses of past projects	990	6023573
Expenses of Construction of Mall	2979081	7378843
<b>Total</b>	<b>660514879</b>	<b>685894904</b>

## SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE-15</b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
Annual Custody Fee	110300	67416
Annual Listing Fee	126569	127184
Appeal Fee	10000	1000
Audit Fee	572457	282092
Books & Magazine Expenses	12906	6005
Broucher Exp.	296100	0
Carting Exp.	975	320
Computer Consumable	163363	84251
Conveyance Reimbursement	287163	321196
Corporate Action Fee (NSDL)	0	3402
Courier Charges	120431	62590
Director's Travelling Exp.	667551	3015323
Demat Charges	1111	0
Donation	7632566	4383982
Electric Expenses	1256452	1043917
Filing Fee	17750	12825
Income Tax Practitioner Fee	1005515	0
Insurance Exp.	84038	14782
Internal Audit Fee	50000	50000
Internet Charges	250650	129644
Loss on sale of Fixed assets	55174	110075
Miscellaneous Expenses	19063	106768
Mobile Phone Exp.	1065042	963207
Motor-Car Exp.	2393814	1705613
Motor-Car Insurance	672692	294876
Municipal Tax	278603	257323
Newspaper Exp.	14265	18006
Office Exp.	329066	493586
Office Maintenance Charges	155760	155760
Penalty	80787	20000
Penalty on Provident Fund	24525	0
Penalty on VAT	2200	1900
Postage Exp.	179341	121768
Previous Year Exp.	744966	119575
Preliminary Expenses	1107900	2900
Professional Fee	14831730	14535840
Professional Tax	2400	2400

## SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
Registration Fee	5000	0
Religious Exp.	894040	19569508
Repair & Maintenance Exp.	195800	313360
Security Service Charges	1324522	2262452
Seminar fee	2000	4494
Service Tax	223936	77142
Sitting Fee	201000	212400
Software Licence	345708	0
Staff Training fee	2200	0
Stamp Exp.	80908	33060
Stationery & Printing Exp.	511840	759358
Subscription	0	39736
Sundry balances written off	62654	251179
Survey Charges	0	15000
Tax Audit Fee	55150	55150
Tea Exp.	121790	110017
Telephone Exp.	73445	64270
Travelling Exp.	987078	2517060
Typing & Xerox Exp.	741361	990719
VAT Exp.	4065108	1382613
<b>Total</b>	<b>44516765</b>	<b>57173044</b>
<b>SCHEDULE-16</b>		
<b>INTEREST &amp; FINANCE EXPENSES :</b>		
Bank Charges	403057	112648
Loan Insurance Premium	545596	0
Loan Processing Charges	5129392	61767682
Finance Charges	2222752	2820569
Foreign Exchange Fluctuation	14596515	63144056
Interest to Bank	96267936	102790991
Interest on Professional Tax	34	0
Interest on Service Tax	0	52
Interest on Wealth Tax	0	3679
Interest on T D S	576014	11800
Interest on VAT	118475	14159
Interest to Others	20079421	386372
F.D. Commission	269175	15660
<b>Total</b>	<b>140208367</b>	<b>231067668</b>

## SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE-17</b>		
STAFF COST:		
Bonus Exp.	1340328	979981
Conveyance Allowance	547758	236195
Director's Medical Exp	741629	0
Director's Remuneration	9350000	11400000
ESI Contribution	127426	119644
P.F.Contribution	231946	186723
Gratuity	720589	331353
M.D.Remuneration	5850000	5400000
Medical Allowance	6288	3652
Salary Exp.	16090388	11763801
Staff Uniform	32875	13125
Staff Welfare	3815	0
Vehicle Exp to Employee	41305	18510
Vehicle Exp	3825	0
<b>Total</b>	<b>35088172</b>	<b>30452984</b>
<b>SCHEDULE-18</b>		
MARKETING EXPENSES		
Advertisement Expenses	13878210	5429772
Brokerage Exp.	110000	50000
Marketing Exp.	313352	0
Sales Promotion Exp	3066558	5317461
Sample House Furniture	85921	0
Sponsorship Charges	2010000	50000
Stall Rent		8327250
Website Charges	17334	0
<b>Total</b>	<b>20314100</b>	<b>10847233</b>

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### SCHEDULE - 19

#### SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

##### SIGNIFICANT ACCOUNTING POLICIES:

##### 1. NATURE OF OPERATION:-

The parent company is engaged in the business of construction of Residential, commercial and infrastructure projects.

##### 2. BASIS OF PREPARATION:-

The consolidated financial statements relate to Ganesh Housing Corporation limited, and its fully owned subsidiaries namely Gatil Properties Pvt. Ltd. and Yash Organiser Pvt Ltd. The accounting policies have been consistently applied by the company and except for the changes made in accounting policy discussed below, are consistent with those used in the previous year. Comparative figures of Gatil Properties Pvt. Ltd. for the previous year are provided in consolidated financial statements as holding-subsidiary relationship came into existence during the year.

##### 3. PRINCIPLES OF CONSOLIDATION:-

The Consolidated Financial Statements have been prepared on the following basis:

The financial statements of the Parent Company & its Subsidiary Companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income & expenses after fully eliminating intra group balances & intra group transactions resulting in unrealized profits or losses, if any, as per Accounting Standard – 21, Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India.

- A. The financial statements of the subsidiary companies are drawn for the same period as that of the Parent Company i.e. year ended March 31, 2010. These statements have been prepared to meet the requirement of Clause 32 of the listing agreement with the stock exchange.
- B. The amount invested by the company in second subsidiary company is less than the proportionate value of Share Capital and Reserves & Surplus of the said company. The difference is recognized as Capital Reserve.

The goodwill of one subsidiary company and capital reserve of another subsidiary company are netted off and the balance amount is shown as Capital Reserve under the head Reserves & Surplus in the Balance Sheet.

- C. List of the Domestic Subsidiaries considered for consolidation.

Sr No	Name Of Company	Nature of Relationship	Country of Incorporation	Extent of Holding/Voting Power (%) as on March 31, 2010.
1.	Yash Organiser Pvt Ltd	Subsidiary	India	100 %
2.	Gatil Properties Pvt. Ltd.	Subsidiary	India	69.10%

- D. As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions & other events in similar circumstances & are presented to the extent possible, in the same manner as the Parent Company's separate financial statements. Differences, if any, in the accounting policies have been disclosed separately.

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### 4. SYSTEM OF GROUP ACCOUNTING:

The company adopts the accrual concept in preparation of accounts.

### 5. RECOGNITION OF INCOME & EXPENDITURE

All Income & Expenditure are accounted for on accrual basis.

### 6. FIXED ASSETS & DEPRECIATION:

A. Fixed assets are stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

#### B. Depreciation on fixed assets:

Depreciation is provided at the rates and in the manner laid down in Schedule XIV to the Companies Act, 1956 on "Written down value" method in respect of all assets.

C. In accordance with Accounting Standard —26 Intangible Assets, issued by The Institute of Chartered Accountants of India, Software is being amortized over a period of three years.

### 7. BORROWING COST:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for their intended use or sale) are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 8. TAXES ON INCOME:

Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

### 9. DEFERRED TAX:

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### 10. INCOME FROM REAL ESTATE DEVELOPMENT PROJECTS:

A. The Company records revenue on all its Real Estate Development Projects based on Accounting Standard — 9. i.e. Revenue Recognition and also based on guidance note issued by the Institute of Chartered Accountants of India "Revenue Recognition for Real Estate Developers".

B. The full revenue is recognized on sale of property when the Company has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.

C. However, when the Company is obliged to perform any substantial acts after transfer of all significant risks & rewards of ownership on sale of property, the revenue is recognized on proportionate basis as the acts are performed i.e. by applying the percentage completion method.



## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### 11. LEASE OF LAND OF SEZ PROJECT:

Land given on perpetual lease is treated as actual sale of land.

### 12. RETIREMENT & OTHER EMPLOYEE BENEFITS:-

#### A. Defined Contribution Plans:-

The company's contribution paid / payable for the year to Provident Fund are recognized in the Profit & Loss Account. The company has no obligation other than the contribution payable to the Government.

#### B. The company has defined benefits plans for Gratuity. The liability for which is determined on the basis of an actuarial valuation at the year end an incremental liability is provided for in the books. The gratuity scheme is administered by a trust. The payment for gratuity is made to LIC of India through the trust.

#### C. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.

### 13. IMPAIRMENT OF FIXED ASSETS:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

### 14. INVENTORY:

#### A. In case of inventory of raw materials, the raw materials received on the site are treated as consumed in the books of the Company.

#### B. The Closing stock of WIP has been valued at cost.

### 15. TRANSACTIONS IN FOREIGN CURRENCY

#### A. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.

#### B. Monetary items denominated in foreign currencies at the period end are restated at period end rates.

#### C. Non monetary foreign currency items are carried at cost.

#### D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the profit and loss account.

### NOTES FORMING PART OF ACCOUNTS:

#### 1. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.

#### 2. CONTINGENT LIABILITIES:

#### A. The Company amalgamated with Ganesh Lea-Finvest Ltd with effect from 1st April, 1997 pursuant to the scheme of amalgamation approved by Hon'ble High Court of Gujarat. In September 2001 the office of Superintendent of Stamps, Gandhinagar has issued a notice under The Bombay Stamp Act, 1958 calling upon the Company to pay

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

stamp duty of Rs.175402/- in view of amalgamation. Subsequently, the company had paid stamp duty on issue of bonus shares and preferential issue of shares and warrants. The said stamp duty amount was more than required. The company has made a representation to the department and requested them to adjust the amount. The response from the department is awaited.

