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# GYAN DEVELOPERS & BUILDERS LIMITED

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## CORPORATE INFORMATION

(2013 - 2014)

### BOARD OF DIRECTORS

T. ASHOK RAJ	-	Managing Director
S. VIJAYAN	-	Director (NEID)
M. SUNITA	-	Director
J. CHANDRA SEKAR	-	Director (NEID)

### REGISTERED OFFICE

- Gyan Kiran, Door No.6,  
Hanumantha Rao Street  
T.Nagar, Chennai-600 017.  
E-mail : gyandevelopers@yahoo.com

### BANKER

- Tamil Nadu Mercantile Bank Ltd.,  
Chennai - 600 017.

### SHARE TRANSFER AGENT

- M/s Intergrated Enterprises (India) Limited.  
II Floor, "Kences Towers,  
No.1 , Ramakrishna St, North Usman Road,  
T. Nagar, Chennai - 600 017.  
Ph : 28140801-03, Fax : 28142479  
E-mail : corpserv@iepindia.com

### BSE SCRIIP CODE No

- 530141

### DEMAT ISIN

- INE - 487G01018

### AUDITORS

- G.C. DAGA & CO.,  
Chartered Accountants,  
  
Sri Balaji Complex,  
No.14, Veerappan Street,  
Sowcarpet, Chennai-600 079.  
Email: cagcdaga@gmail.com



# **GYAN DEVELOPERS & BUILDERS LIMITED**

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## **GYAN DEVELOPERS & BUILDERS LIMITED**

**Regd Off :** Gyan Kiran, Door No.6, Hanumantha Rao Street  
T.Nagar, Chennai-600 017.

## **NOTICE TO MEMBERS**

Notice is hereby given that the TWENTY SECOND ANNUAL GENERAL MEETING of the members of M/s. GYAN DEVELOPERS AND BUILDERS LIMITED will be held on Monday the 22nd day of September, 2014 at 9.30 A.M, at The Chartered Accountants Study Circle, No. 2-L, Rear Block 2nd Floor, Prince Arcade, 22 A Cathedral Road, Chennai - 600086, to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2014 and the Profit and Loss Account for the Company for the period ending 31.03.2014 and the reports of the Directors and Auditors.
2. To appoint a Director in the place of Mrs. M. Sunitha, (DIN: 01751554), Director, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration. In this connection, to consider and, to pass the following as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereunder, M/s. G C Daga & Co, Chartered Accountants (FRN: 000668S) be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Third Annual General Meeting to be held after this meeting, subject to ratification in every subsequent Annual General Meeting, on remuneration to be fixed by the Board of Directors.

### **SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203, and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V of the Act, the reappointment of Mr. T.Ashok Raj as Managing Director (DIN: 00575471) with effect from 29.01.2014 for a period of five years, with the following perquisites, allowances and other terms and conditions as mentioned below, be and is hereby approved, confirmed and ratified:

### **Remuneration:**

- a) **Basic Salary:** Rs.20,000/- (Rupees Twenty Thousands Only) per month, with such annual increment as may be decided by the Board of Directors.

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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### **b) Perquisites & Allowances:**

- (i) Housing: He shall be entitled to house rent allowance not exceeding 50% of his basic salary.
- (ii) Medical expenses: Reimbursement of medical expenses including hospitalization and surgical charges incurred for Mr. T.Ashok Raj and his family subject to maximum of three months salary.
- (iii) Leave travel concession: Leave travel concession for Mr. T.Ashok Raj and his family once in a year subject to a maximum of three months' salary.
- (iv) Club fees: Reimbursement of membership fee upto 2 clubs including admission and life membership fee.
- (v) Personal accident Insurance: Premium payable shall not exceed Rs.4,000/- p.a.
- (vi) Contribution to Provident Fund, Superannuation fund or Annuity fund to the extent these singly are put together are not taxable under the Income Tax Act, 1961.
- (vii) Gratuity: Gratuity payable at the rate not exceeding half month's salary for each completed year of service.
- (viii) Telephone: He is entitled for a telephone at residence. However, personal long distance calls shall be logged in and paid over to the company.

### **Overall Remuneration:**

The aggregate of salary and perquisites in any financial year shall not exceed the limits specified from time to time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V of the said Act, for the time being in force.

### **Minimum Remuneration:**

In case of loss or inadequacy of profits in any financial year during the currency of tenure of his service the payment of salary and perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013

“RESOLVED FURTHER THAT Mr. T Ashok Raj, Managing Director shall be liable to retire by rotation.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters or things as may be deemed necessary, appropriate, expedient or desirable to give effect to above resolution or otherwise considered by it in the best interest of the Company."

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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“RESOLVED THAT pursuant to Section 149, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. J Chandra Sekar, (DIN: 02691406) Director of the Company, in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a period of Five (5) consecutive years commencing from 22nd September 2014.

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to Section 149, 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S. Vijayan, (DIN: 02781886) Director of the Company, in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a period of Five (5) consecutive years commencing from 22nd September 2014.

On behalf of the Board  
for GYAN DEVELOPERS & BUILDERS LIMITED

Place : Chennai  
Date : 30-07-2014

**Sd/-**  
**T. ASHOK RAJ**  
Managing Director.

## GYAN DEVELOPERS & BUILDERS LIMITED

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### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and proxy need not be a member. The proxies should be lodged with the company not later than 48 hours before the time fixed for the commencement of the meeting.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.
2. Revenue stamp should be affixed on the Proxy form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's Signature may also be furnished in the Proxy Form, for identification purpose.
3. Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the AGM.
4. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business to be transacted at the AGM is annexed thereto.
5. The register of members and share transfer of the company will remain closed from Thursday 18.09.2014 to Monday 22.09.2014 (Both days inclusive).
6. The members are requested to intimate to the Company and or to its Share Transfer Agent M/s. Integrated Enterprises (India) Ltd, Second Floor, No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai 600 017 for changes, if any, in their registered address along with Pin Code Number.
7. Members are informed that copy of annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.
8. Members are requested to quote their Folio Number, email ID, mobile numbers in all correspondences with the Company.
9. Details of directors seeking appointment / re-appointment in this Annual General Meeting are annexed thereto.
10. **Voting through electronic means**  
Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

### **The instructions for e-voting are as under:**

- A. Members whose shareholding is in the Dematerialization form and whose e-mail address are registered with the Company / Depository Participants will receive an email from NSDL informing user ID and Password:
  - 1) Open e-mail and open PDF file viz. "Gyan Developers e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.

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- 2) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- 3) Click on Shareholder - Login.
- 4) Put user ID and password as initial password / PIN noted in step (1) above. Click Login.
- 5) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 6) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- 7) Select "EVEN" (e-voting Event number) of Gyan Developers & Builders Limited.
- 8) Now you are ready for e-voting as Cast Vote page opens.
- 9) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- 10) Upon confirmation, the message "Vote cast successfully" will be displayed.
- 11) Once you have voted on the resolution, you will not be allowed to modify your vote.
- 12) Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [evoting@akjainassociates.com](mailto:evoting@akjainassociates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- B. For Members whose shareholding is in the Dematerialized form and whose E-mail Ids are not registered with the Company / Depository Participants, Members holding Shares in Physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, the following instruction may be noted:

- 1) Initial password is provided in attendance slip.

EVEN (e-Voting Event Number)	USER ID	PASSWORD / PIN

- 2) Please follow all steps from instructions 1 to 12 of A above to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- III. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot Password" option available on the site to reset the password.
- IV. If you are already registered with NSDL for e-voting then you can use your existing user ID and password / PIN for casting your vote.
- V. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VI. The e-voting period commences on Monday, 15th September, 2014 at 9:00 A.M IST and ends on Wednesday, 17th September, 2014 at 6:00 P.M. IST During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date)

of Friday, 22nd August 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.

- VII. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) Friday, 22nd August 2014.
- VIII. Mr. Pankaj Mehta, Practicing Company Secretary (Membership No.A29407) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- IX. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
- X. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.gyandevolver.com](http://www.gyandevolver.com) and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

#### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:**

##### **Item No.4**

Mr. T Ashok Raj is a Managing Director of the Company since 30.01.2004 and holds a degree in Commerce. He has been steering the fortunes of the Company and has been instrumental in turning around the Company into profits. His tenure as a Managing director of the Company was expired on 28.01.2014. In view of his continued efforts and in terms of the recommendation of remuneration committee, the Board of directors of the Company in their meeting held on 28.01.2014 reappointed him as a Managing director of the Company for a further period of Five years with effect from 29.01.2014.

In accordance with the provisions of Section 152(6) of the Companies Act 2013 ("the Act"), unless the Articles of Association of the Company provides for retirement of all Directors by rotation, at least two third of the total number of Directors shall be the persons whose period of office is liable to determination by retirement of Directors by rotation. Also, in terms of explanation to Section 152(6), Independent Directors appointed in terms of Section 149 of the Act are to be excluded for the purpose of calculating total number of Directors who are liable to retirement by rotation. Therefore, in order to comply with the aforesaid provision of the Act, the Company is now required to reconstitute the composition of its Board in a manner that it comprises of two-third of the total number of Directors whose period of office is liable to determination by retirement by rotation. In this connection the Board of directors at their meeting held on 30.07.2014 varied the terms of appointment of Mr. T Ashok Raj, Managing Director, to make him liable to retire by rotation in terms of Section 152 of the Act. Mr. T Ashok Raj has given his consent for above variation. As the re-appointment of managing Director requires the consent of the members by way of ordinary resolutions, the resolutions in item no.4 is placed before the members of the Company for approval in the forthcoming Annual General Meeting.

