



# **POPULAR ESTATE MANAGEMENT LIMITED**

**20<sup>TH</sup>**

**ANNUAL REPORT**

**2013-2014**

**BOARD OF DIRECTORS**

|                             |                              |
|-----------------------------|------------------------------|
| Shri. Ramanbhai B. Patel    | Chairman & Managing Director |
| Shri. Dashrathbhai B. Patel | Whole Time Director          |
| Shri. Purshottam M. Pandya  | Independent Director         |
| Shri. Suresh N. Patel       | Independent Director         |

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Shri. Dashrathbhai B. Patel

**AUDIT COMMITTEE**

Shri. Purshottam M. Pandya  
Shri. Ramanbhai B Patel  
Shri. Suresh N. Patel

**BANKER**

- I. Bank of Maharashtra,  
Ashram Road, Ahmedabad
- II. ING Vyasa Bank, Bodakdev, Ahmedabad
- III. Axis Bank, Law Garden, Ahmedabad
- IV. Yes Bank, C.G. Road, Ahmedabad

**AUDITORS**

Patel and Jesalpura  
Chartered Accountants  
803/804, Samudra Annexe,  
Near Classic Gold Hotel,  
C.G. Road, Navrangpura,  
Navrangpura,  
Ahmedabad-380006

**STOCK CODE : 531870**

**ISIN : INE370C01015**

**REGISTRARS AND SHARES****TRANSFER AGENTS**

Link Intime India Private Limited  
C/13, Pannalal Silk Mills Compound  
Lbs Marg, Bhandup (West)  
Mumbai – 400 078  
Tel : 91-22-2596 3838  
Fax : 91-22-2594 6969  
Mail : bombay@linkintime.co.in

**REGISTERED OFFICE**

81, 8<sup>th</sup> Floor, A-Wing,  
“New York Tower”,  
Opp : Muktidham Derasar,  
Thaltej, S. G. Highway,  
Ahmedabad-380054  
Tel No : 079-65415149  
Fax No : 079-26854831  
Mail: popularestatementmanagement@yahoo.co.in  
Website : www.popularestatementmanagement.com

**LISTING**

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Fort,  
Mumbai – 400 001

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**IMPORTANT COMMUNICATION TO SHAREHOLDERS**  
**“GREEN INITIATIVE IN THE CORPORATE GOVERNANCE”**

Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued a circular No.17/2011 on April 21, 2011 stating that the service of document to shareholders by a Company can be made through electronic mode.

Keeping in view the underlying theme and to support this green initiative of Government in the right spirit, members who holds shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the below mentioned prescribed form, giving their consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement or any other communication in electronic mode, and register the said form with Link Intime India Private Limited The said form is also available on the Company’s website: **www.popularestatementmanagement.com**

Please note that you will be entitled to be furnished, free of cost, with a physical copy of the notice, balance sheet and all other documents required by law to be attached thereto including the profit & loss account and auditors’ report etc., upon receipt of a requisition from you, any time, as a member of the Company.

We are sure you would appreciate the “Green Initiative” taken by MCA and your Company’s desire to participate in such initiatives.

**Email Address Registration Form**  
**(For members who holds shares in Physical Forms)**

**POPULAR ESTATE MANAGEMENT LIMITED**

**Registered Office :** 81, 8<sup>th</sup> Floor, “A” Wing, New York Tower, Opp : Muktidham Derasar,  
 Thaltej, S. G. Highway, Ahmedabad.

Ledger Folio No.: \_\_\_\_\_ No. of Share(s) held : \_\_\_\_\_

NAME OF THE SHAREHOLDER / JOINT HOLDER : \_\_\_\_\_

Email Address : i) \_\_\_\_\_ ii) \_\_\_\_\_

Contact No.: (R) \_\_\_\_\_ M) \_\_\_\_\_

I hereby give my / our consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement and all other documents required by law to be attached thereto or any other communication in electronic mode at my/our above mentioned email ID.

Signed this \_\_\_\_\_ day of, 2014

**Note :**

- 1) Members are requested to send their duly completed form as above to the Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd. Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad-380009 Tele: 07926465179 Tele fax : 079-26465179.
- 2) Members are also requested to inform about any change in their email ID immediately to RTA.
- 3) This form is also available on the Company’s website : **www.popularestatementmanagement.com**

**NOTICE**

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of M/s. Popular Estate Management Limited will be held at Registered Office 81, 8th Floor, A-Wing, "New York Tower", Opp. Muktidham Derasar, Thaltej, S. G. Highway, Ahmedabad-380 054 on Tuesday, 30th day of September, 2014 at 11:30 am to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Statement of Profit and Loss Account ended on 31st March, 2014 and the Balance Sheet as at that date together with the Report of Board of Directors and the Auditors' Report thereon and to pass with or without modification the following resolution as Ordinary Resolution:

"RESOLVED that the Directors' Report to the Shareholders dated 21st May, 2014, Statement of Profit and Loss for the year ended 31st March, 2014, and the Balance Sheet as at that date, the Cash Flow Statement for the year ended 31st March, 2014, together with the Auditors' Report thereon be and are hereby received and adopted."

2. To appoint a director in place of Mr. Dashrathbhai B. Patel (holding DIN 00235328), Whole-time Director who retires by rotation and being eligible, offers himself for reappointment and to pass with or without modification the following resolution as Ordinary Resolution:

"RESOLVED that Mr. Dashrathbhai B Patel, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed Director of the Company."

3. To appoint auditors of the Company and to fix their remuneration and to pass, with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED that subject to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. Patel & Jesalpura, Chartered Accountants (ICAI Registration No.120802W), the retiring auditors, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this meeting up to the conclusion of the next Annual General Meeting of the Company and to audit the accounts of the Company for the financial year ending 31st March, 2015, or any extension thereof at such remuneration as may be mutually agreed upon between the Board of Directors and the auditors, plus out of pocket and travelling expenses."

**SPECIAL BUSINESS :**

4. To appoint Mr. Suresh N Patel as Independent Director and to pass, with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Suresh N Patel, DIN 00481889, a non-executive director of the company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the company with effect from 30th September, 2014, upto 30th September, 2019."

5. To appoint Mr. Pushottam M Pandya as Independent Director and to pass, with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Purshottam M Pandya, DIN 02112515, a non-executive director of the company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the company with effect from 30th September, 2014, upto 30th September, 2019."

**Regd. Office :**  
81, 8<sup>th</sup> Floor, A-Wing,  
"New York Tower"  
Opp. Muktidham Derasar,  
Thaltej, S. G. Highway,  
Ahmedabad-380054

**By Order of the Board**  
**For, Popular Estate Management Limited**

**Date : 21st May 2014**

**Sd/-**  
**Dashrathbhai B Patel**  
**Whole-Time Director**

**Sd/-**  
**Purshottam M Pandya**  
**Director**

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE AT 81, 8TH FLOOR, NEW YORK TOWER, 'A' WING, OPP. MUKTIDHAM DERASAR, S.G. HIGHWAY, THALTEJ, AHMEDABAD-380054 NOT LESS THAN 48 HOURS BEFORE THE ANNUAL GENERAL MEETING.
2. An explanatory statement pursuant to Section 102 of Companies Act, 2013, in respect of special business in the notice is annexed hereto. The relevant details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s), in respect of Directors seeking appointment/re-appointment as directors Item Nos. 2, 4 and 5 above, are also annexed hereto.
3. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Sundays, between 11 a.m. and 1 p.m. up to the date of meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of Eight days from Tuesday, 23RD day of September, 2014 to Tuesday, 30th day of September, 2014 (both days inclusive).
5. Members are requested to contact Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd. Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad-380009 for recording any change of address, bank mandate, ECS or nominations, and for redressal of complaints contact the Compliance Officer at the Registered Office of the Company.
6. The equity shares of the company are available for dematerialization, as the company has entered into an agreement with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL). Those shareholders who wish to hold the company's share in electronic form may approach their depository participants.
7. Section 72 of the Companies Act, 2013, extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding share certificates in physical form and willing to avail this facility may make nomination in Form SH 13, which may be sent on request. However, in case of demat holdings, the shareholders should approach to their respective depository participants for making nominations.
8. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
9. Members, who have not encashed their dividend warrants issued for the years 2007-08 to 2008-09 are requested to immediately forward the same for revalidation to our Share Registrars at their address given under (5) above, and get the encashment at the earliest
10. Members are requested to bring their copies of Annual Report at the meeting. Shareholders seeking any information with regard to account are requested to write to the Company early so as to enable the Management to keep the information ready.
11. Members / Proxies are requested to bring with them the attendance slip duly filled in and hand it over at the entrance.
12. Members, who have multiple accounts in identical names or joint names in same order are requested to intimate M/s.Link Intime (India) Pvt. Ltd., the Ledger Folios of such accounts to enable the Company to consolidate all such share holdings into one account.
13. The e-voting period commences on 20th September, 2014 (10-00 a.m.) and ends on 22nd September, 2014 (6-00 p.m.). During this period shareholders' of the company holding shares either in physical form or in dematerialised form, as on the cut-off date of 29th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
14. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date of 29th August, 2014.