- B. During the financial year 2007-08 the company received the order from the Honourable High Court of Gujarat approving the amalgamation of the company with five of its group companies. The stamp duty has to be paid on amalgamation of the companies. The company has referred the matter to the Superintendent of Stamps at Gandhinagar. They have not yet determined the amount of stamp duty. Hence no provision has been made in the accounts for the payment of stamp duty.
  - C. The company had made provision for payment of Dividend Distribution Tax in the F.Y. 2007-2008 and F.Y. 2008-2009 totaling in to Rs. 34971510/-. However, the dividend was paid out of Profits of SEZ Project and hence on legal advice the company has taken a stand that Dividend Distribution Tax is not payable.
  - D. The company had completed a scheme known as International Pharma & Biotech Park during the period 2004-2005 to 2006-2007. The company had also paid service tax amounting to Rs. 2069669/- on the above scheme and interest of Rs. 448296/-. However, the service tax department has issued a show cause notice for Rs. 4288695/-. The company has preferred an appeal against this demand.
3. The Company has carefully considered the impact of Accounting Standard—28 pertaining to Impairment loss. As the recoverable amount of assets is higher than the WDV of its Fixed Assets no provision is made for impairment of Assets.
  4. Balance of Secured Loans, Unsecured Loans, Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.
  5. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business.
  6. Payment to auditors:

SR.NO.	PARTICULARS	2009-2010 Rupees	2008-2009 Rupees
1	As Auditors	572457	282092
2	Tax Audit Fees	55150	55150
3	For Certification & other Work etc.	158022	50417
	<b>TOTAL</b>	<b>785629</b>	<b>387659</b>

### 7. Managerial Remuneration:

(Rs. In Lacs)

PARTICULARS	2009-2010	2008-2009
Late Shri Govindbhai C. Patel- Chairman & Whole time Director - Salary	35.00	60.00
Shri Deepakbhai G. Patel - Chairman & Whole time Director - Salary	58.50	54.00
Shri Shekharbhai G. Patel -Managing Director— Salary	58.50	54.00
<b>Total</b>	<b>152.00</b>	<b>168.00</b>

According to the Articles of Agreement entered into between the Company and the abovementioned directors, they were entitled to commission of 1% on the net profits of the Company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956. During the year the directors waived the commission payable to them. Hence, the calculation of the commission is not given.

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

8. The details of security offered for the secured loans taken from banks are as follows:

- a) The Term loan from Bank of India was secured against deed of hypothecation, hypothecating all tangible movable machinery and plant (both present and future), whether installed or not and whether now lying loose or in cases at site or in transit or wherever else the same may be and

Equitable mortgage by deposit of title deeds of the open plot of land along with land and buildings and other structures, machinery and plant and other fixtures and fittings erected or installed thereon (both present and future), situate at F P No 431/part and F P No 430, Ambawadi Circle, Ahmedabad, owned by Suraj Co-op Housing Society Ltd. Deed of hypothecation hypothecating all tangible movable machinery and plant (both present and future) and

Joint and several guarantee by Shri Shekhar G. Patel, promoter director of the company and institutional guarantee of Suraj Co-op Housing Society Ltd

- b) A. The term loan from Tamilnad Mercantile Bank Ltd. is secured against the below mentioned Primary securities:

1. On hypothecation of first charge over all the receivables and current assets of all ongoing projects and future projects except the present SEZ project. In addition, explicit the first charge on the following also be created in Bank's favour: 1. Shangrila Bungalow, 2. Mahalaya – II, 3. Shangrila – II at Thalje, 4. Maple County, 5. Suyojan, 6. Satva Apartment at Paldi.
2. On equitable mortgage / registered mortgage over the following projects:

PROJECT	NO. OF UNITS	AMOUNT (Rs. IN CRORES)
Mahalaya – II	21 Bungalows	16.56
Satva	13 Shops	15.46
	18 Apartments	7.00
<b>TOTAL</b>		<b>39.02</b>

- i. Equitable mortgage/registered mortgage, as the case may be, should be created on 21 bungalows which yet to be sold in the project Mahalaya – II.
- ii. Equitable mortgage/registered mortgage, as the case may be, should be created on 13 shops (i.e. 12 shops + 1 shop i.e. entire shopping complex) to be constructed on the ground floor in the Satva project together with 18 apartments which will be detailed while executing the documentation.

- B. The term loan from Tamilnad Mercantile Bank is secured against the below mentioned Collateral securities:

1. On equitable mortgage of land to the extent of 7423 sq.yds (6195 sq.mtrs.) and to be constructed building to the extent of 11118.89 sq. mt. (Construction is in process) [Basement 2378.85 sq. mt. + Plinth 1269.37 sq. mt. + Ground floor 2621.11 sq. mt. + 1st floor 2519.54 sq. mt. + 2nd floor 2330.02 sq. mt.] situated at final plot No 248 of T.P. Scheme No 38 R.S.No. 313/2/2 and 313/3 of Thalje village, Daskroi taluka, Ahmedabad and building under construction standing in the name of M/s Nachiket Properties Pvt Ltd, the company which has been now amalgamated with M/s Ganesh Housing Corporation Ltd. valued at Rs 1952.24 lakhs.
2. On equitable mortgage of land to the extent of 7405 sq.mt. situated at Final plot No 187 (part) of Draft T.P. Scheme No 38, R.S.No. 356 situate, lying and being Mouje Thalje village, Daskroi taluka, Ahmedabad standing in the name of M/s Sujana Developers Pvt Ltd. valued at Rs 2132.64 lakhs)

- C. Tamilnad Mercantile Bank Ltd. 1st charge on all movable assets of SEZ project will be conceded in favour of ICICI Bank Ltd. (Tamilnad Mercantile Bank Ltd. charge to continue as 2nd charge after 1st charge in favour of ICICI Bank Ltd.) if only ICICI Bank Ltd. relinquishes through letter of satisfaction/modification to the effect that ICICI Bank's charge is secondary to the charge of Tamilnad Mercantile Bank Ltd. over the receivables and current assets of all the ongoing and future projects, except the

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

present SEZ project. Specific consent of ICICI Bank Ltd. in writing in this regard should be obtained.

D. The term loan from Tamilnad Mercantile Bank Ltd. is guaranted by:

1. On personal guarantee of Mr Shekharbhai G. Patel and Mr Dipak G. Patel, directors of the company.
2. On the corporate guarantee of M/s. Sujan Developers Pvt. Ltd.
3. On the personal guarantee of all the directors of M/s. Sujan Developers Pvt. Ltd.
4. On the personal guarantee of owners, builders and promoters of all movable and immovable properties as well as other rights that are taken as security for this borrowing/re-schedulement. More specifically for the following projects:

1. Shangri-La Bungalow, 2. Mahalaya — II. 3. Shangri-La — II at Thaltej, 4. Maple County, 5. Suyojan, 6. Satva Apartment at Paldi.

c) The foreign currency term loan from ICICI Bank Ltd. is secured against mortgage or charge on all movable assets, if any, and immovable assets of the SEZ project. Mortgage or charge on all revenues / receivables accruing to the borrower on account of the project and all the project accounts in which the borrower has an interest and all investments made out of any proceeds lying in the TRA accounts and debt service reserve account. Mortgage or charge on assignments of all the rights, title and interest of the company in the project documents. Mortgage or charge on assignments of all insurance policies noting the interest of security Trustee / lender. Pledge of such number of shares of company (subject to section 19(2) & 19(3) of Banking Regulations Act) that a cover of 2.0 times the facility is provided where the shares of company are valued at their average of the closing price for the last 1 month or the last closing price whichever is less on the NSE. If at any time the cover falls below 1.75 times, the company shall top up the cover within 15 business days by providing a pledge over additional company shares to restore the cover to at least 2.0 times the facility amount.

On equitable mortgage of land to the extent of 11841 sq.mt. (14162 Sq. Yd.) situated at Final plot No 229 of R.S.No. 345, 346/1 & 358 situate, lying and being Mouje Thaltej village, Daskroi taluka, Ahmedabad standing in the name of M/s Rajratna Infrastructure Pvt. Ltd.

On personal guarantee of Mr Shekharbhai G. Patel and Mr Dipak G.. Patel, directors of the company.

d) Loan against property from Reliance Capital Limited is secured against mortgage of immovable property situated at A-101, A-102, A-103, A-104, A105, B-101, B-102, B-103, B-104, B-105, U-31 TO U-34, Samudra Complex, Off. C.G. Road, Ellisbridge, Ahmedabad.

On personal guarantee of Mr Shekharbhai G. Patel and Mr Dipak G.. Patel, promoter directors of the company.

e) Loan Against Property from India Infoline Investments Services Limited is secured against mortgage of the below mentioned plots situated near Jalsa Party Plot and Sola Flyover, S.G. Highway, Ahmedabad.

FPlot No. 147/2, EPlot No. 197, FPlot No. 191 of mouje Thaltej, Ahmedabad.

Pledge on 26% shares of Ganesh Housing Corporation Limited in Gatil Properties Private Limited.

Pledge on 100% shares of companies owing the collaterals(Plots). i.e. Malvika Estate Pvt. Ltd., Rajnigandha Developers Pvt. Ltd. & Rohini Realty Pvt. Ltd.

Joint and several guarantee by Shri Shekhar G. Patel & Mr. Dipak G. Patel promoter directors of the company and institutional & corporate guarantee of Gannath Co-op Housing Society Ltd, Malvika Estate Pvt. Ltd., Rajnigandha Developers Pvt. Ltd.

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

9. The details of advances for purchase of land given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows:

NAME OF COMPANY	BALANCE AS ON 31/03/2010 Rupees	BALANCE AS ON 31/03/2009 Rupees
GANESH PLANTATIONS LTD (Maximum balance outstanding at any time during the year Rs 1806426287/- .Previous year Rs 2083121500/-)	1110334572	1238305500
MAHESHWARI (THALTEJ) COMPLEX PVT LTD (Maximum balance outstanding at any time during the year Rs 2125375000/- .Previous year Rs 1140100000/-)	2125375000	1140100000

10. The details of business advances/mobilization deposit given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31/03/2010 Rupees	BALANCE AS ON 31/03/2009 Rupees
GANESH INFOTECH LTD. (Maximum balance outstanding at any time during the year Rs 2147000/- .Previous year Rs NIL.)	2147000	0
MIHIKA BUILDCON LTD. (Maximum balance outstanding at any time during the year Rs 537000/- .Previous year Rs 150000/-)	537000	150000
SANAT COMPLEX PVT. LTD. (Maximum balance outstanding at any time during the year Rs 2300000/- .Previous year Rs NIL.)	2300000	0
STARNET SOFTWARE (INDIA) LTD. (Maximum balance outstanding at any time during the year Rs 1670000/- .Previous year Rs 1630000/-)	1670000	1630000
SUJAN DEVELOPERS PVT. LTD. (Maximum balance outstanding at any time during the year Rs 427898/- .Previous year Rs 427898/-)	427898	427898
MADHUMATI REALTY PVT. LTD. (Maximum balance outstanding at any time during the year Rs 78160/- .Previous year Rs 78160/-)	0	78160
MAITRIK BUILDCON PVT. LTD. (Maximum balance outstanding at any time during the year Rs 1900/- .Previous year Rs 1900/-)	0	1900
MATANG PROPERTIES PVT. LTD. (Maximum balance outstanding at any time during the year Rs 56240/- .Previous year Rs 56240/-)	0	56240
Mobilisation deposit to a Contractor company:- SHRI GANESH CONSTRUCTION PVT LTD (Maximum balance outstanding at any time during the year Rs 722600000/- .Previous year Rs 722600000/-)	722550000	722600000

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

11. The details of loan given to trust in which directors of the company are interested, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON	BALANCE AS ON
	31/03/2010	31/03/2009
	Rupees	Rupees
GOVINDBHAI C. PATEL FOUNDATION	400000	0
(Maximum balance outstanding at any time during the year Rs 400000/- .Previous year Rs NIL.)		

12. Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st 2010. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

13. As this is a construction Company the information required as per paragraph 4C of part II of Schedule VI of the Companies Act, 1956, regarding Licensed Capacity, Installed Capacity and actual production are not given.

14. The information required as per paragraph 4D of Part II of Schedule VI of the Companies Act, 1956, regarding earning and amount spent in foreign currency is as follows:

Earning in Foreign Currency:

SR.NO.	PARTICULARS	2009-2010	2008-2009
		Rupees	Rupees
1	Booking of Residential Property	7303753	NIL
2	Issue of Equity Shares	851198500	NIL
	TOTAL	858502253	NIL

Expenditure in Foreign Currency:

SR.NO.	PARTICULARS	2009-2010	2008-2009
		Rupees	Rupees
1	Foreign Travelling Exp.	389782	1272081
2	Purchase of Fixed Assets	3419148	NIL
	TOTAL	3808930	1272081



## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

15. The information required as per Paragraph 3 of Part II of Schedule VI of the Companies Act, 1956, regarding quantitative information about the Purchases made, the Opening and Closing Stocks are as follows.

### INFRASTRUCTURE PROJECTS – SEZ

PARTICULARS	2009-2010		2008-2009	
	QTY	AMOUNT Rupees	QTY	AMOUNT Rupees
SALES				
LAND (SQ. YD.)	-	-	44653	537624000
TOTAL	-	-	44653	537624000
RESIDENTIAL PROJECTS				
PARTICULARS	2009-2010		2008-2009	
	QTY	AMOUNT Rupees	QTY	AMOUNT Rupees
I) OPENING STOCK				
LAND (SQ YARDS)	86874	152228827	79951	56924543
WIP	-	7371954	-	0
TOTAL	86874	159600781	79951	56924543
II) PURCHASE				
a) LAND (SQ YARDS)	19025	105085500	11400	87907250
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	2394400	5542233	739650	1869906
Cement (Bags)	48990	9571100	39852	8648339
Steel (Kgs)	1952622	60127744	68664	2591202
Other materials	-	69911061	-	37200894
TOTAL	-	250237638	-	138217591
III) CONSUMPTION				
a) LAND (SQ YARDS)	-	0	-	0
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	2394400	5542233	739650	1869906
Cement (Bags)	48990	9571100	39852	8648339
Steel (Kgs)	1952622	60127744	68664	2591202
Other materials	-	69911061	-	37200894
TOTAL	-	145152138	-	50310341
IV) CLOSING STOCK				
LAND (SQ YARDS)	78729	244715249	86874	152228827
W.I.P.	-	19817797	-	7371954
TOTAL	78729	264533046	86874	159600781
V) SALES				
LAND (SQ.YARDS) & CONSTRUCTED UNITS	27170	1005770155	4477	46478476
TOTAL	-	1005770155	-	46478476

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### COMMERCIAL PROJECT

PARTICULARS	2009-2010		2008-2009	
	QTY	AMOUNT Rupees	QTY	AMOUNT Rupees
I) OPENING STOCK				
LAND (SQ YARDS)	-	0	-	0
WIP	-	123263666	-	115884823
TOTAL	-	123263666	-	115884823
II) PURCHASE				
a) LAND (SQ YARDS)	-	0	-	0
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	-	0	-	0
Cement (Bags)	-	0	-	0
Steel (Kgs)	-	0	-	0
Other materials	-	2979081	-	7378843
TOTAL	-	2979081	-	7378843
III) CONSUMPTION				
a) LAND (SQ YARDS)	-	0	-	0
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	-	0	-	0
Cement (Bags)	-	0	-	0
Steel (Kgs)	-	0	-	0
Other materials	-	0	-	0
TOTAL	-	0	-	0
IV) CLOSING STOCK				
LAND (SQ YARDS)	-	0	-	0
W.I.P.	-	126242747	-	123263666
TOTAL	-	126242747	-	123263666
V) SALES				
UNITS	-	0	-	0
TOTAL	-	0	-	0

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### TOWNSHIP PROJECT

PARTICULARS	2009-2010		2008-2009	
	QTY	AMOUNT Rupees	QTY	AMOUNT Rupees
I) OPENING STOCK				
LAND (SQ YARDS)	785927	509672781	-	0
WIP	-	0	-	0
TOTAL	-	0	-	0
II) PURCHASE				
a) LAND (SQ YARDS)	416237	330942579	657130	509672781
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	-	0	-	0
Cement (Bags)	-	0	-	0
Steel (Kgs)	-	0	-	0
Other materials	-	907993	-	0
TOTAL	416237	331850572	657130	509672781
III) CONSUMPTION				
a) LAND (SQ YARDS)	-	0	-	0
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	-	0	-	0
Cement (Bags)	-	0	-	0
Steel (Kgs)	-	0	-	0
Other materials	-	0	-	0
TOTAL	-	0	-	0
IV) CLOSING STOCK				
LAND (SQ YARDS)	1202164	840615360	657130	509672781
W.I.P.	-	907993	-	0
TOTAL	-	841523353	-	123263666
V) SALES				
UNITS	-	0	-	0
TOTAL	-	0	-	0

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED

PARTICULARS	%	2009-2010 Rupees	%	2008-2009 Rupees
Imported	-	0	-	0
Indigenous	-	145152138	-	50310341
TOTAL	-	145152138	-	50310341

16. The Company has given business advances to various companies, co-operative societies and Non-Trading Corporations amongst others. No interest is chargeable on such loans. As the said advances are in the nature of business advance, the Company is of the view that there is no violation of the provision of Section 372A.

### 17. Basic & Diluted Earnings per share:-

SR. NO.	PARTICULARS	2009-2010	2008-2009
A	Calculation of Weighted Average number of Equity Shares of Rs.10/- each.		
	Number of shares at the beginning of the year	32655880	32655880
	Total number of shares at the end of the year	32655880	32655880
	Weighted average number of shares outstanding during the year – For Basic Earnings	32655880	32655880
	Weighted average number of shares outstanding during the year – For Diluted Earnings	41027826	32655880
B	Net profit after tax available for equity share holders	473732893	494926097
C	Basic Earnings per share		
	-- Before extra ordinary items	14.51	15.16
	-- After extra ordinary items	14.51	15.16
D	Diluted Earnings per share		
	-- Before extra ordinary items	11.55	15.16
	-- After extra ordinary items	11.55	15.16

### 18 Segment Reporting:-

- The Company has considered business segment as the primary segment for disclosure. Therefore, in the opinion of the company, there are no different primary segments.
- All the projects of the Company are being implemented in and around Ahmedabad city only. Therefore, in the opinion of the company, there are no different geographical segments.

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

19. The break up of net deferred tax Assets as at 31-03-2010 is as under:

Particulars	Deferred Tax Amt. 2009-2010	Deferred Tax Amt. 2008-2009
Deferred Tax Assets		
Timing Difference :-		
Unabsorbed Long term Business Loss	657975	250019
Expenses disallowed U/s. 40A(7)	932474	1396933
Expenses disallowed U/s. 35DD	368406	564054
Expenses disallowed U/s. 43B	455577	497228
Difference in Net Block Fixed Assets as per books and I. T. Return	4789725	3600488
Total → A	7204157	6308722
Deferred Tax Liabilities		
Timing Difference:-		
Difference in Net Block Fixed Assets as per books and I. T. Return	0	0
Total → B	0	0
Total → A-B = Net Deferred Tax Assets	7204157	6308722

20. Related party disclosures:-

1. Parties where control exists:

Shangrila Funworld Pvt Ltd, Ganesh Plantations Ltd, Ganesh Infotech Ltd, Shri Ganesh Construction Pvt Ltd, Siddhivinayak Securities Pvt Ltd, Shaligram Investments Pvt Ltd, Starnet Software (I) Ltd., Madhurkamal (Thaltej ) Complex Private Limited, Madhav (Thaltej) Complex Private Limited, Mandar (Thaltej) Complex Private Limited, Maheshwari (Thaltej) Complex Private Limited, Mitul (Thaltej) Complex Private Limited, Vinat Complex Private Limited, Sanat Complex Private Limited, Shadval Complex Private Limited, Vishad Complex Private Limited, Tarang Realty Private Limited, Shahil Infrastructure Private Limited, Gamit Builders Private Limited, Vyom Realty Private Limited, Unmesh Complex Private Limited, Shushna Complex Private Limited, Tathya Complex Private Limited, Viraj Complex Private Limited, Milind Complex Private Limited, Gavendu Land Developers Private Limited, Shaily Infrastructure Private Limited, Sadhan Buildcon Private Limited, Nilay Realty Private Limited, Sanmukh Developers Private Limited, Nihal Estate Private Limited, Mukur Real Estate Private Limited, Vimoh Land Developers Private Limited, Gaven Construction Private Limited, Mihika Buildcon Limited, Shakil Buildwell Private Limited, Vardhan Land Developers Private Limited, Vibhor Realty Private Limited, Ganesh Infrastructure (India) Pvt. Ltd., Ganeshsagar Infrastructure Private Limited, Martand Estate Private Limited, Matang Properties Private Limited, Maitrik Buildcon Private Limited, Medhbhuti Complex Private Limited, Madhuj Realty Private Limited, Madhumati Realty Private Limited, Tirth Developers Private Limited, Malvika Estate Private Limited, Mahavir (Thaltej) Complex Private Limited, Shreekala Infrastructure Private Limited, Sulabh Realty Private Limited, Rajratna Infrastructure Private Limited, Shardul Buildcon Private Limited, Rajnigandha Developers Private Limited, Tirth Realty Private Limited, Rohini Realty Private Limited, Gagan Infrastructure Private Limited, Gitanjali Infrastructure Private Limited, Sujan Developers Private Limited, Shree Ganesh Fintrade Ltd., Govindbhai C. Patel Foundation, Ganesh Housing Corporation.