Mr. T. Ashok Raj and Mrs. M.Sunitha are considered as interested in the above resolution.

##### **Item No.5**

Mr. J Chandra Sekar joined your company on 27.06.2009 as an Independent director whose office was liable to retire by rotation under the applicable provisions of the Companies 1956. In terms of Section 149 of the Companies Act, 2013 and the rules made thereunder and clause 49 of the listing agreement, the Board proposes the appointment of Mr. J Chandra Sekar as an Independent director for a period of 5 years not liable to retire by rotation.

The Company has received a notice in writing from member under Section 160 of the Companies Act, 2013 along with requisite amount proposing his candidature to the office of director of the Company.

Mr. J Chandra Sekar is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as director. The Company has also received a



declaration from him that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the listing agreement.

In the opinion of the Board Mr. J Chandra Sekar fulfills the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. J Chandra Sekar as an independent director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Mr. J Chandra Sekar is interested in the resolution as it relates to his own appointment. None of the other directors of the Company are concerned or interested in this resolution.

#### **Item No.6**

Mr. S Vijayan joined your company on 12.12.2003 as an Independent director whose office was liable to retire by rotation under the applicable provisions of the Companies 1956. In terms of Section 149 of the Companies Act, 2013 and the rules made thereunder and clause 49 of the listing agreement, the Board proposes the appointment of Mr. S Vijayan as an Independent director for a period of 5 years not liable to retire by rotation.

The Company has received a notice in writing from member under Section 160 of the Companies Act, 2013 along with requisite amount proposing his candidature to the office of director of the Company.

Mr. S Vijayan is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as director. The Company has also received a declaration from him that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the listing agreement.

In the opinion of the Board Mr. S Vijayan fulfills the conditions specified in the Act and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the draft letter for appointment of Mr. S Vijayan as an independent director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

Mr. S Vijayan is interested in the resolution as it relates to his own appointment. None of the other directors of the Company are concerned or interested in this resolution.

#### **Information about director seeking appointment / re-appointment in this annual general meeting in respect of item Nos.2, 4, 5 & 6 above (in accordance with clause 49 (IV) of the Listing Agreement)**

<b>Name of the Director</b>	<b>M. Sunitha</b>	<b>T.Ashok Raj</b>	<b>J.Chandra Sekar</b>	<b>S.Vijayan</b>
Date of Birth	12.08.1973	24.09.1967	10.04.1969	21.01.1956
Date of Appointment on the Board as a Director	02.12.2003	07.05.1992	27.06.2009	12.12.2003
Qualification	Intermediate	B. Com	Intermediate	Nil
List of Outside Directorships held Nil	Nil	Nil	Nil	
Chairman / Member of the committees of the Board of Directors of the company	Chairperson in AC and RC	Chairman in Share Transfer / Investor Grievance committee	Member in AC, RC and Share Transfer /Investor Grievance committee	Member in AC, RC and Share Transfer/Investor Grievance committee
No of shares held in company	159800	268500	0	0

A.C: Audit Committee

R.C: Remuneration Committee

## GYAN DEVELOPERS & BUILDERS LIMITED

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### DIRECTORS REPORT

Your Directors have pleasure in presenting the 22<sup>nd</sup> Annual Report together with audited accounts for the year ended 31.03.2014

#### WORKING RESULTS

The summarized financial results for the year ended 31.03.2014 and for the previous year 31.03.2013 are as under;

	2013-2014	Rs. 2012-2013
Income from Operations	11,122,935.00	19,49,445.00
Less: Expenditure	83,29,511.50	18,42,229.00
	-----	-----
Profit before tax	27,93,423.50	1,07,216.00
Less: Tax expenses		
Current Year	899,601.00	91,974.00
Previous Year	385.00	28,089.00
Deffered Tax	(32,150.00)	57,130.00
Deffered Tax prior period	(136,184.00)	—
	-----	-----
Profit (Loss) after tax	20,61,771.50	(69,977.00)
	=====	=====

#### OPERATIONS:

During the financial year, the Company has registered total revenue of Rs. 11,122,935/- as compared to Rs.19,49,445/- in the previous year. The net profit after tax for the year is Rs.20,61,771.50 as against previous year loss of Rs.69,977/-. In view better infrastructure facilities, demand for vacant land at the outskirts is getting increased. Moreover, increased cost of land in city is making people to opt for land at the outskirts which has boosted company's revenue and profit. The Board is confident that this trend will continue in the coming years.

#### DEPOSIT

The Company has not accepted any deposit during the year under review.

#### DIRECTORS

The Board of Directors of the Company comprises four Directors of which two are Non-Executive Independent Directors in terms of Clause 49 of the listing Agreement and Section 149(6) of the Companies Act, 2013.

In terms of Section 152 of the Companies Act, 2013, Mrs. M. Sunitha, Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Your Board recommends her continuation.

As per Section 149 and other applicable provisions of the Companies Act, 2013 read with Schedule IV of the Act, Mr. J Chandra Sekar and Mr. S Vijayan, are to be appointed as

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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independent directors for a period of five (5) consecutive years. The Board recommends their appointment in the best interests of Company.

Mr. T Ashok Raj was re-appointed as Managing Director of the Company in the Board meeting for a period of 5 years effective from 29.01.2014. The Board recommends his continuation as Managing director in the best interests of Company.

### **DIVIDEND**

In order to conserve reserves / Profit for the growth of the Company, your Directors do not recommend any dividend.

### **AUDITORS:**

M/s. G.C. Daga & Co., Chartered Accountants, retires at the ensuing Annual General Meeting and are eligible for re-appointment. In terms of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. G.C. Daga & Co., are eligible to be reappointed for a period of 3 years which is subject to ratification by the members in subsequent Annual General Meeting of the Company. The Company has received confirmation that their appointment will be within the limits specified u/s. 139 of the Companies Act, 2013. The Board recommends their re-appointment.

There are no qualifications or adverse remarks in the Auditors' Report which require any explanation from the Board of Directors.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Board hereby confirms:

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period ;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the Directors had prepared the annual accounts on going concern basis.

### **CORPORATE GOVERNANCE:**

Detailed Report on the Corporate Governance and a certificate from M/s. G.C. Daga & Co, Chartered Accountant, affirming Compliance of Clause 49 of the Listing Agreement is attached, which form part of the report.

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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### **MANAGEMENT ANALYSIS & REVIEW REPORT:**

In accordance with the requirements of the Listing Agreement, Management analysis & review report is mentioned in Corporate Governance Report.

### **COMPLIANCE CERTIFICATE:**

A copy of Compliance Report u/s 383A of the Companies Act, 1956, received from M/s. A.K.JAIN & ASSOCIATES, Company Secretaries in Practice, is annexed and forms part of this report.

### **PARTICULARS OF EMPLOYEES:**

None of the employees is covered under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company is taking utmost care of the Conservation of Energy. The Company has no activity in relation to Technology absorption. The company has no foreign exchange outgo or inflow.

### **CODE OF CONDUCT**

As prescribed under Clause 49 of the Listing Agreement, a declaration signed by the Managing Director affirming compliance with the Code of Conduct by the Directors and senior management personnel of the Company for the financial year 2013-14 forms part of the Corporate Governance Report.

### **ACKNOWLEDGEMENT:**

We wish to place on record our sincere thanks for the help and service by our Bankers, customers, Shareholders, auditors and staff.

By order of the Board  
for GYAN DEVELOPERS & BUILDERS LIMITED

Place : Chennai  
Date : 30-07-2014

**T. Ashok Raj**  
Managing Director.

**M. Sunita**  
Director.

# **GYAN DEVELOPERS & BUILDERS LIMITED**

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## **COMPLIANCE CERTIFICATE**

**CIN: L70101TN1992PLC022624**

**AUTHORISED CAPITAL: 5 CRORES**

To,

The Members,

**M/s. GYAN DEVELOPERS AND BUILDERS LIMITED**

We have examined the registers, records, books and papers of **M/s. GYAN DEVELOPERS AND BUILDERS LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, including re-enactment thereof (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the year ending 31st March, 2014. 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 registers as stated in Annexure `A' to this certificate, as per the provisions of the Act and the rules made thereunder and wherever required entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure `B' to this certificate, with the Registrar of Companies, Chennai, within the time prescribed / with late fees, as applicable, under the Act and the rules made thereunder.
3. The Company being a Public Limited Company, has the minimum prescribed paid up capital.
4. The Board of directors met FOUR times on 29.04.2013, 30.07.2013, 30.10.2013 and 28.01.2014 in respect of which meetings notices were given and the proceedings were recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 18.09.2013 to 20.09.2013 and necessary compliance of Section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31.03.2013 was held on 20.09.2013 after giving notice to the members of the Company and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. According to the information and explanations given to us, the Company has not entered into any contract falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. According to the information and explanations given to us, there were no instances falling within the purview of Section 314 of the Act during the year under review.