15. Mr. Ronak D Doshi, Practising Company Secretary (Membership No. 23712) of M/s Ronak Doshi & Associates has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
16. 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 atleast 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 Chairman of the Company.
17. The results shall be declared on or after the AGM of the company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.popularestatementmanagement.com](http://www.popularestatementmanagement.com) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the company and communicated to the Stock Exchanges where the company's shares are listed.

**18. Voting through electronic means :**

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their right to vote at the 20th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

**The instructions for members for voting electronically are as under :-**

**In case of members receiving e-mail :**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below :

| <b>For Members holding shares in Demat Form and Physical Form</b> |   |
|---|---|
| <b>PAN*</b>   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN Field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field.</li> </ul> |
| <b>DOB#</b>   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |
| <b>Dividend Bank Details#</b>                                     | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>   |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy :**

- (A) Please follow all steps from sl. no. (I) to sl. no. (xvii) Above to cast vote.
- (B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Regd. Office :  
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Thaltej, S. G. Highway,  
Ahmedabad-380054

By Order of the Board  
For, Popular Estate Management Limited

Date : 21st May 2014

Sd/-  
Dashrathbhai B Patel  
Whole-Time Director

Sd/-  
Purshottam M Pandya  
Director

**ANNEXURE TO THE NOTICE IS MENTIONED HERE**

Notes on Directors seeking appointment / re-appointment at the annual general meeting as required under the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

**Profile of Retiring Directors :****Item No. 2**

|   |  |
|---|--|
| Name  | <b>Dashrathbhai B Patel</b>  |
| Qualification   | B. Com   |
| Experience  | Over 31 years of wide ranging experience in Real Estate and Infrastructure Area                                    |
| Other Directorship  | 1. Pioneer Amusement and Motels Limited  |
| Chairman / Member of the Committees of the Board of the other companies on which he is a director | No   |
| No. of shares held in the company   | 868000 Equity shares of Rs. 10 each  |
| Disclosure of the relationships   | Shri. Dashrathbhai B. Patel is Brother of Shri. Ramanbhai B. Patel, Chairman and Managing Director of the Company. |

**Profile of Independent Directors :****Item No. 4**

|   |   |
|---|---|
| Name  | <b>Suresh N Patel</b>   |
| Qualification   | Commerce Graduate   |
| Experience  | Over 15 years of wide ranging experience in Real Estate and Infrastructure Area   |
| Other Directorship  | None  |
| Chairman / Member of the Committees of the Board of the other companies on which he is a director | No  |
| No. of shares held in the company   | NIL   |
| Disclosure of the relationships   | Shri. Suresh N Patel is not, in any way, concerned / interested / related with any of the other directors of the company. |

**Item No. 5**

|   |  |
|---|--|
| Name  | <b>Purshottam M Pandya</b>   |
| Qualification   | Commerce Graduate  |
| Experience  | Over 14 years of wide ranging experience in Real Estate and Infrastructure Area  |
| Other Directorship  | None   |
| Chairman / Member of the Committees of the Board of the other companies on which he is a director | No   |
| No. of shares held in the company   | Nil  |
| Disclosure of the relationships   | Shri. Purshottam M Pandya is not, in any way, concerned / interested / related with any of the other directors of the company. |

**CORPORATE SOCIAL RESPONSIBILITY (CSR) :**

The CSR Committee of Board: As prescribed by the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility Committee on 25th March, 2014 including Shri Suresh N Patel as Chairman of the Committee and two other members namely Shri. Ramanbhai B Patel and Shri Purshottam M Pandya. The Committee is reviewing from time to time the Company's CSR Policy and the Committee is searching for the proper avenues to fulfill the Social Responsibility of the Company by Utilization of the fund of CSR.

**Note :-** The Company would be aligning the CSR activities and programme during 2014-15 in line with requirements of Section 135 of the Companies Act, 2013 and will report in the format prescribed thereunder.

**Regd. Office :**

81, 8<sup>th</sup> Floor, A-Wing,  
"New York Tower"  
Opp. Muktidham Derasar,  
Thaltej, S. G. Highway,  
Ahmedabad-380054

**By Order of the Board**  
**For, Popular Estate Management Limited**

Date : 21st May 2014

**Sd/-**  
**Dashrathbhai B Patel**  
**Whole-Time Director**

**Sd/-**  
**Purshottam M Pandya**  
**Director**



**DIRECTORS' REPORT**

To,  
The Members,  
**Popular Estate Management Limited,**  
Ahmedabad

Your directors have pleasure in presenting herewith their Twentieth Annual Report together with the Audited Statements of Accounts for the period ended 31st March, 2014.

**FINANCIAL RESULTS :**

| <b>Particulars</b>                               | <b>Current<br/>Year Ended<br/>on 31/03/2014</b> | <b>Previous<br/>Year Ended<br/>on 31/03/2013</b> |
|--|---|--|
| Income from operations                           | 2,91,00,000.00                                  | 0.00   |
| Other Income                                     | 0.00  | 471.00   |
| Depreciation                                     | 30,02,052.00                                    | 30,27,267.00                                     |
| Expenses other than Depreciation                 | 83,43,812.00                                    | 9,07,90,854.00                                   |
| Preliminary Exp. Written off                     | 0.00  | 0.00   |
| Net Profit/(Loss) Before Tax                     | 1,77,54,136.00                                  | (9,38,17,650).00                                 |
| Current Tax                                      | 38,50,000.00                                    | 0.00   |
| Differed Tax                                     | (1,75,881).00                                   | 16,94,293.00                                     |
| Wealth Tax                                       | 1,10,000.00                                     | 0.00   |
| Profit/(Loss) After Tax                          | 1,39,70,017.00                                  | (9,55,11,943).00                                 |
| Proposed Dividend                                | 0.00  | 0.00   |
| Provision for dividend distribution Tax          | 0.00  | 0.00   |
| Profit/(Loss) after Tax & Dividend               | 1,39,70,017.00                                  | (9,55,11,943).00                                 |
| Bal. Brought Forward                             | 12,84,08,639.00                                 | 22,39,20,582.00                                  |
| Less : Income Tax paid for previous year         | 0.00  | 0.00   |
| Less : Short Provision of Taxes of earlier years | 0.00  | 0.00   |
| Balance Carried to Balance Sheet                 | 14,23,78,656.00                                 | 12,84,08,639.00                                  |

**DIVIDEND :**

In order to conserve the resources, your directors do not recommend any dividend for the year 2013-14.

**BOARD OF DIRECTORS :**

1. Mr. Dashrathbhai B Patel, whole-time Director of the Company retires by rotation and, being eligible, offers himself for re-appointment.
2. Mr. Chhaganbhai B Patel, Whole-Time Director of the Company and Mr. Purshottam H Pandya, Independent Director of the Company has resigned from the Board on 27th November, 2013.
3. In accordance with the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, it is proposed to appoint Mr. Purshottam M Pandya and Mr. Suresh N Patel, who are currently non-executive independent directors of the company and who meet the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, as independent directors for a period of 5 years from the date of the ensuing Annual General Meeting.

**REVIEW OF FINANCIAL PERFORMANCE, OPERATIONS AND FUTURE PROSPECTS :**

During the year under report, the company has made profit before Tax of Rs.177.54 Lac during the year and the operations for the year under review have resulted into net profit after tax of Rs. 139.70 Lac. The directors are hoping for better performance in coming years.

The Company has entered into Development Agreements with various parties for the development of different projects on their respective land.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

**PUBLIC DEPOSIT :**

The Company has not accepted any public deposits as defined under section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975, as amended, during the year under review.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO :**

The information relating to conservation of Energy, Technology Absorption, Foreign Exchange Earning / Outgo as required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable and hence, not given.

**PARTICULARS OF EMPLOYEES :**

Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars Employees) Rules, 1975 are not applicable to the Company, since none of the employees of the Company was in receipt of total remuneration exceeding of Rs.60,00,000/- p.a. or Rs.5,00,000/- p. m. for part of the year during the financial year under review.

**COMPANY SECRETARY AND COMPLIANCE OFFICER :**

In accordance with the provisions of Section 383A of the Companies Act, 1956, Shri Ronak D Doshi, a member of The Institute of Company Secretaries of India (ICSI) has resigned from the post of Company Secretary and Compliance Officer with effect from 27th November, 2013. At Present, Mr. Dashrathbhai B Patel has been appointed as Compliance Officer of the Company till the vacancy is fulfilled. The Company is in search of a new member of ICSI for the post of Company Secretary and Compliance Officer.

**AUDIT COMMITTEE :**

Audit Committee constituted by the company comprising two independent Non-Executive Directors viz. Shri. Purshottam M. Pandya, Chairman (having financial and accounting knowledge) and Shri. Suresh Patel, as well as Mr. Ramanbhai B Patel, Promoter and Executive Director as members. The constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing agreement of the Stock Exchanges as well.