2. Subsidiary

- A. Yash Organiser Pvt Ltd
- B. Gatil Properties Pvt. Ltd.

## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### 3. Key Management Personnel

Late Shri Govindbhai C. Patel, Shri Shekhar G.Patel, Shri Dipak G.Patel,

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2010:-

Nature of Transaction	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Advances by Company	NIL	139781940	3965741470	NIL	NIL	4105523410
Unsecured loans taken by Company	NIL	NIL	427898	7500	0	435398
Investment in equity of other companies by Company	NIL	499224950	100100	NIL	NIL	499325050
Debtors of the Company	NIL	NIL	NIL	4289334	NIL	4289334
Reimbursement of Exp. by Company	NIL	NIL	47776	226875	666	275317
Creditors of the Company	NIL	NIL	25922387	27829406	34583	53786376
Remuneration to Directors by Company	NIL	NIL	NIL	15200000	NIL	15200000
Purchases by Company	NIL	NIL	35874900	124352673	123284000	283511573

21. Donation includes Rs. 2500000/- contributed during the year to a political party viz. Akhil Bharat Congress Committee. (Gujarat Pradesh Congress Committee)

22. The land owned by Ganesh Housing Corporation Ltd. and its subsidiary companies viz. Gatil Properties Pvt. Ltd. and Yash Organizer Pvt. Ltd. are as follows. The figure also includes land over which Gatil has a right by way of various MOUs.

Sr. No.	Particulars	Location	Land area (in Acres)
1	SEZ project	Tragad & Chharodi – Ahmedabad	84.41
2	Satva project	Paldi – Ahmedabad	2.35
3	Suyojan project	Sola – Ahmedabad	2.67
4	Maple County project	Shilaj - Ahmedabad	5.01
5	Maple County II project	Shilaj - Ahmedabad	5.05
6	Corporate House	Thaltej - Ahmedabad	1.53
7	Land for Commercial project	Thaltej - Ahmedabad	1.02
8	Smile City – Township - Gatil	Godhavi - Ahmedabad	419.00
9	GCP Business Centre - Yash	Memnagar - Ahmedabad	0.78
	Total		521.82

23. The subsidiary company Gatil Properties Pvt. Ltd. has acquired total land admeasuring 1202164 Sq. Yd. Out of the total, land registered under Company's name admeasuring 274446 Sq. Yd. and land for which Banakhat has been made admeasuring 927718 Sq. Yd. The company have passed necessary entry and shown the land as acquired because the possession of the said land has been given to the company.



## SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31-03-2010

### 24. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE-VI TO THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile	
I Registration details	
Registration No.	L45200GJ1991PLC015817
State Code	04
Balance Sheet date	31/03/2010
II Capital Raised during the year (Amt. in Rs. Thousand)	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
III Position of mobilisation and deployment of funds (Amt. in Rs. Thousand)	
Total Liabilities	6877397
Total Assets	6877397
Source of Funds:	
Paid up capital	326559
Share Application Money	550969
Reserve & surplus	4718160
Minority Interest	238427
Secured Loans	906463
Unsecured Loans	136819
Application of funds:	
Fixed Assets	527184
Investments	104
Deferred Tax Assets	7204
Net Current Assets	6342905
IV Performance of Company (Amount in Rs. Thousand)	
Sale and other income	2249671
Total Expenditure	1707562
Profit before tax	542109
Profit after tax	473733
Basic & Diluted Earnings per share	14.51
Dividend @ %	18%
V Generic Names of three principal products/services of Company	
Item Code No.	N.A.
Product description	Builder & Developer
Item Code No.	N.A.
Product description	Sale of Land
Item Code No.	N.A.
Product description	Interest Income

#### SIGNATURES TO SCHEDULE 'I' TO '19' FORMING PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

V R LALAJI  
PRESIDENT (LEGAL) &  
COMPANY SECRETARY

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
MANAGING DIRECTOR

PLACE : AHMEDABAD.  
DATE : 14/08/2010.

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

1	Name of the Subsidiary Company	Gatil Properties Pvt.Ltd.	Yash Organiser Pvt.Ltd.
2	Financial Year of the Subsidiary Company ended on	31-Mar-2010	31-Mar-2010
3	Share of the subsidiary held on the above date		
a)	Number of Equity Shares	2441410	10000
b)	Face Value	Rs10/-	Rs10/-
c)	Extent of Holding	69.10%	100%
4	Net aggregate amount of the profits of the subsidiary company so far as it concerns the members of the company	NIL	NIL
a)	Dealt with in the Company's Accounts		
i)	for the financial year of the subsidiary	NIL	NIL
ii)	for the previous financial years of the subsidiary since it became the subsidiary of the company	NIL	NIL
b)	Not Dealt with in the Company's Accounts		
i)	for the financial year of the subsidiary	(3000084)	(179540)
ii)	for the previous financial years of the subsidiary since it became the subsidiary of the company	154118	(857045)
5	Material changes between the end of the subsidiary's financial year and 31st March, 2010		
i)	Fixed Assets	NIL	NIL
ii)	Investments made	NIL	NIL
iii)	Money lent by the Subsidiary	NIL	NIL
iv)	Money borrowed by the subsidiary company other than for meeting current liabilities	NIL	NIL
v)	Investment disposal	NIL	NIL
vi)	Share capital	NIL	NIL

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G. PATEL  
CHAIRMAN

SHEKHAR G. PATEL  
MANAGING DIRECTOR

V.R.LALAJI  
PRESIDENT(LEGAL) &  
COMPANY SECRETARY

Place : AHMEDABAD  
Date : 14/08/2010.

Place : AHMEDABAD.  
Date : 14/08/2010.

# DIRECTORS' REPORT

TO

THE MEMBERS OF

GATIL PROPERTIES PRIVATE LIMITED

Gentlemen,

The Board of Directors present herewith the Eighth Annual Report along with Audited Accounts and Report of the Auditors thereon for the year ended on 31st March, 2010.

## FINANCIAL RESULTS

(Rupees in Lacs)

Particulars	Year Ended 31-03-2010	Year Ended 31-03-2009
Total Income including Closing Stock	841536320	509741543
Total Expenditure	844782521	509686611
Profit / (Loss) before tax	(3246201)	54932
Provision for tax	0	(16100)
Provision for Deferred Tax	246117	NIL
Profit / (Loss) after Tax	(3000084)	38832
Add : Opening Balance of Profit & Loss A/c	154118	115286
Profit / (Loss) transferred to Balance Sheet	(2845966)	154118

## OPERATIONS

During the year the company is planning to set up a township at village Godhavi, Ahmedabad, Gujarat. The place is about 10 minutes drive from the Municipal limits of Ahmedabad.

At present the company is in the process of acquiring the land for the project. A substantial land admeasuring 1202164 Sq.Yd. has already been acquired. Your directors are hopeful of acquiring the balance land in the current year.

## DIVIDEND

In view of the losses, your directors regret that no dividend has been recommended for the year under review.

## DIRECTORS

During the year Shri Govindbhai C. Patel, Chairman of the company expired. The board places on record its warm appreciation for the services rendered by Shri Govindbhai C. Patel during his tenure as a director of the company. The directors elected Shri Deepakbhai G. Patel as a Chairman of the company.

Shri Girish N. Kulkarni was appointed as an Additional Director of the Company and he holds his office upto the ensuing Annual General Meeting of the Company. Shri Girish N. Kulkarni retires at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA), your Directors confirm that:-

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2010 and of the Loss of the Company for the year ended 31st March, 2010
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on a going concern basis.

## DEPOSITS

The Company has not accepted any deposits from public.

## EMPLOYEES

During the year under review, there was no employee in respect of whom information as per section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of

Employees) Rules, 1975 is required to be given in the Directors' Report.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNING AND OUTGO

The particulars relating to Conservation of Energy and Technology Absorption is Nil and Foreign Exchange Earning is Rs. 851198500 and Outgo is Nil, pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988.

### AUDITORS

M/s. J M Parikh & Associates, Chartered Accountants, Ahmedabad auditors of the Company, hold the office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment. The Auditors have indicated their willingness to continue as the Statutory Auditor of the company if re-appointed.

### ACKNOWLEDGMENTS

The Board of Directors place on record their appreciation for co-operation received from their Bankers during the year under review.

On behalf of the Board of Directors

PLACE : AHMEDABAD

DATE : 25/06/2010

Deepakbhai G. Patel

Chairman

# COMPLIANCE CERTIFICATE

COMPANY No. 041354

AUTHORIZED SHARE CAPITAL Rs. 10,00,00,000/-

COMPLIANCE CERTIFICATE

To, The members

GATIL PROPERTIES PRIVATE LIMITED

We have examined the registers, records, books and papers of GATIL PROPERTIES PRIVATE LIMITED as required to be maintained under the Companies Act, 1956, (the act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents. We certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and rules made there under and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated Annexure 'B' to this certificate, with the Registrar of companies, Regional Director, Central Government, Company Law Board or other authorities as prescribed under the Act and the rules made there under.
3. The Company being private limited company has the paid up share capital of Rs. 3,53,31,550/- and its maximum number of members during the said financial year was 2 excluding its present and past employees and the Company during the year under scrutiny:
  - (i) has not invited public to subscribe for its shares or debentures; and
  - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors duly met 8 times on 4th June 2009, 31st July 2009, 21st August 2009, 1st September 2009, 25th September 2009, 5th December 2009, 21st December 2009 and 8th March 2010 in respect of which proper notice were given and the proceedings were properly recorded and signed in the Minutes book maintained for the purpose.
5. The Company has not closed its Register of Members during the year under review.
6. The annual general meeting for the financial year ended on 31st March, 2009 was held on 6th July, 2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. Two Extra ordinary general meetings were held during the year and notice of which are dispatched & resolution passed there at was duly recorded in the minutes book maintain for the purpose.
8. The company being Private Limited Company, Section 295 of the Act is not applicable to the Company.
9. There has been no contract to which provisions of Section 297 is applicable.
10. There were transactions which required entry into the register maintained under section 301 of the Act.
11. As no relative of directors was appointed in the office or place of profit, no approval u/s 314 of the Act, was required..
12. No duplicate shares certificate was issued during the year.
13. The Company has:
  - (i) allotted 35,23,155 equity shares during the year under review. 10 equity shares has been acquired by the company because of the death of Nominee (Mr. Govindbhai C. Patel) No Shares are lodged for transfer & transmission.
  - (ii) not declared any dividend, therefore the question of depositing the amount of declared dividend in separate bank account does not arise.