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12. The Company has not issued any duplicate certificates during the year.
13. The Company has:
  - (i) delivered the certificates on lodgment thereof on transfer of shares. The Company has not made any allotment / transmission of securities during the financial year.
  - (ii) not deposited any amount in a separate Bank Account as no Dividend was declared during the financial year.
  - (iii) not posted warrants to any member of the Company as no dividend was declared during the financial year.
  - (iv) no unpaid/unclaimed dividend, application money due for refund, matured deposit, matured debentures and the interest accrued thereon for a period of seven years, required to be transferred to Investor Education and Protection Fund during the financial year under review.
  - (v) Generally, complied with the requirements of Section 217 of the Act.
14. The Board of directors of the Company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The appointment of Managing Director and the payment of remuneration to him have been made in compliance with the provisions of the Act.
16. The Company has not appointed any sole - selling agents during the financial year.
17. The Company has not obtained any 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 the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference shares / debentures, hence the question of redeeming any Preference shares / debentures does not arise.
22. There were no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. According to the information and explanations given to us, the Company has not invited / accepted any deposit from the public during the financial year under review.
24. The amount borrowed by the Company during the financial year ending 31st March 2014 is within the borrowing limits of the Company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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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 the name of the Company.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the year under review.
31. According to the information and explanations given to us, there was no prosecutions initiated against or show cause notices received by the Company, during the financial year, for offenses under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. According to information and explanations given to us, the Company has not constituted its own Provident Fund Trust for its employees, therefore provisions of Section 418 of the Act is not applicable to the Company.

**For A. K. JAIN & ASSOCIATES**  
**Company Secretaries**

S/d  
**BALU SRIDHAR**  
Partner  
M.No.F5869  
C.P.No.3550

Place : Chennai  
Date: 29.04.2014

### **ANNEXURE A**

Registers as maintained by the Company

1. Register of Members u/s 150
2. Register of Share Transfer
3. Register of Charges u/s 143
4. Register of Director, Managing Director, Manager, and Secretary u/s. 303.
5. Register of Director Shareholding u/s. 307.
6. Register of Contracts in which Directors are interested u/s 301.
7. Minutes of the meeting of the Board of Directors / Committee(s).
8. Minutes of the meeting of Share Holders.
9. Register of Investments.

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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### **ANNEXURE B**

**Forms and Returns as filed by the Company, during the financial year ending on 31st March, 2014 with the Registrar of Companies, Chennai:**

<b>Sl.No.</b>	<b>e-Form</b>	<b>Particulars</b>	<b>Event date</b>	<b>SRN</b>	<b>Filed on</b>	<b>With additional fees</b>
1.	66	Compliance Certificate filed u/s 383A.	31.03.2013	Q12161840	03.10.2013	No
2.	20B	Annual Return - Schedule V filed u/s 159.	20.09.2013	Q22247621	06.11.2013	No
3.	23AC & 23ACA xbrl	Profit & Loss a/c and Balance Sheet filed u/s 220.	31.03.2013	Q22370357	06.11.2013	Yes
4	32	For re-appointment of managing director filed u/s 303(2)	29.01.2014	B97235378	27.02.2014	No
5	23	for Registration of Resolution filed u/s 192	29.01.2014	B97235378	27.02.2014	NO
6	25C	For re-appointment of Mr. Ashok Raj as Managing Director.	29.01.2014	B97234975	27.02.2014	No

**For A. K. JAIN & ASSOCIATES  
Company Secretaries**

**S/d  
BALU SRIDHAR**  
Partner  
M.No.F5869  
C.P.No.3550

Place : Chennai  
Date: 29.04.2014



## GYAN DEVELOPERS & BUILDERS LIMITED

### REPORT ON CORPORATE GOVERNANCE 2013 - 2014

Pursuant to Clause 49 of the Listing Agreement, A Report on Corporate Governance is given below.

#### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Your Company is committed to the standards of corporate governance in all its activities and functions to enhance the long-term share holders value and maximize interest of the Stake Holders through various measures of good governance and to further this endeavor, strives to conduct its business with integrity, fairness, accountability and transparency in all its dealings with Stake holders and regulatory authorities. We have always believed that sound corporate governance practices is the cornerstone of any enterprise and is thus forms an integral part of its business policy. The business of the Company are carried out to benefit all the shareholders of the company and not to benefit any particular group or constituents thereof.

#### 2. BOARD OF DIRECTORS:

The Board of Directors comprised of 4 (Four) directors as on 31.03.2014. The Board consists of One Managing Director, One Non Executive Director and Two Non Executive Independent Directors. The composition of the Board of Directors satisfies the requirements of Clause 49 of the Listing Agreement and the Companies Act, 2013.

None of the Directors are disqualified under Section 274(1)(g) of the Companies Act, 1956 read with Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956)

Rules, 2003 and / or Section 164(2) of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

During the year under review 4 (Four) Board meetings were held on

- |               |               |
|---------------|---------------|
| 1) 29.04.2013 | 3) 30.10.2013 |
| 2) 30.07.2013 | 4) 28.01.2014 |

The composition of Board of directors and their attendance at the meeting during the year and at the last annual general meeting as also number of other directorships/ memberships of committees are as follows:

Sl No.	Name of the Director	Designation & Category	No. of Borad Meetings in the year 2013 - 2014		Attended 21st AGM	No. of other Directorship in other Public/Private Companies	No. of Membership Chairmanship/ in other Companies/ Board Committee
			Held	Attended			
1.	T. Ashok Raj	Managing Director	4	4	Yes	Nil	Nil
2.	S. Vijayan	Director (NEID)	4	4	Yes	Nil	Nil
3.	M. Sunita	Director (NED)	4	4	Yes	Nil	Nil
4.	J.Chandrasekar	Director (NEID)	4	4	Yes	Nil	Nil

## GYAN DEVELOPERS & BUILDERS LIMITED

The Company is in compliance with the provisions of the Listing Agreement pertaining to the intimation of notice of board meeting, publication of notice and results, outcome of the meeting etc.

### **Resolutions passed by circulation:**

No resolution by way of circulation was passed by the Board of Directors during the financial year 2013-14.

### **3. AUDIT COMMITTEE:**

Clause 49 of the Listing Agreement specifies that the Audit Committee should have at least 3 members of which at least two-third should be independent. Section 177 of Companies Act, 2013 specifies that the Audit Committee should comprise of at least three directors with Independent Directors forming the majority. The Company has complied with the provisions of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013.

The quorum of the Committee is two Independent Members present or one third of the total members of the Committee, whichever is higher.

The Members of the Audit Committee met 4 (Four) times on 29.04.2013, 30.07.2013, 30.10.2013 and 28.01.2014. The following are the members of the Audit Committee.

Name of Directors	Status	No. of Meetings	
		Held	Attended
Mrs. M. Sunita	Chairperson	4	Yes
Mr. S. Vijayan	Member	4	Yes
Mr. J. Chandrasekar	Member	4	Yes

The terms of reference of the Audit committee cover the matter specified under Clause 49 of the Listing Agreement.

### **4. REMUNERATION COMMITTEE:**

The Remuneration committee consisting of the following members.

Name of Directors	Status
Mrs. M. Sunita	Chairperson
Mr. S. Vijayan	Member
Mr. J. Chandrasekar	Member

The remuneration committee met ONE Time on 28.01.2014 during the period under review. The Remuneration Committee advises the broad policy for remuneration, terms of employment and any changes, including service contracts of Executive and Non Executive directors. The Committee takes into account the general market trend pertaining to the industry and the performance of the Company at the time of fixing the remuneration to the Directors.

## GYAN DEVELOPERS & BUILDERS LIMITED

### 5. SHARE TRANSFER / INVESTORS GRIEVANCE COMMITTEE:

The Committee is to look after transfer of shares and the investor's complaints, if any, and to redress the same expeditiously. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The following are the members of the Share transfer / Investors Grievance Committee:

Name of Directors	Status	No. of Meetings	
		Held	Attended
Mr. T. Ashok Raj	Chairman	3	3
Mr. S. Vijayan	Member	3	3
Mr. J Chandrasekar	Member	3	3

During the year ending 31.03.2014, the Share transfer / Investor Grievance Committee met 3 (Three) times on 17.12.2013, 28.01.2014 and 31.03.2014 and approved share transfer (both physical and Demat) and attended to investors grievances. In accordance with Clause 49 of the Listing Agreement and Section 178 of the Companies Act 2013, Chairman of the Committee is a Non-Executive Independent Director. The quorum for the Committee is any two members present at the meeting.

A. Details of Investors complaints received during the year are as follows:

Sl.No.	Nature of Complaints	Received	Disposed	Pending	Remarks
1.	Non-receipt of dividend warrants	Nil	Nil	Nil	Nil
2.	Revalidation of Dividend warrants	Nil	Nil	Nil	Nil
3.	Non-receipt of Share Certificates after transfer	Nil	Nil	Nil	Nil
4.	Non-receipt of Demat rejection	Nil	Nil	Nil	Nil
5.	Loss of Share Certificates / Stop Transfer	Nil	Nil	Nil	Nil
6.	Others	Nil	Nil	Nil	Nil

B. Information & Services (Categorywise Break - up)

1.	Issue of Duplicate Share Certificate	Nil
2.	Procedure for Transmission	Nil
3.	Change of Address / Bank Mandates	Nil
4.	Procedure for Loss of Share Certificates	Nil
5.	Rematerialization of shares	1
Total		1

## GYAN DEVELOPERS & BUILDERS LIMITED

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All Investor correspondence and services attended in time.

Name and Address of the Compliance Officer for Share Transfer / Investors Grievance Committee:

Mr. T Ashokraj appointed as Compliance Officer of the Company and for any clarification / complaints, share holders may contact Mr. T.Ashokraj at the following address.