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. Before presenting the audited accounts to the members of the Board, the Audit Committee recommended the appointment of the statutory auditors, subject to the Board's approval. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

**ACCOUNTING STANDARDS AND FINANCIAL REPORTING :**

The Company incorporates the accounting standards as and when issued by the Institute of chartered Accountants of India. The Company Complied with the Stock Exchange and legal requirement concerning the Financial Statements at the time of preparing them for the Annual Report.

**CORPORATE GOVERNANCE :**

Your Company follows the principles of effective Corporate Governance. The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the revised Clause 49 of the Listing Agreement executed with the Stock Exchange(s).

A separate section on Corporate Governance is included in the Annual Report and Certificate from Company's Auditors confirming the compliance with the code of Corporate Governance as enumerated in Clause-49 of the listing agreement with the Stock Exchange is annexed hereto.

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the

Listing Agreement executed with the Stock Exchange, is presented in a separate section forming part of the Annual Report.

**DEMATERIALISATION OF EQUITY SHARES :**

As per direction of the SEBI and Bombay Stock Exchange Limited, the shares of the Company are under compulsory demat form. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the demat activation number allotted to the Company is ISIN: INE 370C01015. Presently shares are held in electronic and physical mode (87.20% of shares in demat, 12.80% in physical mode).

**LISTING :**

The equity shares of the company are listed in the Bombay Stock Exchange Limited which has the connectivity in most of the cities across the country.

**AUDITORS :**

M/s. Patel & Jesalpura., Chartered Accountants, Ahmedabad retire at the conclusion of this ensuing Annual General Meeting. The Company has received a certificate under Section 224 (1) (B) of the Companies Act, 1956 to the effect that their re-appointment, if made, will be in accordance to the limit specified in the said Section. You are requested to consider their re-appointment as Auditors of the Company for the Current Year.

**AUDITORS REPORT :**

Information / explanation on remarks contained In Auditor's Report in Para 2 of report on other legal and regulatory requirements to the Auditors Report as per Section 217(3).

The directors hereby submit their explanations to the remark/qualification made by the auditors in their report for the year 2013-14. The Para No. 9 (c) of report on other legal and regulatory requirements to the Auditors Report and reply are as under:

Para 9 (c) of report on other legal and regulatory requirements to the Auditors Report:

2. According to the information and explanation given to us, there are no dues of sales tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposit on account of any dispute except Income Tax as per details mentioned in Para 9 (c) of the Auditor's Report.

Explanation to Para 9 (c) of report on other legal and regulatory requirements to the Auditors Report:

The directors are in bona fide belief that the company has no dues and liability towards the Income Tax Department. The dues of Income Tax for the Assessment year 2011-12 and 2012-13 are matter of technical dispute and the matter are pending before honorable CIT (A) (Chief commissioner of Income Tax- Appeals) and ITAT (Income Tax Appellate Tribunal ) respectively.

All other comments in the Auditors Report with Notes on Accounts referred to the Auditor's Report are self explanatory and, therefore do not call for any further explanation.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

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

- (i) That in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2014 the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or Loss of the Company for the year under review;
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the Directors had prepared the accounts for the Financial Year ended 31st March, 2014, on a 'going concern' basis.

**CORPORATE SOCIAL RESPONSIBILITY :**

During the year the Board constituted a Corporate Social Responsibility Committee comprising of three nonexecutive directors which stood as follows as on 31st March, 2014:

Mr. Suresh N Patel (Non-executive and Independent director) - Chairman

Mr. Purshottam M Pandya (Non-executive and Independent director) - Member

Mr. Ramanbhai B Patel (Executive director and Promoter) - Member

The terms of reference and scope of work is same as prescribed in Section 135 of the Companies Act, 2013, and the Rules thereunder.

**INSURANCE :**

The company has made necessary arrangements for adequately insuring its insurable interests.

**INDUSTRIAL RELATIONS :**

The directors are happy to note that the industrial relations continued to remain cordial during the year. The directors express their appreciation towards the staffs and executive staffs for their coordination and hope for a continued harmonious relations.

**ACKNOWLEDGEMENT :**

Your directors would like to express their grateful appreciation for the assistance and co-operation received from the Government, Banks and Business associates during the year under review. The Directors also express their gratitude to the shareholders for the confidence reposed towards the Company. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable team work and enthusiastic contribution during the year.

Regd. Office :  
81, 8<sup>th</sup> Floor, A-Wing,  
"New York Tower"  
Opp. Muktidham Derasar,  
Thaltej, S. G. Highway,  
Ahmedabad-380054

By Order of the Board  
For, Popular Estate Management Limited

Date : 21st May 2014

Sd/-  
Dashrathbhai B Patel  
Whole-Time Director

Sd/-  
Purshottam M Pandya  
Director

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**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A. BUSINESS HIGHLIGHTS :****Turnover :**

Popular Estate Management Limited has no turnover in 2013-2014.

**Employee Benefit Expenses :**

Employees emoluments (other than managerial remuneration) is Rs. 47,81,723/- during the year as against Rs. 41,20,497/- during the previous year.

**Administrative and Other Expenses :**

Major components of administrative and other expenses includes printing and stationary, audit fees, advertisement expenses, postage and stamps, listing fees, insurance premium etc. Administrative and other expenses for the year amounted to Rs.32.52 Lac as against Rs. 862.74 Lac during the previous year.

**Interest and Finance Charges :**

Interest and finance charges / bank charges during the year come to Rs. 3,10,063.00 as against Rs. 3,95,627.00 during the previous year.

**Depreciation :**

Depreciation charge for the current year came to Rs.30.02 Lac as against 30.27 Lac of the previous year.

**Provision for Tax :**

The Company has earned income during this year and hence made provision of Rs. 38,50,000 towards current tax and Rs. 1,10,000 towards wealth Tax. In the previous year the Company has made loss, therefore, no tax was payable/paid during the previous year. As there is no dividend payable this year, the company has not provided any amount for dividend distribution tax.

**Profit/Loss after Tax :**

The Company has made profit after tax for the current year is Rs 139.70 Lac as against Loss of Rs.955.12 Lac during the previous year. The Directors are hopeful for the better performance in the future.

**Earnings per Share :**

Basic and diluted earnings per share for the current year worked out to Rs. 1.00 as against Rs (6.82) during the previous year.

**Financial Condition :****Non Current Liabilities :**

The Company's Non Current Liabilities includes Long Term borrowings of Rs. 15,12,325.00 and Differed Tax of Rs. 15,18,412.00 as at 31st March 2014 as against Long Term Borrowings of Rs. 74,82,594.00 and Differed Tax of Rs. 16,94,293.00 as at 31st March 2013.

**Current Liabilities :**

Company's Current Liabilities includes Trade payables and Other Current Liabilities which are amounting to Rs. 37,39,493.00 as at 31st March 2014 against Rs. 62,97,383.00 of the previous year.

**Fixed Assets :**

Net block of the fixed assets at the end of the year is Rs. 187.17 Lac as against Rs. 189.68 Lac in the previous year.

**Long Term Loans and Advances :**

Non current investments of the company is Rs. 14,25,31,093.00 as at 31st March 2014 against Rs. 13,42,44,807.00 which was at 31st March 2013.

**B. SEGMENT WISE PERFORMANCE :**

The company is operating in only one segment i.e. Infrastructure / Construction. Your company has adopted various marketing strategies for sustained growth including increase in number of clients / customers to reduce the dependency on any single client / customer.

**C. AN INDUSTRY OVERVIEW :**

The management is confident of improvement in the company's working in the near future with fast growth.

The scenario of the infrastructure industry and economy in general is buoyant even after the industry is exposed to competition with policy of the government. The process of development, increasing thrust of the government on the infrastructure industry, the future of industry appears quite bright.

**D. SWOT ANALYSIS OF THE COMPANY :****Strength :**

- Management depth and ability to manage client / customer relationships
- Enhanced presence in the market through clientele basis

**Opportunities and Threats :**

The infrastructure industry is subject to tough competition amongst various segments within and outside the country. The threat of competition is comparatively less in the area in which your company is operating. The increase in demand from business sector will provide opportunity to your company to increase more market share. Moreover, Indian infrastructure industry witnessing changes in business dynamics.

**E. RISKS AND CONCERNS :**

Your company is mainly focusing on R & D and manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc.

**F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business. A qualified and independent committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

**G. HUMAN RESOURCE MANAGEMENT :**

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

**Cautionary Statement :**

Statement made in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates, changes in the government regulations, tax laws & other statutes and other incidental factors.

## CORPORATE GOVERNANCE

**Corporate Governance and practices in accordance with the provisions of Clause 49 of the Listing Agreement :**

**1. Company's philosophy on Code of Governance :**

The Company's Philosophy on investor service and protection envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders including shareholders, employees, the government and lenders. The Company is committed to achieving the highest standards of corporate governance. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time. The Company continues to take necessary steps towards achieving this goal.

**2. Board of Directors :**

**Composition:**

The present Board of Directors consists of half of Non-executive / Independent directors. As of date, the Board Comprises of 3 (three) whole time / executive directors and 3 (Three) non executive and independent directors.