- (iii) not required to transfer to Investor Education and Protection Fund the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
  - (iv) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was an appointment of additional directors in compliance with the provisions of the Act, however there was no appointment of Alternate Directors, and directors to fill casual vacancies was made during the financial year under review.
15. The company being a Private Limited company, provisions of Section 269 of the Act with regard to appointment of Managing Director are not applicable
16. The company has not appointed any sole selling agent during the year under review.
17. The company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of directors pursuant to the provisions of the Act and rules made there under.
19. The company has issued any Equity Shares during the financial year & complied with the provisions of the Act.
20. The company has not bought back shares during the financial year ending 31st March, 2010.
21. The company has not issued any preference shares/debentures; therefore question of redemption does not arise.
22. The company was not required to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The company has not accepted deposit from public & therefore, there is no question of applicability of provisions of section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975.
24. As the Company being Private Limited company the provisions of Sec. 293(1)(d) of the Act is not applicable to the company.
25. The company has not made loans and investments, or given guarantees or provided securities to other bodies corporate therefore it was not required to comply with the provisions of the Act.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny and complied with the provisions of the Act.
30. The company has not altered its article of association during the financial year under review.
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the Company during the financial for offences under the Act.
32. The company has not received any amount as security from its employees during the year under certification and therefore no compliance under section 417(1) is required.
33. The company has not constituted any Provident Fund for its employees, therefore no compliance under section 418 of the Act is required.

For Kapoor & Ved  
Company Secretaries

Ashish Shah  
Partner (C.P.No. 4178)

Place: Ahmedabad

Date: 25/06/2010



## Annexure A

Registers as maintained by the Company:

1. Register of Members u/s 150 of the Act.
2. Register of Director u/s 303 of the Act.
3. Register of Director's Shareholding u/s 307 of the Act.
4. Register of Disclosure of Interest u/s 301(3) of the Act.
5. Minutes of the meeting of the Board of Directors 6.Minutes of the General Meeting of Shareholders
7. Register of Application and Allotment of Shares
8. Register of Investments u/s 49
9. Register of Books of Accounts u/s 209
10. Transfer Register
11. Register of Contracts
12. Register of contract

## Annexure B

Forms and Returns as filed by the company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2010.

Sr. No.	Form No./	Return Filed under Section	Date of filing	Whether filed under prescribed time Yes/No	If delay in filing whether requisite additional fees pai
1.	Form 22B	u/s 187C (4)	25/05/2009	No	Yes
2.	Form 5	u/s 97	24/08/2009	Yes	NA
3.	Form 2	u/s 75 (1)	02/09/2009	Yes	NA
4.	Form 2	u/s 75 (1)	07/10/2009	Yes	NA
5.	Form 23AC	u/s 220	30/09/2009	No	Yes
6.	Form 20B	u/s 159	30/09/2009	No	Yes
7.	Form 5	u/s 95	27/11/2009	Yes	NA
8.	Form 32	u/s 303	10/12/2009	Yes	NA
9.	Form 22B	u/s 187C (4)	25/12/2009	Yes	NA

For Kapoor & Ved  
Company Secretaries

Ashish Shah  
Partner (C.P.No. 4178)

Place: Ahmedabad  
Date: 25/06/2010

# AUDITORS' REPORT

TO THE MEMBERS OF :

GATIL PROPERTIES PRIVATE LIMITED

1. We have audited the attached Balance Sheet of GATIL PROPERTIES PRIVATE LIMITED as at 31st March, 2010 and the Profit and Loss Account of the Company for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Subsection (4A) of section 227 of the Companies Act, 1956 we enclose in the annexure a statement on the matters specified in paragraph 4 of the said order.
4. Further, 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 such books.
  - c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account.
  - d) In our opinion, the Balance-Sheet & Profit & Loss Account comply with the Accounting Standards referred in to Sub Section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors of the company and taken on record by the board of directors, we report that no director is disqualified as at 31st March, 2010 from being appointed as director of the company under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - i. in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
    - ii. in so far as it relates to the Profit and Loss Account, of the loss for the year ended on that date.

FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLAC : AHMEDABAD.  
DATE : 25/06/2010

PURNESH MEHTA  
PARTNER  
MEMBERSHIP NO.32812  
FIRM REGISTRATION NO. 118007W

# ANNEXURE TO THE AUDITORS' REPORT

TO THE MEMBERS OF :

GATIL PROPERTIES PRIVATE LIMITED

Referred to in paragraph (3) of our Report of even date

- (i) (a) The Company does not have any fixed assets. Accordingly clauses 4(i)a, 4(i)b and 4(i)c of the companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The inventory of the company consists of land which is held as stock in trade by the company.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. There were no discrepancies noticed on verification between the physical stocks and the book records.
- (iii) (a) There are five companies covered in the register maintained under section 301 of the Companies Act, 1956 to whom the Company has granted unsecured, interest free loans. The maximum amount involved during the year was Rs. 519515567/- and the year end balance of loans granted to such Companies was Rs. 489378287/-. The company has not given any other loans to firms or other parties.
- (b) *In our opinion, the rate of interest and other terms and conditions on which loan has been granted to a company, listed in the register maintained under section 301 of the Companies Act, 1956 are, prima-facie, prejudicial to the interest of the Company, as they are interest free and unsecured.*
- (c) As the loans granted by the company are interest free and repayable on demand, the question of timely repayment of interest and loan does not arise.
- (d) There is no over due amount of loans granted to the companies listed in the register maintained under section 301 of the Companies Act, 1956 as the loans are repayable on demand.
- (e) The company had taken unsecured, interest free loan from two companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 478698587/- and the year end balance of loans taken from such companies was Rs. 10046791/-.
- The company had taken unsecured, interest free loan from one other party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 77000/- and the year end balance of loans taken from such other party was Rs. NIL/-. The company has not taken any other loan from firm.
- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies and a party listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima-facie, prejudicial to the interest of the Company.
- (g) The loans taken are interest free and repayable on demand. Hence, the question of regular repayment of principal amount and interest does not arise.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchases of inventory and fixed assets and sale of its goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls system. During the year there was no purchase of any fixed assets and sale of its goods and services.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the contracts & arrangements that need to be entered into 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 such contracts/arrangement have been made at prices which are reasonable having regard to prevailing market prices at the relevant time
- (vi) During the year the Company has not accepted any deposit from the public.
- We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India, any Court or any other Tribunal.
- (vii) *The internal audit system is not commensurate with the size of the company and nature of its business and needs to be strengthened.*
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of subsection (1) of section 209 of the Companies Act, 1956 in respect of services carried out by the Company.
- (ix) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities have been generally regularly deposited.
- According to the information and explanations given to us no other undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty and cess, which have not been deposited on account of any disputes.
- (x) The Company has accumulated losses however they are less than 50 % of its net worth. The Company has incurred cash losses during the financial year covered by our audit. The company has not incurred any cash losses in the immediately preceding financial year
- (xi) The company has not borrowed any money from a Financial Institution or a bank. The company has not issued any Debentures. Accordingly, clause 4(xi) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- (xii) The Company has not granted loans and advances on the basis of security, by way of pledge of shares, debentures and other securities. Accordingly, clause 4(xii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- (xiii) In our opinion, the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in Shares, Securities, Debentures and other Investments. Accordingly, clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanation given to us the Company has not given any guarantees for loans taken by others from Banks or Financial institutions. Accordingly, Clause 4(xv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xvi) In our opinion the company has not obtained any term loan so the question of its application of the funds for the specific purpose does not arise. Accordingly, Clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that the no fund raised on short term basis have been used for long term investment. In arriving at this conclusion we have checked the allotment of share application money amounting to Rs. 55.09 crores. A major part of this money was allotted in the year 2010-11. Therefore we have taken share application money as long term sources.
- (xviii) The Company has made Preferential allotment of shares to two Companies covered in the registered maintain under section 301 of the act. In our opinion the price at which the shares have been issued is not prejudicial to the interest of the company. The Company has two promoters who has been issued shares at differential

premiums based on an agreement signed by them. In our opinion the premium amount although differential in nature are not prejudicial to the interest of the company.

(xix) According to the information and explanations given to us, during the period covered by our audit report the company had not issued debentures. Hence, the question of creating proper security does not arise. Accordingly, Clause 4(xix) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company

(xx) The Company has not raised any money by public issues during the year. Hence, the question of proper end use of the money does not arise. Accordingly, Clause 4(xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.

(xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

PLAC : AHMEDABAD.

DATE : 25/06/2010

FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PURNESH MEHTA  
PARTNER

MEMBERSHIP NO.32812

FIRM REGISTRATION NO. 118007W

## BALANCE SHEET AS AT 31-03-2010

Particulars	Schedules	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SOURCES OF FUNDS :</b>			
Shareholders' Funds			
Share Capital	1	35331550	100000
Share Application Money		550968625	0
Reserves & Surplus	2	736277309	154118
Loan Funds			
Unsecured Loans	3	10046791	477862000
<b>TOTAL</b>		<b>1332624275</b>	<b>478116118</b>
<b>APPLICATION OF FUNDS :</b>			
Deferred Tax Assets		272439	26322
Current Assets, Loans & Advances	4	1360846817	510678611
Less : Current Liabilities	5	28494981	32588815
Net Current Assets		1332351836	478089796
<b>TOTAL</b>		<b>1332624275</b>	<b>478116118</b>
SIGNIFICANT ACCOUNTING POLICIES &	7		
NOTES FORMING PART OF ACCOUNTS			
SCHEDULES REFERRED TO ABOVE			
FORM PART OF THIS BALANCE SHEET			

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PURNESH MEHTA  
PARTNER  
MEMBERSHIP NO.:- 32812  
FIRM REGISTRATION NO. :- 118007W

PLACE : AHMEDABAD.  
DATE : 25/06/2010.