### GYAN DEVELOPERS AND BUILDERS LIMITED

**Mr. T. Ashok Raj**

Gyan Kiran, Door No. 6, Hanumantharao Street,  
T. Nagar, Chennai 17

Email ID: gyandevelopers@yahoo.com

Phone No: 28157644, 93810 03930

#### 6. DISCLOSURES:

- The Company had paid a rent of Rs.1,80,000/- for the financial year 2013-2014 to Mrs. A.Sunitha, wife of Mr.T.Ashok Raj, Managing Director for using the Registered office premises, and paid remuneration of Rs.2,25,000/- to Mr.T.Ashok Raj, Managing Director. Apart from the above, no transaction of material nature has been entered into by the Company with related parties i.e. Directors or Management, their subsidiaries or relatives, during the year, which may have potential conflict with the interest of the Company.
- The Board duly authorised for the transaction with the Promoters or Directors or the Management or their relatives with respect to rent paid as indicated in the above point.
- There were no instances of non-compliance by the Company, on any matter related to capital markets during the last three years. Further, there has been no penalty, and stricture imposed on by the Company by Stock Exchanges or SEBI or any Statutory Authorities against the Company.
- The Company has a policy, wherein the employees enjoy access of reporting to the Management / Audit Committee.
- All the mandatory requirements have been complied by the Company and also adopted some of the non-mandatory requirements of this clause.

#### 7. MEMBERS MEETING, LOCATION AND TIME AT LAST THREE ANNUAL GENERAL MEETING.

Date	Time	Venue
23.09.2011	9.30 A.M	The Chartered Accountant Study Circle, No. 2-L, Rear Block 2nd Floor, Prince Arcade, 22 A Cathedral Road, Chennai - 600086 (19th A. G. M.)
26.09.2012	9.30 A.M	The Chartered Accountant Study Circle, No. 2-L, Rear Block 2nd Floor, Prince Arcade, 22 A Cathedral Road, Chennai - 600086 (20th A. G. M.)
20.09.2013	9.30 A.M	The Chartered Accountant Study Circle, No. 2-L, Rear Block 2nd Floor, Prince Arcade, 22 A Cathedral Road, Chennai - 600086 (21st A. G. M.)

## GYAN DEVELOPERS & BUILDERS LIMITED

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### 8. MEANS OF COMMUNICATION:

Your company publishes the quarterly results, book closure / record dates in “Trinity Mirror” in English daily and “Makkal Kural” in Tamil daily, being vernacular daily news paper. During the year quarterly results were published on the following dates.

	Date of Publishing	
FIRST QUARTER ENDING	30.06.2013	: 01.08.2013
SECOND QUARTER ENDING	30.09.2013	: 01.11.2013
THIRD QUARTER ENDING	31.12.2013	: 31.01.2014
FOURTH QUARTER ENDING	31.03.2014	: 30.04.2014

### TENTATIVE DATES FOR THE FINANCIAL YEAR 2014 - 2015

First Quarter ended	30.06.2014	Last week of July, 2014
Second Quarter ended	30.09.2014	Last week of October, 2014
Third Quarter ended	31.12.2014	Last week of January, 2015
Fourth Quarter ended	31.03.2015	Last week of April, 2015

The unaudited quarterly financial results, limited review by the Auditors and the audited full year financial results are sent to the Bombay Stock Exchange Limited and Madras Stock Exchange within the specified time limit.

### 9. SHAREHOLDERS INFORMATION:

- a. Twenty Second Annual General Meeting:

Date & Time: Monday the 22nd Day of September, 2014 at 9.30 A.M.

Venue : The Chartered Accountants Study Circle, No. 2-L, Rear Block 2nd Floor,  
Prince Arcade, 22 A Cathedral Road, Chennai - 600086

- b. Financial Year: 1st April to 31st March.  
c. Book Closure Date: Thursday the 18th day of September, 2014 to Monday the 22nd day of September 2014 (both days inclusively).  
d. Dividend Payment Date: Not applicable  
e. Listing on Stock Exchanges:

The Company's equity shares of Rs.10/- each are listed at

- 1) MADRAS STOCK EXCHANGE  
(Regional Stock Exchange)  
Exchange Buildings, Second Line Beach  
Chennai 600 001.
- 2) BOMBAY STOCK EXCHANGE LIMITED  
25, P.J.TOWERS, DALAL STREET,  
MUMBAI - 400 001.

Listing Fees is duly paid to the both the Stock Exchanges pursuant to clause 38 of the listing Agreement.

## GYAN DEVELOPERS & BUILDERS LIMITED

f. **Stock Code**

BSE Scrip Code No: 530141

MSE Scrip Code: GYAN DEVELOPERS

Depository ISIN- INE 487G01018

CIN: L70101TN1992PLC022624

g. **Market Price Data & Performance.**

i. Stock Market Price & Stock Performance - BSE

**SHARE PRICE MOVEMENT MONTH WISE (IN RS)**

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
										H-L	C-O
Apr 13	2.88	2.88	2.88	2.88	100	1	288	100	100.00	0.00	0.00
May 13	2.88	2.88	2.88	2.88	1,000	1	2,880	1,000	100.00	0.00	0.00
Jan 14	2.89	2.89	2.89	2.89	100	1	289	100	100.00	0.00	0.00
Feb 14	2.89	2.89	2.89	2.89	901	3	2,603	901	100.00	0.00	0.00
Mar 14	2.90	2.90	2.90	2.90	1,499	6	4,347	1,499	100.00	0.00	0.00

The shares are thinly traded / not traded in Madras Stock Exchange, hence not reported.

h. Registrar and Share Transfer Agents: Physical and Demat

**M/s Integrated Enterprises (India) Limited**

“Kences Towers”, No.1 Ramakrishna Street,

T. Nagar, Chennai 600 017

Tel No. 28140901- 03. Fax No. 28142479

i. Share Transfer System

i) Share Transfers: Share transfers are registered and returned in the normal course within a period of 15 days from the date of receipt, if the documents are order in all respects. Request for dematerialization of shares are processed and confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) within 15 days.

ii) Investor Correspondence: Shareholders can send in their correspondence to the Regd. Office Gyan Kiran, Door No. 6, Hanumantharao Street, T. Nagar, Chennai 17 of the company at or to the share transfer agents at the above address.

iii) Intimation of change of address, bank details etc. All the members are requested to notify immediately any change in their address, bank details, and bank mandate and nomination details to the Registrar and Share transfer agent of the company.

M/s Integrated Enterprises (India) Limited

“Kences Towers”, Second Floor,

No. 1 Ramakrishna Street,

T. Nagar, Chennai 600 017.

Tel No. 28140801-28140803 Fax No.28142479

Email ID : corpserv@iepindia.com

## GYAN DEVELOPERS & BUILDERS LIMITED

iv) Investor Grievances

The Company has a regular system of attending to investor grievances. These grievances are promptly attended to and there is no complaint pending as on date.

v) Registered Office of the Company:

Gyan Kiran, Door No. 6,  
Hanumantharao Street,  
T. Nagar, Chennai 17

vi) Compliance Officer and Address for Correspondence:

Mr. T.Ashok Raj, has been appointed as compliance officer w.e.f 29.07.2011, for any clarification / complaints, share holders may contact Mr. T.Ashok Raj at the following address.

GYAN DEVELOPERS AND BUILDERS LIMITED

Mr. T.Ashok Raj

Gyan Kiran, Door No. 6, Hanumantharao Street,

T. Nagar, Chennai 17 Email ID: gyandevlopers@yahoo.com

Phone No: 28157644, 93810 03930

J. Share holding pattern.

Share holding pattern as on 31.03.2014.

Category	No of shares held	% of shareholding	Shares pledged or otherwise	
			No. of shares	% of shares
<b>PROMOTERS HOLDINGS</b>				
Indian Promoters	2,68,500	8.95	NIL	NIL
Relatives	16,77,100	55.90	NIL	NIL
Friends	---	---	NIL	NIL
<b>Sub total</b>	<b>19,45,600</b>	<b>64.85</b>	<b>NIL</b>	<b>NIL</b>
<b>INSTITUTIONAL INVESTORS</b>				
A. Mutual Fund and UTI	NIL	NIL		
B. Banks, Financial Institutions, Insurance Companies, (Central / State Govt. Institutions/Non government institutions)	NIL	NIL		
C. Foreign Institutional Investors	NIL	NIL		
<b>OTHERS</b>				
A. Bodies Corporate	42,932	1.43		
b. Individual shareholders holding nominal share capital upto Rs.1 Lakh.	7,88,578	26.29		
C. Individual shareholders holding nominal share capital above Rs.1 Lakh.	2,21,490	7.38		
D. Any other (specify)-CM/TM-Client Margin A/c	1,400	0.05		
<b>Sub total</b>	<b>10,54,400</b>	<b>35.15</b>		
<b>GRAND TOTAL</b>	<b>30,00,000</b>	<b>100.00</b>		

## GYAN DEVELOPERS & BUILDERS LIMITED

### K. Dematerialisation of Shares

An extent of 24,54,700 shares representing 81.82% of the issued share capital has been dematerialized as at 31st March 2014. 545,300 are in physical mode representing 18.18%.

### L. Distribution of Shareholdings as on 31st March 2014

Sl. No.	Category	No. of Holders	% of Holders	Amount (Rs.)	% of Amount
1.	Upto 500	1081	77.88	17,84,560	5.95
2.	501-1000	95	6.84	7,69,110	2.57
3.	1001-2000	60	4.32	9,23,740	3.08
4.	2001-3000	79	5.70	22,54,000	7.51
5.	3001-4000	18	1.30	6,79,090	2.26
6.	4001-5000	13	0.94	5,91,970	1.97
7.	5001-10000	17	1.22	11,87,200	3.96
8.	10000 and above	25	1.80	2,18,10,330	72.70
	<b>TOTAL</b>	<b>1388</b>	<b>100.00</b>	<b>3,00,00,000</b>	<b>100.00</b>

- m. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity: The Company has not issued any GDR / ADRs / Warrants or any convertible instruments, since the date of incorporation.