The company has an executive chairman and the number of non-executive/independent directors is 50% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors.

The composition and category of Directors are as follows :

| CATEGORY                              | NAME OF DIRECTORS  |
|---------------------------------------|--|
| Promoter & Executive Director         | Ramanbhai B. Patel<br>(Chairman & Managing Director)<br>Shri. Dashrathbhai B. Patel<br>(Whole Time Director) |
| Independent & Non-Executive Directors | Shri. Purshottambhai M. Pandya (Director)<br>Shri. Sureshbhai N. Patel (Director)                            |

**NOTE :** Shri Chhaganbhai B Patel and Shri Purshottam H Pandya has resigned w.e.f from 27th November 2013.

| Name of directors              | Relationship with other Director   |
|--------------------------------|--|
| Shri. Ramanbhai B. Patel       | Brother of Shri. Dashrathbhai B. Patel Whole-time Director of the Company.                     |
| Shri. Dashrathbhai B. Patel    | Brother of Shri. Ramanbhai B. Patel, Chairman & Managing Director.                             |
| Shri. Purshottambhai M. Pandya | Not, in any way, concern / interested / related with any of the other directors of the company |
| Shri. Sureshbhai N. Patel      | Not, in any way, concern / interested / related with any of the other directors of the company |

Attendance of each Director at the Board meetings, Last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Director in various companies, during the year 2013-2014:

| Name Of Directors     | Attendance particulars |          | No. of Directorships and Committee Memberships / Chairmanships |                      |                         |
|-----------------------|------------------------|----------|--|----------------------|-------------------------|
|                       | Board Meetings         | Last AGM | Other Directorship   | Committee Membership | Committee Chairman-ship |
| Ramanbhai B. Patel    | 7                      | Present  | 1*   | 3                    | 2                       |
| Dashrathbhai B. Patel | 7                      | Present  | 1*   | 1                    | None                    |
| Chhaganbhai B. Patel  | 5#                     | Present  | 1*   | 1                    | None                    |
| Purushottam M. Pandya | 7                      | Present  | None   | 2                    | 2                       |
| Suresh N. Patel       | 7                      | Present  | None   | 3                    | None                    |
| Purshottam H Pandya   | 5#                     | Present  | None   | 1                    | None                    |

**# Note:** Mr. Chhaganbhai B Patel and Mr. Purshottam H Pandya have resigned on 27th November, 2013.



\*No. of Directorship excludes directorship of Private Limited Companies, Foreign Companies, Companies license under Section 25 of the Companies Act, 1956 and Alternate Directorship.

**Note :**

- I) Details of the Committee membership / chairmanship are in accordance with the revised Clause 49 of Listing Agreement.
- II) None of the Directors of the Company is a member of more than ten committees nor is the Chairman of more than five Committees across all the Companies in which he is a Director.

**Number of Board Meetings held and dates on which held :**

7 (Seven) Board Meetings were held during the year 2013-2014, as against the minimum requirement of 4 meetings. The dates on which the meetings were held are 27/05/2013, 27/07/2013, 11/09/2013, 25/10/2013, 27/11/2013, 27/01/2014 and 25/03/2014.

The Company has held one meeting every quarter and the maximum time gap between two meetings was not more than four months.

The Information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions. Where it is not practicable to attach supporting / relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the agenda.

**CEO Certification :**

Mr. Rambhai Prajapati CEO of the Company was giving annual certification on financial reporting and internal controls to the Board in terms of Clause 49 till his resignation dated 27th November, 2013. The Chairman and Managing Director give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41.

**Code of Conduct :**

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Clause 49(I)(D) of the Listing Agreement.

**Risk Management Policy :**

The Company has formulated a Corporate Policy applicable to its operations, and duly approved by the Board of Directors at its meeting held on 31ST March, 2006 in compliance with the requirement of the revised Clause 49 of the Listing Agreement with the Stock Exchanges. Audit Committee and Board Members are reviewing and updating the said policy periodically.

**3. Audit Committee :**

The Board of Directors of the Company has constituted an Audit Committee and has been reconstituted from time to time. The said Committee has been reconstituted by the Board of Directors of the company at its meeting held on 27th January 2014 due to resignation of Shri Purshottam H Pandya, member of the Audit Committee. Presently, the Audit Committee comprising of 2 (Two) independent Non-Executive Directors namely Shri. Purshottambhai M. Pandya, Chairman (having financial and accounting knowledge), Shri. Suresh N. Patel and 1 (One) Executive Promoter Director Shri Ramanbhai B Patel as members of the committee.

The Constitution, composition and functioning of the Audit Committee also meets with the requirements of Section 292A of the Companies Act, 1956 and revised Clause – 49 of the Listing Agreement entered into with the Stock Exchanges.

**Terms of Reference :**

The terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the revised Clause 49 of the Listing Agreement as well as under Section 292A of the Companies Act, 1956.

**Powers of the Audit Committee :**

The Audit Committee has powers that include the following:

- a) To investigate any activity of the Company within its terms of reference

- b) To seek information from any employee  
 c) To obtain outside legal and other professional advice  
 d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Names of Members and Chairperson of the Audit Committee and the meetings attended by them during the Financial Year 2013-14 ending on 31st March, 2014, are as under:

| Name of Directors          | Category                    | Status / Designation | No. of Meeting attended |
|----------------------------|-----------------------------|----------------------|-------------------------|
| Shri. Purshottam M. Pandya | Non-executive / Independent | Chairman             | 5                       |
| Shri. Suresh N. Patel      | Non-executive / Independent | Member               | 5                       |
| Shri Ramanbhai B Patel*    | Executive Promoter Director | Member               | 1                       |
| Shri Purshottam H Pandya*  | Non-executive / Independent | Member               | 4                       |

\* Note : Due to resignation of Mr. Purshottam H Pandya dated 27th November, 2013 Audit Committee was reconstituted on 27th January 2014 in which Ramanbhai B Patel was entered as member in place of Shri Purshottam H Pandya

The Committee met 5 (Five) times during the year 2013-2014. The dates on which the Audit Committee meetings were held are 01/04/2013, 27/05/2013, 27/07/2013, 25/10/2013 and 27/01/2014. The maximum time gap between any two meetings was not more than four months.

Members of the Audit Committee have requisite accounting, financial and management expertise.

#### 4. Remuneration Committee (non-mandatory) :

The remuneration committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors.

#### 5. Shareholders' and Investors' Grievance Committee :

The Board of Directors of the Company has constituted a Shareholders' and Investors' Grievance Committee which was reconstituted from time to time. Presently, the Shareholders and Investors Grievance Committee comprising of Shri. Ramanbhai B. Patel, Chairman of the Committee, Shri. Suresh N. Patel and Shri. Dashrathbhai B. Patel members of the Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

As required by the provisions of Clause 47(f) of the Listing Agreement, the Company has designated the below cited e-mail ID of the Grievance Redressal Division / Compliance Officer exclusively for the purpose of registering complaints by investors.

E-mail ID – [popularestatemanagement@yahoo.co.in](mailto:popularestatemanagement@yahoo.co.in)

None of the request for transfers, dematerialization and re-materialization was pending for approval as on 31st March, 2014.

#### Quarter-wise Summary of Investors' Complaints received and resolved to the satisfaction of the shareholders during the financial year 2013-2014.

| Quarter Period | Complaints | Complaints Position at the beginning of the quarter | Complaints received during the quarter | Complaints resolved during the quarter | pending at the end of the quarter |
|----------------|------------|---|--|--|-----------------------------------|
| 01/04/2013     | 30/06/2013 | 0   | 0                                      | 0                                      | 0                                 |
| 01/07/2013     | 30/09/2013 | 0   | 0                                      | 0                                      | 0                                 |
| 01/10/2013     | 31/12/2013 | 0   | 0                                      | 0                                      | 0                                 |
| 01/01/2014     | 31/03/2014 | 0   | 0                                      | 0                                      | 0                                 |
| <b>Total</b>   |            | <b>0</b>  | <b>0</b>                               | <b>0</b>                               | <b>0</b>                          |

|  |     |
|--|-----|
| Complaint pending at beginning of the year | = 0 |
| Complaint received during the year         | = 0 |
| Complaint resolved during the year         | = 0 |
| Complaint pending at the end of the year   | = 0 |

## 6. Annual General Body Meetings :

Location, Date and Time for last three Annual General Meetings were as follows :

| Year    | Location  | Date       | Time       |
|---------|---|------------|------------|
| 2010-11 | 81, 8 <sup>th</sup> Floor, A-Wing, "New York Tower",<br>Thaltej Cross Road, Sarkhej Gandhinagar Highway,<br>Ahmedabad-380054. | 30/09/2011 | 11:30 a.m. |
| 2011-12 | 81, 8th Floor, A-Wing, "New York Tower",<br>Thaltej Cross Road, Sarkhej Gandhinagar Highway,<br>Ahmedabad-380054.             | 29/09/2012 | 11:30 a.m. |
| 2012-13 | 81, 8th Floor, A-Wing, "New York Tower",<br>Thaltej Cross Road, Sarkhej Gandhinagar Highway,<br>Ahmedabad-380054.             | 30/09/2013 | 11:30 a.m. |

At the ensuing Annual General Meeting there is no resolution proposed to be passed by Postal Ballot pursuant to the provisions of Section 192A of the Companies Act, 1956.