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 25/06/2010.



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

Particulars	Schedules	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>INCOME :</b>			
Exchange Rate Difference		4025	0
Sundry Bal. W/off		8942	0
Profit on Sale of Land		0	68762
Closing Stock of Land		841523353	509672781
<b>TOTAL</b>		<b>841536320</b>	<b>509741543</b>
<b>EXPENDITURE :</b>			
Opening Stock of Land		509672781	0
Transfer of Inventory from Parent Company		907993	0
Purchase of Land		330942579	509672781
Administrative Exp	6	3259168	13830
<b>TOTAL</b>		<b>844782521</b>	<b>509686611</b>
Loss/Profit before tax		-3246201	54932
Provision for tax		0	-16100
Add : Deferred Tax		246117	0
Loss/Profit after tax		-3000084	38832
Add : Balance Brought Forward from last year		154118	115286
Balance carried to Balance Sheet		-2845966	154118
Basic Earning Per share	7(6)		
- Before extra ordinary items		-1.70	3.88
- After extra ordinary items		-1.70	3.88
Diluted Earning Per share			
- Before extra ordinary items		-0.10	3.88
- After extra ordinary items		-0.10	3.88
<b>SIGNIFICANT ACCOUNTING POLICIES &amp;</b>	<b>7</b>		
<b>NOTES FORMING PART OF ACCOUNTS</b>			
<b>SCHEDULES REFERRED TO ABOVE FORM</b>			
<b>PART OF THIS PROFIT &amp; LOSS A/C</b>			

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PUKNESH MEHTA  
PARTNER  
MEMBERSHIP NO.:- 32812  
FIRM REGISTRATION NO. :- 118007W

PLACE : AHMEDABAD.  
DATE : 25/06/2010.

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 25/06/2010.

## CASH FLOW STATEMENT FOR YEAR ENDED ON 31-03-2010

Particulars	Rupees	2009-2010 Rupees	2008-2009 Rupees
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit Before Tax And Pervious Year 's Figures		-3246201	54932
Less: Interim Dividend & Dividend Tax		0	0
Total		-3246201	54932
Add:- Provision For Pervious Year Now Written Back	0		0
Add:- Deferred Tax	0	0	0
		-3246201	54932
Net Profit After Tax			
Add/less Adjustments For			
Depreciation	0		0
Profit on Fixed Assets	0		-68762
Provision for FBT	0		0
Interest Expenses	0		0
Preliminary Exp.w/off	0		0
		0	-68762
Operating Profit Before Working Capital Changes		-3246201	-13830
Add/less Adjustments For			
Trade and other Receivables			0
Current Liabilities	-2757181		29814378
Inventories	-331850572		-509672781
Loans and Advances	-497499333		652420
Increase in Deferred Tax Assets	0		0
Cash Generated From Operations		-832107086	-479205983
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchase of Fixed Assets			0
Capital Work in Progress			0
Sale of Fixed Assets			93000
Investments Made			0
Interest Received			0
Net Cash Used in Investing Activities		0	93000
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds From Long Term Borrowings			0
Increase of Unsecured Loans	-467815209		477785000
Increase of Secured Loans			0
Increase of Share Capital	35231550		0
Increase of Share Application Money	550968625		0
Increase of Share Premium	739123275		0
Interest Paid	0		0
Net Cash Used in Financing Activities		857508241	477785000
Net Increase in Cash and Cash Equivalents		22154954	-1341813
Cash and Cash Equivalents As At 01st April (Opening Balance)		-1321903	19910
Cash and Cash Equivalents As At 31 St March (Closing Balance)		20833051	-1321903

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PURNESH MEHTA  
PARTNER  
MEMBERSHIP NO.:- 32812  
FIRM REGISTRATION NO. :- 118007W

PLACE : AHMEDABAD.  
DATE : 25/06/2010.

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 25/06/2010.

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE - 1</b>		
SHARE CAPITAL :		
AUTHORISED		
10000000 ( Previous Year 10000 ) Equity Shares of Rs 10/-	100000000	100000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
3533155 ( Previous year 10000 ) Equity Shares of Rs. 10/-	35331550	100000
<b>TOTAL</b>	<b>35331550</b>	<b>100000</b>
<b>SCHEDULE - 2</b>		
RESERVES & SURPLUS:		
Opening Bal. of P & L A/c.	154118	115286
Add : Loss during the year	(3000084)	38832
	(2845966)	154118
Share Premium	739123275	0
Balance Carried to Balance Sheet	736277309	154118
<b>SCHEDULE - 3</b>		
UNSECURED LOANS :		
From a Director	0	77000
Inter Corporate Deposit	10046791	477785000
		0
<b>TOTAL</b>	<b>10046791</b>	<b>477862000</b>

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE - 4</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>CURRENT ASSETS:-</b>		
<b>INVENTORIES (As taken, valued &amp; certified by Management)</b>		
Stock of R.M. - Land	841523353	509672781
<b>TOTAL - 1</b>	<b>841523353</b>	<b>509672781</b>
<b>CASH &amp; BANK BALANCES :</b>		
Cash on hand	6033	4369
Balance with Scheduled Banks in Current A/cs.	20827018	10381
<b>TOTAL - 2</b>	<b>20833051</b>	<b>14750</b>
<b>Loans &amp; Advances :</b>		
Loan to a Companies under the same management		
-Ganesh Plantation Ltd	489378287	801500
(Max. Bal. outstanding at any time during the year 519378287/- Prev. Yr. Rs. 1643500/-)		
-Madhumati Realty Pvt. Ltd		
(Max. Bal. outstanding at any time during the year is 78160/- . Prev. Yr.Rs. 78160 )	0	78160
-Maitrik Buildcon Pvt. Ltd		
(Max. Bal. outstanding at any time during the year is 1900/- . Prev. Yr.Rs. 1900 )	0	1900
-Matang Properties Pvt. Ltd		
(Max. Bal. outstanding at any time during the year is 56240/- . Prev. Yr. Rs 56240)	0	56240
Advance for Purchase of Land	7371960	1000
Advance for Auda, Electric & Legal Charges	1671786	0
Income Tax F.Y. 2007-08	52280	52280
Income Tax F.Y. 2008-09	16100	0
<b>TOTAL - 3</b>	<b>498490413</b>	<b>991080</b>
<b>TOTAL 1 + 2 + 3 =</b>	<b>1360846817</b>	<b>510678611</b>
<b>SCHEDULE - 5</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES:-</b>		
Sundry Creditors	28426601	31174878
Land Contribution	0	8904
Balance With schedule Bank in current a/c.		
(Due to Reconciliation)	0	1336653
<b>TOTAL - 1</b>	<b>28426601</b>	<b>32520435</b>
<b>PROVISIONS:-</b>		
-Provision of I.Tax F.Y. 07-08	52280	52280
-Provision of I.Tax F.Y. 08-09	16100	16100
<b>TOTAL - 2</b>	<b>68380</b>	<b>68380</b>
<b>TOTAL 1 + 2 = 3</b>	<b>28494981</b>	<b>32588815</b>

## SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE - 6</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Advertisement Exp.	217709	0
Audit Fee	15442	2206
Bank Charges	277274	6012
Interest on T.D.S.	2250	0
Preliminary Exp. w/off	1102100	0
Professional Fees	1603723	4412
Roc Filing Fees	5400	1200
Stamp Expense	35240	0
TDS Return Filing Fees	30	0
<b>TOTAL</b>	<b>3259168</b>	<b>13830</b>

## SCHEDULES FORMING PART OF THE ACCOUNTS

### SCHEDULE - 7

#### SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS

##### SIGNIFICANT ACCOUNTING POLICIES :

1. The Company adopts the accrual concept in the preparation of the accounts.

##### 2. RECOGNITION OF INCOME & EXPENDITURE

All Income & Expenditure are accounted for on accrual basis.

##### 3. FIXED ASSETS & DEPRECIATION :

A. Fixed assets shall be stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

B. Depreciation on fixed assets:

Depreciation shall be provided at the rates and in the manner laid down in Schedule XIV to the Companies Act, 1956 on the straight line method in respect of all assets.

##### 4. BORROWING COST :

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) are capitalized as part of the cost of such asset upto the date when such asset is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

##### 5. TAXES ON INCOME :

Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

##### 6. DEFERRED TAX :

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

##### 7. Inventory :

The Closing Stock of Raw Materials as inventory is valued as cost.

#### NOTES FORMING PART OF ACCOUNTS:

1. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.

2. Balances of Sundry Creditors, Loans & Advances and Unsecured loans are subject to confirmation.



## SCHEDULES FORMING PART OF THE ACCOUNTS

3. In the opinion of the Board of Directors, the Current Assets and Loans & Advances are approximately of the value stated, if realised in the ordinary course of business.

4. Details of Auditors' Remuneration are as follows:

PARTICULARS	2009-2010	2008-2009
	Rupees	Rupees
Audit fees	15442	2206
For I. Tax Matter	3309	2206
For Company Law Matter	3309	2206
Total	22060	6618

5. Based on the information available with the company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st 2010. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

6. Earnings per share:-

Particulars	2009-10	2008-09
<b>A. Calculation of Weighted Average Number of Equity Shares of Rs.10/- each</b>		
Number of shares at the beginning of the year	10000	10000
Total number of shares at the end of the year	3533155	10000
Weighted average number of shares outstanding during the year – For Basic EPS	1866439	10000
<b>B. Net Profit/ loss after tax available for equity share holders</b>	(3000084)	38832
<b>C. Basic per share</b>		
Before extra ordinary items	-1.70	3.88
After extra ordinary items	-1.70	3.88
Weighted average number of shares outstanding during the year – For Diluted EPS	1866439	10000
<b>D. Dilute per share</b>	29023683	10000
Before extra ordinary items	-0.10	3.88
After extra ordinary items	-0.10	3.88

7. Deferred Tax

The break-up of net deferred tax assets as at 31st March, 2010 is as under

Particulars	2009-10	2008-09
Deferred tax Assets		
Timing difference on account of:		
Unabsorbed Loss	272439	26322
TOTAL A	272439	26322
Deferred tax Liabilities		
Difference in W.D.V. as per books & I. T. return	NIL	NIL
TOTAL B	NIL	NIL
TOTAL (A-B)	272439	26322

8. The information required as per Paragraph 4C of part 2 of schedule VI of the Companies Act, 1956, regarding Licensed Capacity. Installed capacity and actual production are Nil.
9. The information required as per paragraph 4D of part 2 of schedule VI of the Companies Act, 1956, regarding earnings in foreign currency is Rs 851198500 and amount spent in foreign currency are Nil.
10. The information required as per Paragraph 3 of part 2 of schedule VI of the Companies Act, 1956, regarding quantitative information about the purchases made, the opening and closing stocks are as follows.