## 10. MANAGEMENT ANALYSIS AND REVIEW REPORT:

### a. Industry structure & Development:

For the last couple of years, the Indian economy witnessed a slowdown across various sectors, resulting in the GDP growth slipping to 4.7% in 2013 from 9.7% in 2010. In view of parliamentary elections there has been such economic downdraft. Moving forward, we believe that Indian real estate sector would gain from the formation of a stable government, positive market sentiment and growth prospects for all businesses. Housing activities have both forward and backward linkages which not only contribute to capital formation, generation of employment, and income opportunities but also to economic growth. Estimates show that every rupee invested in housing and construction adds 78 paise to the GDP.

The Indian real estate sector has come a long way and is today one of the fastest growing markets in the world. It comprises four sub-sectors - housing, retail, hospitality, and commercial. While housing contributes to five-six percent of India's gross domestic product (GDP), the remaining three sub-sectors are also increasing at a fast pace. The total realty market in the country is expected to touch US\$ 180 billion by 2020.

### b. Opportunities.

The Government of Tamil Nadu and the private sectors are promoting many industrial parks i.e., Auto, Leather, Hardware, Cellcity - Special Economic Zones in the outskirts of Chennai. Almost all factories are into operational and huge employment opportunity is created by these industries. Your Company is concentrating on increasing the vacant land Bank in and around the industrial corridors, which can fetch potential value for the investment made by the Company in near future. The Corporation of Chennai, Tamil Nadu,



## GYAN DEVELOPERS & BUILDERS LIMITED

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has already expanded its limits and proper connectivity to reach the non metro regions / industrial corridor is now available. Better employment opportunity coupled with Many schools, malls and social infrastructure facilities motivating the people to move out of the city. Also the Cost of living and clean environment with walk to work concept is one of the factor leading the work force to move to the sub urban area. Our company is into Residential Developed vacant lands, wherein large sets of organized and unorganized player co exist. This sector has been constantly maintaining healthy growth rate, thanks to the needs of a common man to own a home for himself. Our Company tends to benefit largely from the low-cost land deals which help generate better margins. The Company is also expecting that in this financial year, the RBI will be reducing the interest rate to help the investors to invest in the Residential developed affordable vacant Lands. Your management is of opinion that there is a better opportunity business prospects for the Company.

**c. Segment-wise analysis**

Your Company is dealing in only one segment i.e., buying and selling of vacant land.

**d. Outlook:**

The Indian real estate sector continues to be a favored destination for global investors. The urban population will surge in the coming years, which, coupled with growth in employment, education and health care, will push the demand for residential and commercial space. Infrastructure facilities like metro rail, road & railway transport are close to completion & will be available to residents staying at the outskirts of Chennai. In view better infrastructure facilities, demand for vacant land at the outskirts is getting increased. Moreover, increased cost of land in city is making people to opt for land at the outskirts. The management is confident that there will be consistent revenue in view of above factors.

**e. Threats, Risks, and concerns**

Rising fuel prices, cost of quality labour, inflation, multiple taxes and increase in interest rates has been major concern to the Company. The State / Central Government policies were not favourable as there has been enormous increase in guideline value of properties in the State of Tamilnadu. In some places where the company is holding land bank, the guideline value is more than the market value which is really discouraging the investor to invest in the developed lands. The complicated and slow government approvals are also a major cause of concern.

**f. Internal control systems and their adequacy**

Your Company has in place, adequate internal control systems and procedures commensurate with the size and nature of our business. These procedures are designed to ensure that:

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

## GYAN DEVELOPERS & BUILDERS LIMITED

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- g. Discussion on financial performance with respect to operational performance.

During the financial year, the Company has registered total revenue of Rs. 11,122,935/- as compared to Rs.19,49,445/- in the previous year. The net profit after tax for the year is Rs.20,61,771.50 as against previous year loss of Rs.69,977/-. In view better infrastructure facilities, demand for vacant land at the outskirts is getting increased. Moreover, increased cost of land in city is making people to opt for land at the outskirts which has boosted company's revenue and profit. The Board is confident that this trend will continue in the coming years.

- h. Material developments in human resources/industrial relations front, including number of people employed

The Company is continuously endeavoring to align the employee's objectives with the business objectives of the organisation through its HR policies, process and other development initiatives to achieve its organizational goals. Industrial relations have been cordial. The total number of employees in the Company during the financial year 2013 - 2014 were Five.

### 11. CAUTIONARY STATEMENT:

Details given herein above relating to various activities and future plans may be forward looking statements within the meaning of applicable laws and regulations. The actual performance may vary from those express or implied.

On behalf of the Board of Directors  
for GYAN DEVELOPERS & BUILDERS LIMITED

Place : Chennai  
Date : 29-04-2014

SD/-  
**T. Ashok Raj**  
Managing Director

SD/-  
**M. Sunita**  
Director

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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### **MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT**

As required by Clause 49 of the Listing Agreement, the Managing Director's and CEO declaration for Code of Conduct is given below :

To

The Members of

GYAN DEVELOPERS & BUILDERS LIMITED

I, T. Ashok Raj, Managing Director & CEO of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the code of Conduct.

for GYAN DEVELOPERS & BUILDERS LIMITED

Place : Chennai

Date : 29-04-2014

S/d  
**T.Ashok Raj**  
Managing Director & CEO

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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### **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members,

#### **Gyan Developers & Builders Limited**

We have examined the compliance of conditions of corporate governance by Gyan Developers & Builders Limited for the Year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s) in India.

The compliance of condition of corporate governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of corporate governance as stipulated in the said Clause. 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 based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

For **G.C. DAGA & CO.,**  
Chartered Accountants  
FRN : 000668S

S/d  
**CA MONISH GUPTA D**  
Partner  
Memb No.230115

Place : Chennai  
Date : 29-04-2014

# **GYAN DEVELOPERS & BUILDERS LIMITED**

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## **INDEPENDENT AUDITORS' REPORT**

To  
The Shareholders of  
**GYAN DEVELOPERS & BUILDERS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Gyan Developers and Builders Limited (the company), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (The Act) read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 (the order) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
  - d) In our opinion, the Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - e) On the basis of written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **G.C. DAGA & CO.,**  
Chartered Accountants  
FRN : 000668S

S/d  
**CA MONISH GUPTA D**  
Partner  
Memb No.230115

Place : Chennai  
Date : 29-04-2014

## **ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

### **REFERRED TO IN PARAGRAPH 1 UNDER HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

1. In respect of its Fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets on the basis of available information.
  - (b) As explained to us, all the Fixed Assets have been physically verified by the Management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such Physical Verification.
  - (c) In our opinion, the Company has not disposed off a substantial part of its Fixed Assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
  - (a) The inventory comprising of lands have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The company has neither granted nor taken any loans, secured or unsecured, to and from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4 (iii) (b) to (d) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures as regards purchase of inventory and fixed assets and for the sale of goods and services, commensurate with the size and nature of business carried out by the company. During the course of our audit, we have not observed any continuing failure to correct major weakness in such internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act, have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Act and exceeding the value of Rs. 500,000/- in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
6. According to the information and explanations given to us, the company has not accepted any deposits from the public. Accordingly paragraph 4 (vi) of the Order is not applicable to the Company.
7. The Company has no formal Internal Audit Department as such. However in our view, there are adequate internal control procedures, commensurate with the size and nature of business carried out by the company to ensure reasonable internal checking & control of its Financial and other records.
8. The Company is not required to maintain cost records as prescribed by the Central Government u/s 209 (1) (d) of the Companies Act, 1956. Accordingly paragraph 4 (viii) of the Order is not applicable to the Company.

## GYAN DEVELOPERS & BUILDERS LIMITED

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9. In respect of Statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion, the Company has been regular in depositing undisputed statutory dues, including Income-tax, as applicable with the appropriate authorities.
  - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax, customs duty, excise duty and cess (as applicable) which have not been deposited on account of any dispute.
10. The company has no accumulated losses as at end of the financial year. The Company has not incurred any cash losses in the financial year ending on that date or in the immediately preceding financial year.
11. In our opinion and according to the information & explanations given to us, the company has not defaulted in repayment of dues to a Financial Institutions or bank or debenture holders.
12. In our opinion and according to the information & explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debenture and other securities.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of Clause (xiii) of paragraph 4 of the order are not applicable to the company.
14. In our opinion and according to information and explanation given to us, the company is not dealing in shares, securities, debentures and other investments. Accordingly paragraph 4 (xiv) of the Order is not applicable.
15. In our opinion and as per the information given to us, the company has not given any guarantee for loans taken by others from bank or financial institution. Accordingly paragraph 4 (xv) of the Order is not applicable.
16. The Company has not raised any new term loan during the year. The term loans outstanding at the beginning of the year have been applied for the purposes for which they were raised.
17. In our opinion and according to information and explanation given to us, the Company has not raised any short term funds for long term investment. Accordingly paragraph 4 (xvii) of the Order is not applicable.
18. The company has not made any preferential allotment of shares during the year. Accordingly paragraph 4 (xviii) of the Order is not applicable.
19. The company has not issued any debentures during the year. Accordingly paragraph 4 (xix) of the Order is not applicable.
20. The company has not raised any money by way of public issue during the year. Accordingly paragraph 4 (xx) of the Order is not applicable.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