Whether any Special Resolutions :

- (a) Were put in the previous AGM : No
- (b) Were put through Postal Ballot last year : No
- Details of voting pattern : N.A.
- Persons who conducted postal ballot exercise : N.A.
- (c) Are proposed to be conducted through postal ballot : No
- (d) Procedure for postal ballot : N.A.

## 7. Disclosures :

**7.1** There are no materially significant related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2013-2014.

**7.2** The Company has complied with all the mandatory requirements of the Revised Clause 49 of the Listing Agreement.

## 8. Means of Communication

The Company regularly intimates quarterly un-audited as well as yearly audited financial results to the Stock Exchanges, immediately after the same are taken on record by the Board. These results are normally published in "The Free Press Gujarat" English daily and in "Lokmitra" Gujarati Daily News Paper. These are not sent individually to the Shareholders.

The Management Discussion and Analysis Report forms part of this report.

## 9. General Shareholder Information

### 9.1 Nineteenth Annual General Meeting

Date : 30th day of September, 2014

Time : 11:30 a.m.

Venue : 81, 8<sup>th</sup> Floor, A-Wing, "New York Tower",  
Opp: Muktidham Derasar, Thaltej,  
S. G. Highway, Ahmedabad-380054.

As required under Clause 49(IV)(G)(i), particulars of Directors seeking appointment/re-appointment are given in annexure to the Notice of the Annual General Meeting to be held on 30th September, 2014.

### 9.2 Financial Year / Calendar

The Company follows April to March as its Financial Year. The results for every quarter beginning from April are being declared in the month following the quarter as per the Listing Agreement.

### 9.3 Date of Book Closure

From Tuesday, 23rd day of September, 2014 to Tuesday, 30th day of September, 2014, (both days inclusive).

### 9.4 Listing of Equity Shares on Stock Exchanges at :

Bombay Stock Exchange Limited, Mumbai (BSE),  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai -400001.

Annual listing fees for the year 2014-2016, as applicable, have been paid to the Mumbai Stock Exchange Limited. The Company has also paid Annual Custodial Fees for the year 2014-2015, as applicable, to National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL].

### 9.6 Stock Code

**Bombay Stock Exchange Limited** : 531870  
**Demat ISIN Number in NSDL & CDSL for Equity Shares** : INE370C01015

### 9.7 Registrar and Transfer Agents

**Link Intime India Private Limited**  
(Previously Known as Intime Spectrum Registry Limited)

**Registered Office :**  
C/13, Panalal Silk Mills Compound,  
LBS Marg, Bhandup (West), Mumbai – 400 078  
Tel : 91-22-2596 3838 Fax : 91-22-2594 6969  
e-Mail: bombay@linkintime.co.in

### 9.8 Share Transfer / Demat System

All the shares related work is being undertaken by our R & T Agent, Link Intime India Private Limited (Previously Known as Intime Spectrum Registry Limited), Mumbai. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and de-materialization etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's R & T Agent under the supervision and control of the Compliance Officer Shri. Dashrathbhai B Patel, who is placing a summery statement of transfer / transmission etc. of securities of the Company at the meeting of the Shareholders' and Investors' Grievance Committee.

Share lodged for transfer at the R & T Agents address in physical form are normally processed and approved within 15 days from the date of its received, subject to the documents been valid and complete in all respect. Normally, the entire request for de- materialization of shares is processed and the confirmation is give to the Depository within 15 days. The investors / shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in Practice as required under Clause 47(c) of the Listing Agreement.

**9.9 Distribution Schedule and Shareholding Pattern as on 31st March, 2014 :****Distribution Schedule:**

| No. of equity shares held | No. of holders | % of Total    | No. of shares   | % of Total    |
|---------------------------|----------------|---------------|-----------------|---------------|
| 1 - 500                   | 1025           | 79.7045       | 136983          | 0.9784        |
| 501 - 1000                | 113            | 8.7869        | 98516           | 0.7037        |
| 1001 - 2000               | 51             | 3.9658        | 82440           | 0.5888        |
| 2001 - 3000               | 19             | 1.4774        | 47152           | 0.3368        |
| 3001 - 4000               | 14             | 1.0886        | 50310           | 0.3594        |
| 4001 - 5000               | 10             | 0.7776        | 47500           | 0.3393        |
| 5001 - 10000              | 6              | 0.4666        | 32513           | 0.2322        |
| 10001 and Above           | 48             | 3.7325        | 13504786        | 96.4614       |
| <b>Total</b>              | <b>1286</b>    | <b>100.00</b> | <b>14000200</b> | <b>100.00</b> |

**Shareholding Pattern :**

| Sr. No. | Category   | As on March 31, 2014 |                   | As on March 31, 2013 |                   |
|---------|--|----------------------|-------------------|----------------------|-------------------|
|         |  | Nos. of Shares held  | Voting Strength % | Nos. of Shares held  | Voting Strength % |
| 1       | Promoters  | 9354955              | 66.82             | 8477505              | 60.55             |
| 2       | Mutual Fund & UTI  | 0                    | 0.00              | 0                    | 0.00              |
| 3       | Bank, Financial Institutions (FI's), Insurance Companies | 0                    | 0.00              | 0                    | 0.00              |
| 4       | Foreign Institutional Investors (FII's)                  | 0                    | 0.00              | 0                    | 0.00              |
| 5       | Private Bodies Corporate                                 | 2307251              | 16.48             | 2318282              | 16.56             |
| 6       | Indian Public  | 2316619              | 16.55             | 3192899              | 22.81             |
| 7       | Clearing Member  | 21375                | 0.15              | 11514                | 0.08              |
|         | <b>Total</b>   | <b>14000200</b>      | <b>100.00</b>     | <b>14000200</b>      | <b>100.00</b>     |

**9.10 De-materialization of Shares and Liquidity**

The Company's Shares are in compulsory Demat segment and as on 31st March, 2014. 1,22,08,400 Equity Shares of the Company forming 87.20% of the company's paid - up Equity share capital is in dematerialized form.

**9.11 Out standing GDR/DR/Warrants or any Convertible Instruments :-** Not applicable.**9.12 Address for correspondence :**

|    |   |   |
|----|---|---|
| a) | Investor Correspondence for transfer / de-materialization of shares and any other query relating to the shares of the Company | Link intime India Private Limited<br>C/13, Pannalal Silk Mills Compound<br>LBS Marg, Bhandup (West) Mumbai - 400 078.<br>Tel : 91-22-2596 3838 Fax : 91-22-2594 6969<br>e-Mail: bombay@linkintime.co.in   |
| b) | Any other query and Annual Report   | Secretarial Department<br>81, 8 <sup>th</sup> Floor, A-Wing, "New York Tower",<br>Thaltej Cross Road, Sarkhej Gandhinagar Highway,<br>Ahmedabad-380054<br>Tel : 079-65415149 Fax : 079-26854831<br>e-mail : popularestatementmanagement@yahoo.co.in |

**9.13 Reconciliation of Share Capital Audit Report :**

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 reconciling the total shares held in both the depositories, viz NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company were placed before the Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter.

**CEO / MD CERTIFICATION PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT**

To  
The Board of Directors  
**Popular Estate Management Limited.**  
81, 8<sup>th</sup> Floor, A-Wing, "New York Tower",  
Opp : Muktidham Derasar, Thaltej,  
S. G. Highway,  
Ahmedabad-380054.

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR**

I, Ramanbhai B Patel, Managing Director of the Company M/s. Popular Estate Management Limited, hereby certify that for the financial year ending 31st March, 2014 on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that :

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2013-2014 which are fraudulent, illegal or in violation of the Company's code of conduct.
4. I accept responsibility for establishing and maintaining internal controls. I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.
5. I further certify that :
  - a) there have been no significant changes in internal control during this year.
  - b) there have been no significant changes in accounting policies during this year.
  - c) there have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

**Place : Ahmedabad**  
**Date : 21/05/2014**

**Sd/-**  
**Ramanbhai B Patel**  
**Chairman and Managing Director**

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members  
**Popular Estate Management Limited**

We have examined the compliance of conditions of Corporate Governance by POPULAR ESTATE MANAGEMENT LIMITED, for the year ended on 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the 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 future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Place : Ahmedabad**  
**Date : 21/05/2014**

**For Patel & Jesalpura**  
**Chartered Accountants**  
**FRN: 120802W**

**Sd/-**  
**Ashok P. Patel**  
**Partner**  
**Membership No.: 40482**

**CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE  
UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

To,  
The Members  
**Popular Estate Management Limited**

We have examined the compliance of condition of corporate governance by Popular Estate Management Limited ('the Company') for the year ended 31st March, 2014 as stipulated in Clause 49 of Listings Agreement of the company with Stock Exchange(s). We have conducted our review on the basis of relevant records and documents maintained by the Company for the year ended 31st March, 2014 and furnished to us for the purpose of the review and the information and explanation given us by the Company during the review.