## TOWNSHIP PROJECTS

PARTICULARS	2009-2010		2008-2009	
	QTY	AMOUNT Rupees	QTY	AMOUNT Rupees
I) OPENING STOCK				
LAND (SQ YD.)	785927	509672781	-	0
Construction Materia			-	0
TOTAL	785927	509672781	-	0
II) PURCHASE				
a) LAND (SQ YD.)	416237	330942579	657130	509672781
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	-	0	-	0
Cement (Bags)	-	0	-	0
Steel (Kgs)	-	0	-	0
Other materials – WIP Transfer from parent co.	-	907993	-	0
TOTAL	416237	331850572	-	0
III) CONSUMPTION				
a) LAND (SQ YD.)	-	0	-	0
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	-	0	-	0
Cement (Bags)	-	0	-	0
Steel (Kgs)	-	0	-	0
Other materials	-	0	-	0
TOTAL	-	0	-	0
IV) CLOSING STOCK				
LAND (SQ YD.)	1202164	840615360	657130	509672781
W.I.P.	-	907993	-	0
TOTAL	1202164	841523353	657130	509672781
V) SALES				
UNITS	-	0	-	0
TOTAL	-	0	-	0

## VALUE OF IMPORTED &amp; INDIGENOUS RAW MATERIAL CONSUMED

PARTICULARS	2009-2010		2008-2009	
	%	Rupees	%	Rupees
Imported	NIL	NIL	NIL	NIL
Indigenous	-	0	-	0
TOTAL	-	0	-	0

11. The Company has acquired total land admeasuring 1202164 Sq. Yd. Out of the total, land registered under Company's name admeasures 274446 Sq. Yd. and land for which Banakhat has been made admeasures 927718 Sq. Yd. The company have passed necessary entry and shown the land as acquired because the possession of the said land has been given to the company.

12. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE VI TO THE COMPANIES ACT, 1956.				
Balance Sheet Abstract and Company's General Business Profile:-				
I.	Registration Details		U45201GJ2002PTC041354	
	Registration No.		04	
	State code		31/03/2010	
	Balance Sheet Date			
II.	Capital raised during the year (Amount in Rs. thousands)			
	Public Issue		Nil	
	Right Issue		Nil	
	Bonus Issue		Nil	
	Private Placement		35232	
III.	Position of Mobilization and Deployment of Funds (Amount in Rs. Thousands)			
	Total Liabilities	1332624	Total Assets	1332624
	Sources of funds			
	Paid-up capital	35332	Reserves & Surplus	736277
	Share Appl. Money	550968		
	Secured Loans	NIL	Unsecured Loans	10047
	Application of funds			
	Net fixed Assets	NIL	Investments	NIL
	Current Assets	1332352	Misc. Expenditure	NIL
			Deferred Tax	272
IV.	Performance of Company (Amount in Rs. Thousands)			
	Turnover			841536
	Total Expenditure			844782
	( + /-) Profit / Loss before tax			(3246)
	( + /-) Profit / Loss after tax			(3000)
	Earning per share (in Rupees)			-1.70
	Dividend Rate%			NIL
V.	Generic Names of Three Principal Products/ services of Company (as per monetary terms)			
	Item Code No.			N.A.
	Product Description			N.A.
SIGNATURES TO SCHEDULE I TO 7 FORMING PART OF ACCOUNTS				

## SIGNATURES TO SCHEDULE 1 TO 7 FORMING PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PUKNESH MEHTA  
PARTNER  
MEMBERSHIP NO.:- 32812  
FIRM REGISTRATION NO. :- 118007W  
PLACE : AHMEDABAD.  
DATE : 25/06/2010.

ON BEHALF OF THE BOARD OF DIRECTORS  
DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR  
PLACE : AHMEDABAD.  
DATE : 25/06/2010.

# DIRECTORS' REPORT

TO  
THE MEMBERS OF  
YASH ORGANISER PRIVATE LIMITED

Dear Shareholders,

The Board of Directors present herewith the Fourth Annual Report along with Audited Accounts and Report of the Auditors thereon for the year ended on 31st March, 2010.

## FINANCIAL RESULTS

Particulars	(Amt. in Rs.)	
	Year Ended 31-03-2010	Year Ended 31-03-2009
Total Income	125	0
Total Expenditure	339542	279909
Loss before tax	(339417)	(279909)
Less: Provision for Fringe benefit tax	0	0
Deferred Tax	161839	223697
FBT of Earlier Year	(1962)	0
Loss after tax	(179540)	(56212)
Add: Loss brought forward from previous year	(857045)	(800833)
Loss carried forward to balance sheet	(1036585)	(857045)

## OPERATIONS

Your Company is constructing Commercial Shopping Mall in Ahmedabad in the name of GCP Business Centre. Your Company has received necessary permission / approvals from Ahmedabad Municipal Corporation.

## DIVIDEND

In view of losses, your directors regret that no dividend has been recommended for the year under review.

## DIRECTORS:

With profound regret we state that Shri Govindbhai C. Patel, Chairman of the Company

passed away on 29th October, 2009 after a brief illness. The members of the Board place on record the warm appreciation of valuable services rendered by him during the tenure of his office as a Chairman with the Company.

During the year under review Shri Dipakbhai G. Patel became the Chairman of the Company.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA), your Directors confirm that:-

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March 2010 and of the loss of the Company for the year ended 31st March 2010.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.

## DEPOSITS

The Company has not accepted any deposits from public.

## EMPLOYEES

During the year under review, there was no employee in respect of whom information as per section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 is required to be given in the Directors' Report.

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

The particulars relating to Conservation of Energy, Technology Absorption and Foreign

Exchange Earnings and Outgo, pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are NIL.

### AUDITORS

M/s J. M. Parikh & Associates, Chartered Accountants, Ahmedabad hold the office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment. You are requested to appoint the auditors and fix their remuneration.

### ACKNOWLEDGMENTS

The Board of Directors place on record their appreciation for co-operation received from their Bankers during the year under review.

On behalf of the Board of Directors

Place : Ahmedabad

Date : 25/06/2010

Dipakbhai G. Patel

Chairman

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# AUDITORS' REPORT

## TO THE MEMBERS OF :

### YASH ORGANISER PVT. LTD

1. We have audited the attached Balance Sheet of YASH ORGANISER PVT. LTD as at 31st March, 2010 and the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free from material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Report) Order, 2003, issued by the Department of Company Affairs, in terms of section 227(4A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company
4. Further, 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 such books.
  - c) The Balance sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
  - d) In our opinion, the Balance-Sheet, Profit & Loss Account and Cash Flow Statement comply with the Accounting Standards referred in to Sub Section (3C) of Section 211 of the Companies Act, 1956.
  - e) On the basis of written representations received from the directors of the company and taken on record by the board of directors, we report that no director is disqualified as at 31st March, 2010 from being appointed as director of the company under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
    - i. in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
    - ii. in so far as it relates to the Profit and Loss Account, of the loss for the year ended on that date.
    - iii. in the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

PLAC : AHMEDABAD.  
DATE : 25/06/2010

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.127379  
FRN 118007W



## BALANCE SHEET AS AT 31-03-2010

Particulars	Schedules	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SOURCE OF FUNDS</b>			
Share Holders' Fund :			
Share Capital	1	100000	100000
Loan Funds :			
Unsecured Loans	2	139742649	137890649
<b>TOTAL</b>		<b>139842649</b>	<b>137990649</b>
<b>APPLICATION OF FUNDS</b>			
Deferred Tax Assets		385536	223697
Current Assets, Loans & Advances	3	142062478	138228238
Less: Current Liabilities & Provisions	4	3641950	1324131
Net Current Assets		138420528	136904107
Miscellaneous Expenses to the extent not written off			
Preliminary Expenses	5	0	5800
Profit & Loss Account	6	1036585	857045
<b>TOTAL</b>		<b>139842649</b>	<b>137990649</b>
Significant Accounting Policies & Notes forming part of Accounts	9		
Schedules referred to above form part of this Balance Sheet			

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 25/06/2010

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 25/06/2010

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2010

Particulars	Schedules	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>INCOME:</b>			
Sundry Balance Write off		125	0
<b>TOTAL</b>			1250
<b>EXPENDITURE:</b>			
Administrative & Other Expenses	7	338758	273101
Interest & Finance Charges	8	784	6808
<b>TOTAL</b>		339542	279909
Profit / (Loss) before Tax		-339417	-279909
Provision for Tax		0	0
Deferred Tax		161839	223697
FBT of Earlier year		-1962	0
Profit/Loss after Tax		-179540	-56212
Add: Loss Brought forward from last year		-857045	-800833
Loss Transferred to Balance Sheet		-1036585	-857045
Basic and diluted EPS	9 (6)		
- Before extra ordinary items		-1.80	-0.56
- After extra ordinary items		-1.80	-0.56
Significant Accounting Policies & Notes forming part of Accounts	9		
Schedules referred to above form part of this Profit & Loss Account			

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 25/06/2010

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 25/06/2010

## CASH FLOW STATEMENT FOR YEAR ENDED ON 31-03-2010

Particulars	Rupees	2009-2010 Rupees	2008-2009 Rupees
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net Profit Before Tax and Previous Year's Figures		-339417	-279909
Less: Interim Dividend & Dividend Tax		0	0
Total		-339417	-279909
Add:- Provision For Previous Year Now Written Back	-1962		0
Add:- Deferred Tax	161839		223697
		159877	223697
Net Profit After Tax		-179540	-56212
Add/less Adjustments For			
Depreciation	0		0
Loss on Fixed Assets Discarded	0		238038
Interest Expenses	784		6249
Preliminary Exp.w/off	5800		2900
		6584	247187
Operating Profit Before Working Capital Changes		-172956	190975
Add/less Adjustments For			
Trade and other Receivables	0		0
Current Liabilities	2317819		-2477075
Inventories	-2979081		-7378843
Loans and Advances	-712439		22571
Increase in Deferred Tax Assets	-161839		-223697
Cash Generated From Operations		-1535540	-10057044
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Fixed Assets	0		0
Capital Work in Progress	0		0
Sale of Fixed Assets	0		0
Investments Made	0		0
Interest Received	0		0
Net Cash Used in Investing Activities		0	0
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>			
Proceeds From Long Term Borrowings	0		0
Increase of Unsecured Loans	1852000		9965929
Increase of Secured Loans	0		0
Increase of Share Capital	0		0
Increase of Share Application Money	0		0
Increase of Share Premium	0		0
Interest Paid	-784		-6249
Net Cash Used in Financing Activities		1851216	9959680
Net Increase in Cash and Cash Equivalents		142720	93611
Cash and Cash Equivalents As At 01st April (opening Balance)		52737	-40874
Cash and Cash Equivalents As At 31 St March (Closing Balance)		195457	52737