For **G.C. DAGA & CO.,**  
Chartered Accountants  
FRN : 000668S

S/d  
**CA MONISH GUPTA D**  
Partner  
Memb No.230115

Place : Chennai  
Date : 29-04-2014



## GYAN DEVELOPERS & BUILDERS LIMITED

### BALANCE SHEET AS AT 31.03.2014

	Notes No.	As at 31.03.2014	As at 31.03.2013
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders Funds</b>		<b>36,042,410.31</b>	<b>33,980,638.81</b>
a. Share Capital	1	30,000,000.00	30,000,000.00
b. Reserves and Surplus	2	6,042,410.31	3,980,638.81
<b>2. Share application money pending allotment</b>		<b>NIL</b>	<b>NIL</b>
<b>3. Non-current liabilities</b>		<b>350,556.00</b>	<b>690,542.00</b>
a. Long Term Borrowings	3	350,556.00	690,542.00
<b>4. Current Liabilities</b>		<b>3,837,297.00</b>	<b>566,215.00</b>
a. Other current liabilities	4	2,937,696.00	474,241.00
b. Short-term provisions	5	899,601.00	91,974.00
<b>Total</b>		<b>40,230,263.31</b>	<b>35,237,395.81</b>
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>9,978,259.06</b>	<b>12,285,082.06</b>
a. Fixed assets	6		
i. Tangible assets		6,278,207.06	6,653,574.06
b. Deferred Tax Asset (net)		200,052.00	31,718.00
c. Long term loans and advances	7	3,500,000.00	5,599,790.00
<b>Current Assets</b>		<b>30,252,004.25</b>	<b>22,952,313.75</b>
a. Inventories	8	20,042,657.45	14,266,918.45
b. Cash & Cash Equivalents	9	195,823.80	840,447.30
c. Short term loans & advances	10	8,448,602.00	7,210,750.00
d. Other Current Assets	11	1,564,921.00	634,198.00
<b>Total</b>		<b>40,230,263.31</b>	<b>35,237,395.81</b>

The accompanying Notes are an integral part of the financial statement

Significant accounting policies 16

As per our Report attached

For **G.C. DAGA & CO.**,  
Chartered Accountants  
FRN : 000668S

On behalf of the Board  
for GYAN DEVELOPERS AND BUILDERS LIMITED

**SD/-**  
**CA MONISH GUPTA D**  
Partner  
Memb No. 230115

**SD/-**  
**T. ASHOK RAJ**  
Managing Director

**SD/-**  
**M. SUNITA**  
Director

Place : Chennai  
Date : 29-04-2014

## GYAN DEVELOPERS & BUILDERS LIMITED

### PROFIT AND LOSS ACCOUNTS FOR THE PERIOD ENDED 31.03.2014

		As at 31.03.2014	As at 31.03.2013
I. Revenue Operations	12	10,598,000.00	1,235,000.00
II. Other Income	13	524,935.00	714,445.00
<b>III. Total Revenue</b>		<b>11,122,935.00</b>	<b>1,949,445.00</b>
IV. Expenses			
a. Purchase of Stock in Trade		NIL	NIL
b. Change in Inventory		5,728,713.00	241,300.00
c. Employees Benefit Expenses	14	1,077,388.00	450,000.00
d. Depreciation & Amortisation		371,164.00	499,332.00
e. Other Expenses	15	1,152,264.50	651,597.00
		<b>8,329,511.50</b>	<b>1,842,229.00</b>
<b>V. Profit before Exceptional &amp; Extraordinary Items and Tax</b>		2,793,423.50	107,216.00
VI. Exceptional Items		NIL	NIL
<b>VII. Profit before Extraordinary Items &amp; Tax</b>		2,793,423.50	107,216.00
VIII. Extraordinary Items		NIL	NIL
<b>IX. Profit before Tax (VII-VIII)</b>		2,793,423.50	107,216.00
X. Tax Expenses		731,652.00	177,193.00
a. Current Year tax		899,601.00	91,974.00
b. Previous year		385.00	28,089.00
c. Deferred tax		(32,150.00)	57,130.00
d. Deferred tax prior periods		(136,184.00)	NIL
<b>XI. Profit/(loss) for the period from continuing operation</b>		2,061,771.50	(69,977.00)
XII. Profit/(Loss) from discontinuing operation		NIL	NIL
XIII. Tax Expenses of discontinuing operation		NIL	NIL
<b>XIV. Profit/(loss) from discontinuing operation (after tax)</b>		NIL	NIL
<b>XV. Profit/(loss) for the period (XI + XIV)</b>		2,061,771.50	(69,977.00)
XVI. Earnings per Equity Shares			
a. Basic		0.69	(0.02)
b. Diluted		0.69	(0.02)

The accompanying Notes are an integral part of the financial statement

Significant accounting policies 16

As per our Report attached

For **G.C. DAGA & CO.**,  
Chartered Accountants  
FRN : 000668S

On behalf of the Board  
for GYAN DEVELOPERS & BUILDERS LIMITED

**SD/-**  
**CA MONISH GUPTA D**  
Partner  
Memb No. 230115  
Place : Chennai  
Date : 29-04-2014

**SD/-**  
**T. ASHOK RAJ**  
Managing Director

**SD/-**  
**M. SUNITA**  
Director

# GYAN DEVELOPERS & BUILDERS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31.03.2014	As at 31.03.2013
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### Note 1a : SHARE CAPITAL

#### Authorised

50,00,000 Equity share of Rs.10/-each 50,000,000.00 50,000,000.00

Issued, Subscribed & paid up

30,00,000 Equity shares of Rs.10/-each 30,000,000.00 30,000,000.00

### Note 1b : Reconciliation of number of shares outstanding

Equity Shares	Nos.	Rs.	Nos.	Rs.
Shares O/s. at the beginning of the year	3000000	30,000,000.00	3000000	30,000,000.00
Shares issues during the year	NIL	NIL	NIL	NIL
Shares bought back during the year	NIL	NIL	NIL	NIL
Shares O/s. at the end of the year	3000000	30,000,000.00	3000000	30,000,000.00

### Note 1c : Rights, preference and restriction attached to shares

The company has only one class of shares referred to as equity shares having a per value of Rs.10/-. Each holder of equity shares is entitled to vote per share. In the event of liquidation of the company, the holder of equity share will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportional to their shareholding.

### Note 1d : Details for holding more than 5% shares in the company

	% Holding	Nos.	% Holding	Nos.
Equity shares of Rs.10/- each fully paid				
Ashok Raj	8.95%	268,500	8.95%	268,500
Ashok Raj HUF	9.83%	295,000	9.83%	295,000
Sumitha A	6.75%	202,600	6.75%	202,600
Sunita M	5.33%	159,800	5.33%	159,800

### Note 2 : Reserves & Surplus

Surplus in the statement of profit & loss

Balance as at the beginning of the year 3,980,639.00 4,050,615.81

Add : Net profit/(loss) for the current period 2,061,772.00 (69,977.00)

Balance as at the end of the year 6,042,410.00 3,980,638.81

**6,042,410.00**

**3,980,638.81**

### Note 3 : Long term Borrowings

Term Loan

\* from Banks (Secured) 350,556.00 690,542.00

**350,556.00**

**690,542.00**

\* Term loan is secured against Hypothication of Car XUV500

## GYAN DEVELOPERS & BUILDERS LIMITED

### Note 4 : Other Current liabilities

Trade Payables	423,679.00	423,679.00
Land development and levelling charges payable	2,438,820.00	NIL
Audit Fees payable	45,506.00	45,506.00
Other Liabilities	29,691.00	5,056.00
	<b>2,937,696</b>	<b>474,241</b>

### Note 5 : Short term Provisions

Provisions for Others		
a. Provision for Income Tax	899,601.00	91,974.00
	<b>899,601.00</b>	<b>91,974.00</b>

### Note 7 : Long Term Loans & Advances

Other loans and Advances		
Unsecured, Considered good	3,500,000.00	5,599,790.00
	<b>3,500,000.00</b>	<b>5,599,790.00</b>

### Note 8 : Inventories

Finished goods valued at cost	20,042,657.00	14,266,918.00
	<b>20,042,657.00</b>	<b>14,266,918.00</b>

### Note 9 : Cash & Cash Equivalents

1. Cash on Hand	70,233.00	105,284.00
2. Bank Balance with Scheduled Banks in Current Accounts	125,590.00	735,163.00
	<b>195,824.00</b>	<b>840,447.00</b>

### Note 10 : Short term Loans & Advances

a. Advance to Land Owners		
Unsecured, Considered good	8,448,602.00	7,210,750.00
	<b>8,448,602.00</b>	<b>7,210,750.00</b>

### Note 11 : Other Current Assets

Balance with Revenue Authority	543,698.00	101,198.00
Others Deposits	1,021,223.00	533,000.00
	<b>1,564,921.00</b>	<b>634,198.00</b>

### Note 12 : Revenue from Operation

Sale of inventory	10,598,000.00	720,000.00
Commission Receipts	NIL	515,000.00
	<b>10,598,000.00</b>	<b>1,235,000.00</b>