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated in the above – mentioned Listing Agreement.

In our opinion and to the best of our information and according to the explanations given to us, we certify that no investor grievance is pending for period exceeding one month against the Company as per the records maintained by the Company.

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

**Place : Ahmedabad  
Date : 21/05/2014**

**For, Ronak Doshi & Associates  
Company Secretaries**

**Sd/-  
Ronak D Doshi  
Practicing Company Secretary  
C.P. No.: 12725  
Membership No.: 23712**



PATEL & JESALPURA  
CHARTERED ACCOUNTANTS

803/804, SAMUDRA ANNEXE  
NEAR CLASSIK GOLD HOTEL, C.G. ROAD,  
NAVRANGPURA, AHMEDABAD - 380 006.

The Members,  
POPULAR ESTATE MANAGEMENT LIMITED

### INDEPENDENT AUDITORS' REPORT

#### **Report on The Financial Statements :**

We have audited the accompanying financial statements of Popular Estate Management Limited, 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 :**

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

#### **Auditors' Responsibility :**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion :**

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2003 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 subject to Para 2
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

On the basis of written representations received from the directors as on March 31, 2014, and 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 Companies Act, 1956.

**Date : 21-05-2014**  
**Place : Ahmedabad**

**For Patel & Jesalpura**  
**Chartered Accountants**  
**FR No.: 120802W**

**Ashok P. Patel**  
**Partner**  
**M No.: 040482**

**ANNEXURE TO AUDITORS' REPORT****Referred to in Paragraph 1 under the heading of Report on Other Legal and Regulatory Requirements**

- 1) In respect of its fixed assets:
  - (a) The company has generally 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, the fixed assets have been physically verified by the management at reasonable intervals during the year, 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 substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- 2) In respect of its inventories :
  - (a) As explained to us, the physical verification of the inventory has been conducted by the management at reasonable intervals during the year.
  - (b) In our opinion and according to the information and explanations given to us the procedures of the physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- 3) (a) The company has granted interest free loans, secured or unsecured to Six parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 136.75 lacs and the year end balance of loans granted to such parties was Rs. 124.90 lacs.
  - (b) These loans are granted at NIL Rate of Interest. Further in absence of stipulation of terms of repayment, we are unable to comment whether the same is prejudicial to the interest of the company or not.
  - (c) In view of above we are not able to give comment on para (3) (c) and (d) of the Companies (Auditor's Report) Order, 2003.
  - (d) The company has taken unsecured loans from Four parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs..31.10 lacs and the year end balance of loans taken from them was Rs. NIL
  - (e) In absence of stipulated terms for repayment of loans, we are not able to give comment on para 3 (f) and (g) of the Companies (Auditor's Report) Order, 2003.
- 4) As informed to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory, investments and fixed assets. During the course of our audit, no major weaknesses in internal control had come to our notice.
- 5) (a) As informed to us, the particulars of contracts or arrangement that need to be entered into the registers in pursuance of Section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information given to us, there are no transactions of purchase and sale of goods, materials and services made in pursuance of contracts entered in the register maintained under section 301 of the companies Act, 1956 aggregating during the year to Rs. 500000/- or more in respect of each party.
- 6) The Company has not accepted any deposits from the public within the meaning of Section 58A of Companies Act, 1956.
- 7) In our opinion and according to the information given to us, the company has internal audit system commensurate with the size and nature of the business.
- 8) As informed to us, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act. 1956.
- 9) In respect of statutory dues:
  - (a) According to the information and explanations given to us and on the basis of our examinations of the books of account, the Company has been regular in depositing undisputed amounts with the

appropriate authorities in respect of Statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth Tax, Service tax, Custom Duty, Excise Duty, Cess and any other statutory dues, wherever applicable to it.

- (b) Further as informed to us, there are no undisputed dues payable for a period of more than six months as at 31st March 2014, from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, customs duty, wealth tax, Service tax, excise duty and cess, which have not been deposited on account of any dispute except Income Tax as per details given hereunder

| No. | Nature of Due              | Amount        | Remarks   |
|-----|----------------------------|---------------|---|
| 1   | Income Tax for A Y 2011-12 | 11,85,177/-   | The company has filed an appeal before Honorable CIT(A) (Commissioner of Income Tax - Appeals), Ahmedabad against the order of Ld. Assessing Officer                      |
| 2   | Income Tax for A Y 2010-11 | 3,50,89,660/- | The company has filed an appeal before Honorable ITAT ( Income Tax Appellate Tribunal), Ahmedabad against the order of CIT(A) confirming the order of Income Tax Officer. |

- 10) The company does not have any accumulated losses at the end of the financial year however has incurred cash losses during the year immediately preceding current financial year. Further no cash Loss is incurred in the Current financial year.
- 11) According to the information and explanations given to us, the company is generally regular in repayment of dues to a financial institution and bank. The company has not issued any debentures.
- 12) In our opinion and according to the information given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the company is not a chit fund or a Nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- 14) The company has maintained proper records showing full particulars of its investments. The investments are held by the company in its own name.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- 16) The Company has availed term loan from Banks and Financial Institutions during the year and is generally regular in re-payment of dues to financial Institutions.
- 17) According to the information and explanations given to us, the Company has not raised any short-term borrowings during the year, and nor are there any borrowings of earlier years which have been utilized during the year. As such the question of commenting on their utilization does not arise
- 18) According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- 19) The Company has no debentures issued and outstanding during the year.
- 20) During the year, the Company has not raised money by Public issue and hence the question of disclosure and verification of end use of such monies does not arise.
- 21) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

Date : 21-05-2014  
Place : Ahmedabad

For Patel & Jesalpura  
Chartered Accountants  
FR No.: 120802W

Ashok P. Patel  
Partner  
M No.: 040482

**BALANCE SHEET AS ON 31ST MARCH, 2014**

| Particulars  | Note | As At 31.3.2014<br>Rs. | As At 31.3.2013<br>Rs. |
|--|------|------------------------|------------------------|
| <b>I. EQUITY AND LIABILITIES :</b>                 |      |                        |                        |
| <b>(1) Shareholders' Funds :</b>                   |      |                        |                        |
| (a) Share Capital                                  | 1    | 140002000              | 140002000              |
| (b) Reserves and Surplus                           | 2    | 143093656              | 129123639              |
|  |      | <b>283095656</b>       | <b>269125639</b>       |
| <b>(2) Non Current Liabilities :</b>               |      |                        |                        |
| (a) Long Term Borrowings                           | 3    | 1512325                | 7482594                |
| (b) Deferred Tax Liabilities (Net)                 |      | 1518412                | 1694293                |
|  |      | <b>3030737</b>         | <b>9176887</b>         |
| <b>(3) Current Liabilities :</b>                   |      |                        |                        |
| (a) Short Term Borrowings                          | 4    | 0                      | 3110000                |
| (b) Trade Payables                                 | 5    | 445488                 | 1074267                |
| (c) Other Current Liabilities                      | 6    | 3294005                | 2113116                |
|  |      | <b>3739493</b>         | <b>6297383</b>         |
| <b>Total</b>                                       |      | <b>289865886</b>       | <b>284599909</b>       |
| <b>II ASSETS :</b>                                 |      |                        |                        |
| <b>(1) Non Current Assets :</b>                    |      |                        |                        |
| (a) Fixed Assets                                   | 7    |                        |                        |
| (i) Tangible Assets                                |      | 18717006               | 18967755               |
| (ii) Intangible Assets                             |      | 0                      | 0                      |
| (iii) Capital work-in-progress                     |      | 0                      | 0                      |
| (iv) Intangible assets under development           |      | 0                      | 0                      |
| (b) Non-current Investments                        |      | 0                      | 0                      |
| (c) Long Term Loans and Advances                   | 8    | 142531093              | 134244807              |
|  |      | <b>161248099</b>       | <b>153212562</b>       |
| <b>(2) Current Assets :</b>                        |      |                        |                        |
| (a) Current Investments                            | 9    | 7965110                | 7965110                |
| (b) Inventories                                    | 10   | 119828566              | 119828566              |
| (c) Cash and Cash Equivalents                      | 10   | 445881                 | 480814                 |
| (d) Short Term Loans and Advances                  | 11   | 378230                 | 3112857                |
|  |      | <b>128617787</b>       | <b>131387347</b>       |
| <b>Total</b>                                       |      | <b>289865886</b>       | <b>284599909</b>       |
| See accompanying notes to the financial statements | 18   |                        |                        |