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 25/06/2010

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 25/06/2010

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE - 1</b>		
AUTHORISED SHARE CAPITAL:		
10000 Equity Shares each of Rs.10/-	100000	100000
Total	100000	100000
ISSUED, SUBSCRIBED & PAID UP:		
10000 Equity Shares each of Rs.10/-	100000	100000
(Previous year 10000 Equity Shares each of Rs.10/-)		
all the share are held by Ganesh Housing Corporation Ltd.the holding Company)		
Total	100000	100000
<b>SCHEDULE - 2</b>		
UNSECURED LOANS		
From Directors	7500	127890649
Intercompany Deposit	139735149	10000000
Total	139742649	137890649
<b>SCHEDULE - 3</b>		
CURRENT ASSETS, LOANS & ADVANCES:		
CURRENT ASSETS :		
Project Work in Progress:		
Opening Balance	123263666	
Add:During the year	2979081	
	126242747	123263666
TOTAL - 1	126242747	123263666
CASH & BANK BALANCE :		
Cash on Hand	31551	28692
Balance with Scheduled Banks in a Current Account	163906	24045
TOTAL - 2	195457	52737
Loan to Companies	14843054	14843054
Advances recoverable in cash or kind or for value to be receive	781220	0
Advance Payment of FBT,TDS		
FBT 2006-07	0	44634
FBT 2007-08	0	4337
TDS A.Y.2007-08	0	19810
TOTAL -	15624274	14911835
Total 1 + 2 + 3=	142062478	138228238

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2010

Particulars	As at 31-03-2010 Rupees	As at 31-03-2009 Rupees
<b>SCHEDULE - 4</b>		
CURRENT LIABILITIES & PROVISIONS		
CURRENT LIABILITIES :		
Sundry Creditors	3410487	1276820
TDS Payable	31463	302
Other Current Liabilities	200000	0
PROVISIONS:		
Provision for FBT 2006-07	0	44634
Provision for FBT 2007-08	0	2375
<b>Total</b>	<b>3641950</b>	<b>132413</b>
<b>SCHEDULE - 5</b>		
PRELIMINARY EXPENSE :		
Opening Balance	5800	8700
Less: Write off during the year	5800	2900
Transfer to Balance Sheet	0	5800
<b>SCHEDULE - 6</b>		
PROFIT & LOSS A/C :		
Opening Balance	-857045	-800833
Add/Less: Profit/Loss during the year	-179540	-56212
Transferred to Balance Sheet		
<b>Total</b>	<b>-1036585</b>	<b>-857045</b>

## SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2010

Particulars	Year ended 31-03-2010 Rupees	Year ended 31-03-2009 Rupees
<b>SCHEDULE - 7</b>		
ADMINISTRATIVE & OTHER EXPENSES :		
Audit Fees	5515	4136
Broucher Exp.	296100	0
Filing Exp.	1088	6151
Income Tax Practitioner Fee	5515	0
Internet Charges	2700	0
Previous Year Exp.	0	14821
Preliminary Exp.	5800	2900
Professional Fee - Office	0	6229
Stationery & Printing Charges	2230	0
Sundry Balance Written off	19810	238411
Typing & Xerox Exp.	0	453
<b>Total</b>	<b>338758</b>	<b>273101</b>
<b>SCHEDULE - 8</b>		
INTEREST & FINANCE EXPENSES		
Bank Charges	440	559
Interest on TDS	344	6249
<b>Total</b>	<b>784</b>	<b>6808</b>

# SCHEDULES FORMING PART OF THE ACCOUNTS

## SCHEDULE - 9

### SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF ACCOUNTS

#### SIGNIFICANT ACCOUNTING POLICIES:

1. The Company adopts the accrual concept in the preparation of the accounts.

#### 2. RECOGNITION OF INCOME & EXPENDITURE

All Income & Expenditure are accounted for on accrual basis.

#### 3. FIXED ASSETS & DEPRECIATION:

A. Fixed assets shall be stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

#### B. Depreciation on fixed assets:

Depreciation shall be provided at the rates and in the manner laid down in Schedule XIV to the Companies Act, 1956 on the straight line method in respect of all assets.

#### 4. PRELIMINARY EXPENSE:

Preliminary expenses are written off during the period of five years.

#### 5. BORROWING COST:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) are capitalized as part of the cost of such asset upto the date when such asset is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

#### 6. TAXES ON INCOME:

Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

#### 7. DEFERRED TAX :

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### 8. INVENTORY:

A: In case of Inventory of Raw Materials, the raw materials are treated as consumed in the books of the Company.

B: Closing stock of WIP has been valued at cost.

#### NOTES FORMING PART OF ACCOUNTS:

1. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.

2. Balances of Sundry Creditors, Unsecured loans and Loans & Advances are subject to confirmation.

3. In the opinion of the Board of Directors, the Current Assets are approximately of the value stated, if realised in the ordinary course of business.



4. Details of Auditors' Remuneration are as follows:

PARTICULARS	2009-2010	2008-2009
	Rupees	Rupees
Audit fees	5515	4136
For I. Tax Matter	5515	NIL
For Other	NIL	13229
Total	11030	17365

5. Based on the information available with the company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2010. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

6. Earnings per share:-

Particulars	2009-10	2008-09
A. Calculation of Weighted Average number of Equity Shares of Rs.10/- each.		
Number of shares at the beginning of the year	10000	10000
Total number of shares at the end of the year	10000	10000
Weighted average number of shares outstanding during the year	10000	10000
B. Net profit after tax available for equity share holders	(179540)	(56252)
C. Basic & Diluted Earnings per share		
Before extra ordinary items	(1.80)	(0.56)
After extra ordinary items	(1.80)	(0.56)

7. The break-up of net deferred tax assets as at 31st March, 2010 is as under:

Particulars	Deferred Tax Amt. 2009-10	Deferred Tax Amt. 2008-09
Deferred Tax Assets		
Timing Difference :-		
Unabsorbed Business Loss	385536	223697
Total A	385536	223697
Deferred Tax Liabilities		
Timing Difference :-	0	0
Total B	0	0
Total A – B = Net Deferred Tax Assets	385536	223697

8. The information required as per Paragraph 4C of part 2 of schedule VI of the Companies Act, 1956, regarding Licensed Capacity. Installed capacity and actual production are Nil.

9. The information required as per paragraph 4D of part 2 of schedule VI of the Companies Act, 1956, regarding earnings in foreign currency and amount spent in foreign currency are Nil.

10. The information required as per paragraph 3 of Part II of Schedule VI of the Companies Act, 1956, regarding quantitative information about the purchase made, the opening and closing stocks are NIL.

## 11. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE VI TO THE COMPANIES ACT, 1956.

## Balance Sheet Abstract and Company's General Business Profile

I. Registration Details			
Registration No.			U45200GJ2006PTC047727
State code			04
Balance Sheet Date			31/03/2010
II. Capital raised during the year (Amount in Rs. thousands)			
Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
III. Position of Mobilization and Deployment of Funds (Amount in Rs. Thousands)			
Total Liabilities	139843	Total Assets	139843
Sources of Funds			
Paid-up-Capital	100	Reserve & Surplus	
Secured Loan	Nil	Unsecured Loan	139743
Application of Fund			
Net Fixed Asset	Nil	Investment	Nil
Current Asset	138421	Deffer Tax	384
		Profit & Loss	1038
IV. Performance of Company (Amount in Rs. Thousands)			
Turnover			0
Total Expenditure			339
( + / - ) Profit / Loss before tax			-339
( + / - ) Profit / Loss after tax			-179
Earning Per Share(in Rupees)			-1.80
Diividend Rate%			Nil
V. Generic Names of Three Principal Products/ services of Company (as per monetary terms)			
Item Code No.			N.A.
Product Description			N.A.

## SIGNATURES TO SCHEDULE 1 TO 9 FORMING PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE  
FOR J.M. PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379  
FRN:- 118007W

PLACE : AHMEDABAD.  
DATE : 25/06/2010

ON BEHALF OF THE BOARD OF DIRECTORS

DIPAK G PATEL  
CHAIRMAN

SHEKHAR G PATEL  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 25/06/2010

# NOTE





## PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_

being a member/ members/ beneficial owners of GANESH HOUSING CORPORATION LIMITED hereby appoint Shri/ Smt. \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ or failing him Shri/ Smt. \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend and vote for me/us at the 19th Annual General Meeting of the Company to be held on Thursday, 30th September, 2010 at 3.00 p.m. at Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road, Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2010

Signature: \_\_\_\_\_

15 Paise  
Revenue  
Stamp

Address : \_\_\_\_\_

Folio No./CL ID \_\_\_\_\_

DP ID NO. \_\_\_\_\_

No. of shares held \_\_\_\_\_

N.B. 1. The proxy need not be a member

2. The Proxy Form duly signed and stamped should reach the Company's Registered Office at least 48 hours before the time of Meeting.

## ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE

I/We hereby record my/our presence at the 19th Annual General Meeting of GANESH HOUSING CORPORATION LIMITED held at Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road, Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054 on Thursday, 30th September, 2010 at 3.00 p.m.

Name of the Shareholder: \_\_\_\_\_

Ledger Folio No./CL ID \_\_\_\_\_

DP ID NO. \_\_\_\_\_

Number of shares held \_\_\_\_\_

Name of the proxy/ Representative, if any \_\_\_\_\_

Signature of the Member/ Proxy \_\_\_\_\_







## Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed 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 the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. 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.



Ganesh Housing Corporation Limited  
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