## GYAN DEVELOPERS & BUILDERS LIMITED

**Note 6 : Fixed Assets bifurcating into Tangible & Intangible**

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at 01.04.13	Additions	Deletions/ Retirement	Balance as at 31.03.14	As at 01.04.13	For the Year	Depn. on Assets sold/retired	As at 31.03.14	As at 31.03.13
Land	2,889,851.50	NIL	NIL	2,889,851.50	NIL	NIL	NIL	2,889,851.50	2,889,851.50
Building	2,444,203.56	NIL	NIL	2,444,203.56	175,406.00	NIL	NIL	2,268,797.56	2,268,797.56
Office Equipments	29,280.90	NIL	29,280.90	NIL	27,961.90	NIL	27,961.90	NIL	1,319.00
Two Wheelers	29,500.00	NIL	29,500.00	NIL	26,130.00	NIL	26,130.00	NIL	3,370.00
Furnitures & Fixtures	139,420.10	NIL	NIL	139,420.10	127,755.10	2,111.00	NIL	129,866.10	11,665.00
Computers	255,634.80	NIL	NIL	255,634.80	251,583.80	1,620.00	NIL	253,203.80	4,051.00
Hyundai Car	437,510.00	NIL	NIL	437,510.00	233,507.00	52,816.00	NIL	286,323.00	204,003.00
XUV 500	1,552,990.00	NIL	NIL	1,552,990.00	402,069.00	297,973.00	NIL	700,042.00	1,150,921.00
Air-Conditioner	309,135.55	NIL	NIL	309,135.55	258,496.55	7,044.00	NIL	265,540.55	50,639.00
Coffee Maker	6,916.00	NIL	6,916.00	NIL	6,412.00	NIL	6,412.00	NIL	504.00
Mixer Machine	30,500.00	NIL	30,500.00	NIL	28,181.00	NIL	28,181.00	NIL	2,319.00
Mobile Phones	17,791.00	NIL	NIL	17,791.00	7,935.00	1,371.00	NIL	9,306.00	9,856.00
Fax Machine	21,795.00	NIL	21,795.00	NIL	19,926.00	NIL	19,926.00	NIL	1,869.00
EPABX	8,000.00	NIL	8,000.00	NIL	7,179.00	NIL	7,179.00	NIL	821.00
Office Furn. & Fittings	796,338.65	NIL	NIL	796,338.65	742,750.65	7,454.00	NIL	750,204.65	53,588.00
Printer	NIL	5,999.00	NIL	5,999.00	NIL	775.00	NIL	775.00	NIL
Total	8,968,867.06	5,999.00	125,991.90	8,848,874.16	2,315,293.00	371,164.00	115,789.90	2,570,667.10	6,653,574.06
Previous Year	7,406,377.06	1,562,490.00	NIL	8,968,867.06	1,815,961.00	499,332.00	NIL	2,315,293.00	6,332,061.16

**Note :** Addition made to Printer on 27.04.2013 for Rs.5,999/-

Deletions made to the following assets at the beginning of the year as

the asset is scraped -

Office Equipments, Two Wheelers,

Coffee Maker, Mixer Machine,

Fax Machine, EPABX

## GYAN DEVELOPERS & BUILDERS LIMITED

### Note 13 : Other Income

Interest Receipts	524,935.00	714,445.00
	<b>524,935.00</b>	<b>714,445.00</b>
	=====	=====

### Note 14 : Employee Benefit Expenses

Salaries & Bonus	826,000.00	270,000.00
Director Remuneration	195,000.00	180,000.00
Staff Refreshment	56,388.00	NIL
	<b>1,077,388.00</b>	<b>450,000.00</b>
	=====	=====

### Note 15 : Other Expenses

Accounting Charges	36,000.00	12,000.00
Advertisement	26,000.00	25,800.00
AGM Expenses	16,000.00	7,750.00
Books & Periodicals	55,090.00	NIL
Disposal of Assets	10,202.00	NIL
Interest on Vehicle Loan	66,634.00	97,187.00
Power & fuel	36,112.00	10,781.00
Repairs to Machinery	110,240.00	56,518.00
Insurance	32,546.00	24,019.00
Legal & Professional Charges (a)	251,254.00	164,814.00
Printing & Stationery	63,020.00	34,800.00
Property & Water Tax	12,375.00	7,040.00
Postage & Stamps	58,282.00	16,000.00
Office Maintenance	146,641.00	23,602.00
ROC & XBRL Filing Charges	8,847.00	NIL
Telephone charges	39,397.00	20,473.00
Rent	180,000.00	147,000.00
Interest on T.D.S.	541.00	NIL
Miscellaneous Expenses	3,066.00	3,813.00
	1,152,247.00	651,597.00
	<b>1,152,247.00</b>	<b>651,597.00</b>
	=====	=====

(a) Legal and professional includes Payment to Auditor

– for Statutory Audit	30,000.00	30,000.00
– for Tax Matters	NIL	NIL
– for Other Services	15,000.00	15,000.00
– Service Tax	5,562.00	5,562.00
	<b>50,562.00</b>	<b>50,562.00</b>
	=====	=====

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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### **Note 16: SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS.**

#### **I. Significant Accounting Policies**

##### **A. Basis of accounting:**

The financial statements have been prepared to comply in all material aspects with the notified accounting standards by Companies Accounting Standards Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements are prepared under the historical cost convention and income and expenses are accounted for on an accrual basis, in accordance with the accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

##### **B. Events Occurring After the Date of Balance Sheet:**

Material events occurring after the date of Balance Sheet are taken into cognizance.

##### **C. Revenue Recognition:**

###### **Income from Operations:**

Income from Operations is determined as the aggregate during the period of the increase in land development cost, Service charges & sale of land. During the year there is no revenue generated from Increase in land development cost and Service charges.

###### **(a) Increase in Land Development Cost**

Increase in Land Development cost is the difference between the amount received from Prospective buyer and amount paid to the vendor at initial stage.

###### **(b) Service charges**

Service Charges is the nature of income which is generated from making out the deal between the land seller and prospective buyer.

###### **(c) Revenue from Sale of Land**

Revenue from Sale of land is the difference between the cost of land purchased (inclusive of stamp duty and other charges) and Sale value of the land.

##### **D. Fixed Assets:**

Expenditure which is of a capital nature is capitalised at cost which comprises purchase price (net of rebates and discounts), statutory levies and other expenses/charges directly expended in acquiring such assets.

##### **E. Impairment:**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, then impairment loss is recognised wherever the carrying amount of an asset is in excess of its recoverable amount and the same is recognized

## **GYAN DEVELOPERS & BUILDERS LIMITED**

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as an expenses in the statement of profit and loss and carrying amount of the asset is reduced to its recoverable amount.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased.

### **F. Depreciation:**

Depreciation is provided from the date on which assets have been installed and put to use on Written down Value method at the rates specified under Schedule XIV to the Companies Act, 1956. Depreciation is provided from the date of capitalization till the date of sale of assets. According to the circular No. 14, dated 20-12-1993, depreciation on assets, whose actual cost does not exceed five thousand rupees have been provided at the rate of hundred percent. Depreciation is not provided on Land and building since these assets are not used in the business either for production, or supply of goods and services for rental to others or for administrative purposes.

### **G. Land Owner's Account:**

Advance to land owners are reflected as the aggregate of amounts paid to them and amounts due from them, reduced by the amounts credited to them if the agreement is cancelled or due to any change in the cost of the land.

### **H. Inventories:**

The inventories are valued at cost. Inventory of the Company comprises of Lands purchased. Cost of the inventory shall also include the land development expenses incurred by the Company. Land development expenses are incurred for leveling of the land which is incidental for selling of the land.

### **I. Recognition of Income and Expenditure:**

Income and expenditure are recognised on accrual basis and provision is made for all known expenses.

### **J. Borrowing Costs**

There are no borrowing costs attributable to the acquisition or construction of assets. Other borrowing costs are recognised as expenses in the period in which they are incurred.

### **K. Taxation**

Tax expense comprises current tax and deferred tax.

The accounting treatment for income-tax in respect of company's income is based on the Accounting Standard 22 on 'Accounting for Taxes on Income' issued by the Institute of Chartered Accountants of India. Provision for current income-tax is made in accordance with the Income-tax Act, 1961.

Deferred tax assets and liabilities are recognized at substantively enacted tax rates, subject to the consideration of prudence, on timing difference, being the difference between taxable income



## GYAN DEVELOPERS & BUILDERS LIMITED

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and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### **L. Employee Benefits:**

#### **a. Short term Employee Benefits**

All Short term employee benefits payable including salaries and other allowances are recognized on accrual basis, in the manner provided in AS 15.

#### **b. Other Long Term Employee Benefits**

No provision has been made for leave encashment retirement benefit for the period as the terms of employment does not provide for such obligation on the company.

#### **c. Post Employment Benefits**

##### **(1) Defined Contribution Plans**

No provision has been made for Provident Fund and other Superannuation benefits as the respective Acts are not applicable to the company.

##### **(2) Defined Benefit Plans**

No provision has been made for Gratuity liability for the period as the respective Acts are not applicable to the company.

### **M. Earning Per Share:**

The earning considered in ascertaining the Company's earning Per Share ('EPS') comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti dilutive.

### **N. Provisions and Contingent Liabilities:**

Provisions are recognized when the company has a present obligation as a result of past event; it is more likely than not that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made based on technical evaluation and past experience. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not provided for in the accounts and are disclosed by way of Notes.

### **O. Cash Flow Statement:**

Cash Flow Statement has been prepared under indirect method, as prescribed in Accounting Standard 3. Cash and Cash Equivalents comprise Cash on Hand, current and other accounts held with Banks.

### **II. Notes on Accounts:**

1. Previous years figures have been regrouped/ reclassified wherever necessary. Accordingly, amounts and other disclosure for the previous year are included as an integral part of the

## GYAN DEVELOPERS & BUILDERS LIMITED

current year's financial statement and are to be read in relation to the amounts and other disclosures relating to the current year.