As per our report of even date annexed

**For, Patel & Jesalpura**  
Chartered Accountants  
Firm Reg. No. 120802W

Sd/-  
**Ashok P. Patel**  
Partner  
M. No. 040482

**Place : Ahmedabad**  
**Date : 21-05-2014**

**For, Popular Estate Management Limited**

Sd/-  
**Dashrathbhai B Patel**  
Whole-Time Director

Sd/-  
**Purshottam M Pandya**  
Director

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

| Particulars  | Note | Year ended<br>31.3.2014<br>Rs. | Year ended<br>31.3.2013<br>Rs. |
|--|------|--------------------------------|--------------------------------|
| I. Revenue from Operations   | 13   | 29100000                       | 0                              |
| II. Other Incomes  | 14   | 0                              | 471                            |
| <b>III. Total Revenue (I + II)</b>   |      | <b>29100000</b>                | <b>471</b>                     |
| IV. Expenses :   |      |                                |                                |
| Employee Benefit Expenses  | 15   | 4781723                        | 4120497                        |
| Other Expenses   | 16   | 3252026                        | 86274730                       |
| Finance Costs  | 17   | 310063                         | 395627                         |
| Depreciation and Amortization Expense  | 8    | 3002052                        | 3027267                        |
| <b>Total Expenses (IV)</b>   |      | <b>11345864</b>                | <b>93818121</b>                |
| V. Profit/(Loss) before Exceptional and Extraordinary Items and Tax (III - IV) |      | 17754136                       | -93817650                      |
| VI. Exceptional Items  |      | 0                              | 0                              |
| VII. Profit/(Loss) before Extraordinary Items and Tax (V - VI)                 |      | 17754136                       | -93817650                      |
| VIII. Extra Ordinary Items   |      | 0                              | 0                              |
| IX. Profit/(Loss) before Tax (VII + VIII)                                      |      | 17754136                       | -93817650                      |
| X. Tax Expense :   |      |                                |                                |
| (1) Current tax  |      | 3850000                        | 0                              |
| (2) Deferred Tax   |      | -175881                        | 1694293                        |
| (3) Wealth Tax   |      | 110000                         | 0                              |
| XI. Profit/ (Loss) for the period from Continuing Operations (IX - X)          |      | 13970017                       | -95511943                      |
| XII. Profit/Loss from Discontinuing Operations                                 |      | 0                              | 0                              |
| XIII. Tax Expense of Discontinuing Operations                                  |      | 0                              | 0                              |
| XIV. Profit/ (Loss) from Discontinuing Operations (after Tax) (XII - XIII)     |      | 0                              | 0                              |
| XV. Profit/ (Loss) for the Period (XI + XIV)                                   |      | <b>13970017</b>                | <b>-95511943</b>               |
| XVI. Earnings Per Equity Share   |      |                                |                                |
| (1) Basic  |      | 0.00                           | -6.82                          |
| (2) Diluted  |      | 1.00                           | -6.82                          |

As per our report of even date annexed

**For, Patel & Jesalpura**  
Chartered Accountants  
Firm Reg. No. 120802W

Sd/-  
**Ashok P. Patel**  
Partner  
M. No. 040482

**Place : Ahmedabad**  
**Date : 21-05-2014**

**For, Popular Estate Management Limited**

Sd/-  
**Dashrathbhai B Patel**  
Whole-Time Director

Sd/-  
**Purshottam M Pandya**  
Director

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

| Particulars                                       | As At<br>31.3.2014<br>Rs. | As At<br>31.3.2013<br>Rs. |
|---|---------------------------|---------------------------|
| <b>NOTE # 1 - SHARE CAPITAL :</b>                 |                           |                           |
| <b>AUTHORISED :</b>                               |                           |                           |
| 4,50,00,000 Equity shares of Rs. 10/- each        | <b>450000000</b>          | 450000000                 |
| <b>ISSUED, SUBSCRIBED AND PAID UP :</b>           |                           |                           |
| 1,40,00,200 shares of Rs. 10/- each Fully paid up | <b>140002000</b>          | 140002000                 |
| <b>Total</b>                                      | <b>140002000</b>          | <b>140002000</b>          |

**Terms/Rights attached to Equity Shares :**

The Company is having only one class of Equity shares having par value of Rs. 10/ each.

**Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.**

| Equity Shares                     | 31-03-2014      |           | 31-03-2013      |           |
|-----------------------------------|-----------------|-----------|-----------------|-----------|
|                                   | No.             | Amt. Rs.  | No.             | Amt. Rs.  |
| At the beginning of the period    | <b>14000200</b> | 140002000 | <b>14000200</b> | 140002000 |
| Add : New issue during the period | <b>0</b>        | 0         | <b>0</b>        | 0         |
| Outstanding at the end of period  | <b>14000200</b> | 140002000 | <b>14000200</b> | 140002000 |

**Details of shareholders holding more than 5% shares in the Company :**

| Name of the Shareholders    | Percentage Holding |            | No. of shares |            |
|-----------------------------|--------------------|------------|---------------|------------|
|                             | 31/03/2014         | 31/03/2013 | 31/03/2014    | 31/03/2013 |
| Ramanbhai Bholidas Patel    | 8.58               | 8.03       | 1200700       | 1123700    |
| Kokilaben Chagganbhai Patel | 8.61               | 4.45       | 1205700       | 623200     |
| Mayurikaben Ramanbhai Patel | 7.19               | 6.65       | 1006500       | 931500     |
| Lataben Dashrathbhai Patel  | 6.41               | 6.41       | 897900        | 897900     |
| Dashrathbhai Bholidas Patel | 6.20               | 6.20       | 868000        | 868000     |
| Chhaganlal Bholidas Patel   | 6.93               | 6.93       | 970900        | 970900     |
| Prathmesh Chhaganlal Patel  | 5.33               | 5.33       | 746900        | 746900     |
| Maunang Ramanbhai Patel     | 6.28               | 5.74       | 878800        | 803800     |

As per the records of the Company, including its register of shareholders/Members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**NOTE # 2 - RESERVES AND SURPLUS :****(A) GENERAL RESERVE :**

|                           |               |               |
|---------------------------|---------------|---------------|
| As per Last Balance Sheet | <b>715000</b> | 715000        |
| Addition during the year  | <b>0</b>      | 0             |
|                           | <b>715000</b> | <b>715000</b> |

**(B) PROFIT AND LOSS ACCOUNT :**

|                          |                  |                  |
|--------------------------|------------------|------------------|
| Balance as per last year | <b>128408639</b> | 223920582        |
| Addition during the year | <b>13970017</b>  | -95511943        |
|                          | <b>142378656</b> | 128408639        |
| <b>Total</b>             | <b>143093656</b> | <b>129123639</b> |

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

| Particulars  | As At<br>31.3.2014<br>Rs. | As At<br>31.3.2013<br>Rs. |
|--|---------------------------|---------------------------|
| <b>NOTE # 3 - LONG TERM BORROWINGS :</b>   |                           |                           |
| <b>Term Loans (Secured) :</b>  |                           |                           |
| From Bank against HPA of Motor Cars<br>(The above loan carries interest @ 9.88% p.a. The loan is repayable in 36 monthly instalments of Rs.63900 including interest from the date of loan i.e. 01-03-2012)<br>(The above loan is secured against HPA of motor cars)                | 0                         | 511236                    |
| From Finance Company against HPA of Motor Cars<br>(The above loan carries interest @ 11.7959% p.a. The loan is repayable in 36 monthly instalments of Rs.144000 including interest from the date of loan i.e. 27-12-2011)<br>(The above loan is secured against HPA of motor cars) | 0                         | 241358                    |
| From Finance Company against HPA of Motor Cars<br>(The above loan carries interest @ 12.0372% p.a. The loan is repayable in 36 monthly instalments of Rs. 30449 including interest from the date of loan i.e. 19-10-2013)<br>(The above loan is secured against HPA of motor cars) | 1512325                   | 0                         |
| Other Intercorpoarte Loans (Unsecured, considered good)  | 0                         | 6730000                   |
| <b>Total</b>   | <b>1512325</b>            | <b>7482594</b>            |
| <b>NOTE # 4 - SHORT TERM BORROWING :</b>   |                           |                           |
| Loans from related parties<br>(Unsecured, Considered good)   | 0                         | 2040000                   |
| Other Loans<br>(Unsecured, considered good)  | 0                         | 1070000                   |
| <b>Total</b>   | <b>0</b>                  | <b>3110000</b>            |
| <b>NOTE # 5 - TRADE PAYABLES :</b>   |                           |                           |
| Principal amount due and remaining unpaid  | 445488                    | 1074267                   |
| <b>Total</b>   | <b>445488</b>             | <b>1074267</b>            |
| <b>NOTE # 6 - OTHER CURRENT LIABILITIES :</b>  |                           |                           |
| Current maturity of long term debts  | 1154881                   | 1732800                   |
| Unpaid Dividend  | 317167                    | 317166                    |
| Statutory remittances  | 8990                      | 61690                     |
| Other payable  | 15340                     | 1460                      |
| Provision of Tax (Net of Advance tax)  | 1797627                   | 0                         |
| <b>Total</b>   | <b>3294005</b>            | <b>2113116</b>            |