2. In the opinion of the Board, loans and advances are approximately of the value stated, if realized in the ordinary course of business.
3. The outstanding amount in respect of loans and advances, current liabilities, advance to land owners and payments received from customers are based on external confirmations.
4. Amounts due to Micro, Small & Medium Enterprises is Rs. NIL as at 31.03.2014 (Previous year Rs.NIL).
5. In the opinion of the Board there is no contingent liability of the company.
6. No provision has been made for gratuity liability for the period as the payment of Gratuity Act is not applicable.
7. Related Party Disclosures:

Key managerial personnel :

Mr. T. Ashok Raj	(Managing Director)
Mrs M Sunita	(Director)
Mr. S. Vijayan	(NEI Director)
Mr. J. Chandra Sekar	(NEI Director)

Relatives to Key Managerial Personnel :

Mr. P. Tarachand Jain	- Father of Managing Director
Mr. T. Mahendar Raj	- Brother of Managing Director
T. Ashok Raj HUF	- Managing Director is Karta
A. Sumitha	- Wife of Managing Director

Related Party Transactions:

The following transactions are carried out with the related parties in the ordinary course of business :

	Current Year	Previous Year
1. Director's Remuneration		
- Mr. T. Ashok Raj	Rs. 1,95,000/-	Rs. 1,80,000/-
2. HRA to Director		
- Mr. T. Ashok Raj	Rs.30,000/-	NIL
2. Rent		
- Mrs. A. Sumitha	Rs.1,80,000/-	Rs.1,47,000/-

## GYAN DEVELOPERS & BUILDERS LIMITED

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### 8. Deferred Tax:

The Company has provided deferred tax in accordance with the Accounting Standard – 22 (Accounting for taxes on Income) issued by the Institute of Chartered Accountants of India applicable with effect from 1-4-2002.

### 9. Segment Reporting:

The company is engaged in the business of Construction / Real Estate Activity which is the only significant Business Segment and hence Segment reporting is not considered necessary.

### 10. Earnings per Share:

Basic and Diluted Earnings per share (as per AS 20 issued by the Institute of Chartered Accountant of India) :

Net Profit for the year (after tax)	Rs.18,64,606/-
Weighted Average no. of Equity Shares	30,00,000
Nominal value of Shares	10/-
Basic and Diluted EPS	Rs.0.69/-

11. Balance of current assets, loans and advance are as per Books are subject to confirmation. In the opinion of management, these are realizable approximately at the value stated in the ordinary course of the business.

12. Figures in bracket represent previous year's figures.

As per our Report attached.

For **G.C. DAGA & CO.,**  
Chartered Accountants  
FRN : 000668S

On behalf of the Board  
for GYAN DEVELOPERS & BUILDERS LIMITED

**Sd/-**  
**CA MONISH GUPTA D**  
Partner  
Memb No. 230115

**Sd/-**  
**T. ASHOK RAJ**  
Managing Director

**Sd/-**  
**M. SUNITA**  
Director

Place : Chennai  
Date : 29-04-2014

## GYAN DEVELOPERS & BUILDERS LIMITED

### Cash Flow Statement for the year ended 31st March, 2014

	For the year Ended	
	31.03.2014	31.03.2013
<b>A. Cash Flow from Operating Activities :</b>		
Net profit before tax and extraordinary items	2,793,423.50	107,216.00
Adjustment for :		
Depreciation		499,332.00
Loss/(profit) on sale of fixed assets	371,164.00	NIL
Interest income	10,202.00	(714,445.00)
Operating Profit before Working Capital changes	2,649,854.50	(107,897.00)
Change in Working Capital		
(Increase)/ decrease in Trade & Other Receivables	(68,785.00)	181,510.00
(increase)/ decrease in Inventories	(5,775,739.00)	241,300.00
Increase / (decrease) in Trade & Other Payables	2,463,455.00	NIL
Cash Generated from Operations	(731,214.50)	314,913.00
Direct Taxes Paid	(92,359.00)	(628,770.00)
Cash Flow before Extra-ordinary Items	(823,573.50)	(313,857.00)
Extra-ordinary Items	NIL	NIL
Net Cash flow from Operating Activities	(823,573.50)	(313,857.00)
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(5,999.00)	(1,562,490.00)
Sale of Fixed Assets	NIL	NIL
Interest Receipts	524,935.00	714,445.00
Net Cash flow from Investing Activities	518,936.00	(848,045.00)
<b>C. Cash flow from Financing Activities</b>		
Repayment of Loan	(339,986.00)	690,542.00
Net cash flow from Financing Activities	(339,986.00)	NIL
Net increase / Decrease in cash and cash equivalents	(644,623.50)	(471,360.00)
Cash and cash equivalents at the beginning of the year	840,447.30	1,311,807.30
Cash and cash equivalents at the end of the year	195,823.80	840,447.30

Notes:

- 1 Cash and cash equivalents include cash and bank balances.
- 2 Figures in brackets indicate cash outgo.
- 3 Figures for the Previous Year have been regrouped /rearranged wherever found necessary.
- 4 The above cash has been prepared under indirect method in accordance with the accounting standards 3 as notified U/s.211(3C) of the companies act,1956.

As per our Report attached.

For **G.C. DAGA & CO.,**  
Chartered Accountants  
FRN : 000668S

On behalf of the Board  
for GYAN DEVELOPERS & BUILDERS LIMITED

**Sd/-**  
**CA MONISH GUPTA D**  
Partner  
Memb No. 230115  
Place : Chennai  
Date : 29-04-2014

**Sd/-**  
**T. ASHOK RAJ**  
Managing Director

**Sd/-**  
**M. SUNITA**  
Director



## GYAN DEVELOPERS & BUILDERS LIMITED

CIN: L70101TN1992PLC022624

Gyan Kiran, Door No. 6, Hanumantharao Street, T. Nagar, Chennai – 600017.

Tel: 044-28157644, e-mail:gyandevlopers@yahoo.com

### FORM No. MGT-11 PROXY FORM

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]*

Name of the Member(s) : .....

Registered address : .....

E-mail Id : .....

Folio No./Client Id & DP. Id : .....

I/We, being the Member(s) of .....shares of the above named Company, hereby appoint

1. Name : ..... Address : .....

Email Id : ..... Signature : ..... ,or failing him

2. Name : ..... Address : .....

Email Id : ..... Signature : ..... ,or failing him

3. Name : ..... Address : .....

Email Id : ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the company, to be held on the 22<sup>nd</sup> day of September, 2014 at 9.30 A.M.at No. 2 L, Rear Block, Prince Arcade, 22-A, Cathedral Road, Chennai-600 086 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1	To receive, consider and adopt the Audited Balance sheet as at 31.03.2014 and Profit and Loss Account for the Company for the period ending 31.03.2014and the reports of the Directors and Auditors.
2	To appoint a Director in the place of Mrs. M. Sunitha, (DIN: 01751554), Director, who retires by rotation and being eligible, offers herself for re-appointment
3	To appoint Auditors and to fix their remuneration.
4	To reappoint Mr. T Ashok Raj, as Managing director of the Company.
5	To appoint Mr. J Chandra Sekar, as an Independent Director
6	To appoint Mr. S Vijayan, as an Independent Director

Signed this..... day of September 2014

Affix  
Re.1/-  
Revenue  
Stamp

Signature of shareholder

Signature of Proxy holder(s)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**GYAN DEVELOPERS AND BUILDERS LIMITED**

CIN: L70101TN1992PLC022624

Gyan Kiran, Door No. 6, Hanumantharao Street, T. Nagar, Chennai – 600017.

Tel: 044-28157644, e-mail: gyandevlopers@yahoo.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

*DP ID :	Folio No :
*Client Id:	No. of Shares :

Name and Address of the Shareholder:

I hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the company held on the 22<sup>nd</sup> day of September, 2014 at 9.30 A.M. at No. 2 L, Rear Block, Prince Arcade, 22-A, Cathedral Road, Chennai – 600 086

\*Applicable for investors holding shares in electronic form

Signature of Shareholder / Proxy







GYAN DEVELOPERS & BUILDERS LIMITED



**TWENTY SECOND**  
**ANNUAL REPORT**  
(2013 - 2014)

## **BOOK - POST**

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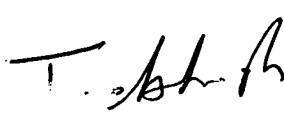


Gyan Kiran, Door No.6, Hanumantha Rao Street,  
T.Nagar, Chennai-600 017.

Partners :  
CA GOUTHAM CHAND N, M.Phil., B.L., FCA., DISA (ICAI)  
CA RAJESH KUMAR M, B.Com., FCA., DISA (ICAI)  
CA MONISH GUPTA D, B.Com., ACA  
CA VINAY KUMAR JAIN, B.Com., ACA

BRANCHES :  
#614A, NEHRUJI ROAD,  
VILLUPURAM – 605 602.  
#26, BAZAAR STREET,  
ARCOT – 632 503.

**FORM A**

**(Pursuant to Clause 31(a) of the listing Agreement)**

No.	Particulars	Details
1.	Name of the Company	GYAN DEVELOPERS AND BUILDERS LIMITED
2.	Annual Financial Statement for the year ended	31 <sup>st</sup> March 2014
3.	Type of Audit Observation	Our Opinion is not qualified for any of the Matters.
4.	Frequency of Observation	N.A.
5.	Signed	
	a. Managing Director	T. Ashok Raj 
	b. Audit Committee	M. Sunita 
	c. Auditor of the Company	Refer our Audit Report Dated 28.04.2014 on the Standalone Financial statements of the Company For G.C. Daga & Co., Chartered Accountants (FRN – 000668S)  CA Monish Gupta D Partner Memb No. 230115 Chennai, 29 <sup>th</sup> July, 2014