**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014****NOTE # 7 - TANGIBLE ASSETS :**

| Description of the Asset | GROSS BLOCK         |                |                |                       | DEPRECIATION    |                |              |                 | NET BLOCK                           |                                     |
|--------------------------|---------------------|----------------|----------------|-----------------------|-----------------|----------------|--------------|-----------------|-------------------------------------|-------------------------------------|
|                          | Cost as on 1-4-2014 | Additions      | Sale/ Disposal | Total as on 31-3-2014 | Up to 1-4-2013  | For the Year   | Adjust-ments | Up to 31-3-2014 | Net carrying amount As on 31-3-2014 | Net carrying amount As on 31-3-2013 |
|                          | Rs.                 | Rs.            | Rs.            | Rs.                   | Rs.             | Rs.            | Rs.          | Rs.             | Rs.                                 | Rs.                                 |
| Computers                | 8017800             | 22500          | 0              | 8040300               | 7783447         | 234617         | 0            | 8018064         | 22236                               | 234353                              |
| Office Equipments        | 4583147             | 10000          | 0              | 4593147               | 2561166         | 217959         | 0            | 2779125         | 1814022                             | 2021981                             |
| Furniture and Fixtures   | 1068174             | 0              | 0              | 1068174               | 688427          | 67615          | 0            | 756042          | 312132                              | 379747                              |
| Vehicles                 | 24874766            | 2718803        | 0              | 27593569              | 8543092         | 2481861        | 0            | 11024953        | 16568616                            | 16331674                            |
| <b>Total</b>             | <b>38543887</b>     | <b>2751303</b> | <b>0</b>       | <b>41295190</b>       | <b>19576132</b> | <b>3002052</b> | <b>0</b>     | <b>22578184</b> | <b>18717006</b>                     | <b>18967755</b>                     |
| Previous Year            | 38521887            | 22000          | 0              | 38543887              | 16548865        | 3027267        | 0            | 19576132        | 18967755                            |                                     |

**Particulars****As At  
31.3.2014  
Rs.****As At  
31.3.2013  
Rs.****NOTE # 8 - LONG TERM LOANS AND ADVANCES :****(Unsecured, Considered good)**

|  |                  |                  |
|--|------------------|------------------|
| Security Deposits                            | <b>142200</b>    | 142200           |
| Advances to related parties against banakhat | <b>86804577</b>  | 103001607        |
| Other loans and Advances                     | <b>55584316</b>  | 31101000         |
| <b>Total</b>                                 | <b>142531093</b> | <b>134244807</b> |

**Details of advances to Related Parties against banakhat**

|                     |                 |                  |
|---------------------|-----------------|------------------|
| Kokilaben C Patel   | <b>22846000</b> | 25521000         |
| Lataben D Patel     | <b>35400170</b> | 38590000         |
| Maunang R Patel     | <b>0</b>        | 4582200          |
| Mayurikaben R Patel | <b>28558407</b> | 34308407         |
| <b>Total</b>        | <b>86804577</b> | <b>103001607</b> |

**NOTE # 9- CURRENT INVESTMENTS :**

|                                 |                |                |
|---------------------------------|----------------|----------------|
| Investment in Partnership Firms | <b>7965110</b> | 7965110        |
| <b>Total</b>                    | <b>7965110</b> | <b>7965110</b> |

**Share in  
Profit/Loss****Share in  
Profit/Loss****(A) JAY AMBE ENTERPRISE :**

|  |                 |                 |
|--|-----------------|-----------------|
| (i) Share in Profit / Loss             | <b>23.00</b>    | 23.00           |
| (ii) Capital Balance of the Company    | <b>3617902</b>  | <b>3617902</b>  |
| <b>(iii) Total Capital of the firm</b> | <b>14173618</b> | <b>14173618</b> |

**(B) SHIV ENTERPRISE :**

|  |                 |                 |
|--|-----------------|-----------------|
| (i) Share in Profit / Loss             | <b>23.00</b>    | 23.00           |
| (ii) Capital Balance of the Company    | <b>4347208</b>  | <b>4347208</b>  |
| <b>(iii) Total Capital of the firm</b> | <b>17397023</b> | <b>17397023</b> |

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

| Particulars  | As At<br>31.3.2014<br>Rs. | As At<br>31.3.2013<br>Rs. |
|--|---------------------------|---------------------------|
| <b>NOTE # 10 - INVENTORIES :</b>                   |                           |                           |
| <b>(As valued and certified by the management)</b> |                           |                           |
| Land   | 119828566                 | 119828566                 |
| <b>Total</b>                                       | <b>119828566</b>          | <b>119828566</b>          |

**NOTE # 11 - CASH AND CASH EQUIVALENTS :**

|  |               |               |
|--|---------------|---------------|
| Balance with banks In current accounts | 410000        | 434093        |
| Cash on Hand                           | 35881         | 46721         |
| <b>Total</b>                           | <b>445881</b> | <b>480814</b> |

**NOTE # 12 - SHORT TERM LOANS AND ADVANCES :****(Unsecured, Considered good)**

|                               |               |                |
|-------------------------------|---------------|----------------|
| Other Loans and advances      | 236713        | 891165         |
| Advance Payment of Income tax | 0             | 2062373        |
| Prepaid Expenses              | 141517        | 159319         |
| <b>Total</b>                  | <b>378230</b> | <b>3112857</b> |

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

| Particulars | Year ended<br>31.3.2014<br>Rs. | Year ended<br>31.3.2013<br>Rs. |
|-------------|--------------------------------|--------------------------------|
|-------------|--------------------------------|--------------------------------|

**NOTE # 13 - REVENUE FROM OPERATIONS :**

|                              |                 |          |
|------------------------------|-----------------|----------|
| Compensation / Damage Income | 29100000        | 0        |
| <b>Total</b>                 | <b>29100000</b> | <b>0</b> |

**NOTE # 14 - OTHER INCOMES :**

|              |          |            |
|--------------|----------|------------|
| Kasar Vatav  | 0        | 471        |
| <b>Total</b> | <b>0</b> | <b>471</b> |

**NOTE # 15 - EMPLOYEE BENEFIT EXPENSES :**

|                               |                |                |
|-------------------------------|----------------|----------------|
| Salaries and Wages            | 1116703        | 1154187        |
| Bonus                         | 330220         | 297210         |
| Director Remuneration         | 3300000        | 2650000        |
| <b>Staff Welfare Expenses</b> | <b>34800</b>   | <b>19100</b>   |
| <b>Total</b>                  | <b>4781723</b> | <b>4120497</b> |

**NOTE # 16 - OTHER EXPENSES :**

|                           |        |         |
|---------------------------|--------|---------|
| Travelling and Conveyance | 22129  | 25573   |
| Advertisement expenses    | 19700  | 27480   |
| Postage and Telephone     | 36573  | 40939   |
| Insurance                 | 273138 | 254089  |
| Electricity expenses      | 186125 | 199482  |
| Rent, Rates and Taxes     | 969622 | 1913094 |

## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

| Particulars                                      | Year ended<br>31.3.2014<br>Rs. | Year ended<br>31.3.2013<br>Rs. |
|--|--------------------------------|--------------------------------|
| <b>NOTE # 16 - OTHER EXPENSES : (Contd.....)</b> |                                |                                |
| Professional and legal Expenses                  | 107193                         | 77532                          |
| Repairs and Maintenance                          | 1034416                        | 413644                         |
| Custodian Charges                                | 67416                          | 67416                          |
| Listing Fees                                     | 44944                          | 45344                          |
| Auditors' Remuneration :                         |                                |                                |
| - Audit Fees                                     | 89888                          | 89888                          |
| Vehicle Running charges                          | 178150                         | 163980                         |
| General Expenses                                 | 222732                         | 219194                         |
| Balances written off                             | 0                              | 82737075                       |
| <b>Total</b>                                     | <b>3252026</b>                 | <b>86274730</b>                |

**NOTE # 17 - FINANCE COSTS :**

|                       |               |               |
|-----------------------|---------------|---------------|
| Interest Expense      | 292506        | 377911        |
| Other Borrowing Costs | 17557         | 17716         |
| <b>Total</b>          | <b>310063</b> | <b>395627</b> |

**NOTE # 18 - NOTES TO FINANCIAL STATEMENTS :**

- 1. Corporate Information :** Popular Estate Management Limited is a public company domiciled in India and incorporated under the Provisions of Companies Act, 1956. It is listed on Bombay Stock Exchange. The Company is engaged in construction and engineering activities etc.
- 2. Basis of Preparation :** The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). To comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules 2006, (as amended) and relevant provisions of the companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention method.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

**2.1 Summary of significant accounting policies :**

- a. Use of Estimates :** The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.
- b. Tangible fixed assets :** All Tangible Fixed Assets are valued at cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- c. Depreciation of tangible fixed assets :** Company has provided depreciation on Straight Line Method on all Assets at the rates prescribed under Schedule XIV of the Companies Act, 1956.
- d. Revenue recognition :** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.
- e. Retirement and other employee benefits :** Retiring Benefits, if any, are considered as Payable in the year in which paid.

- f. **Income Tax** : Tax expenses comprise current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**Deferred Income Tax** : The Company has accounted for deferred tax in accordance with the Accounting Standard-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Consequently, deferred taxes have been recognized in respect of following items of timing differences between accounting income and the taxable income.

| Item of timing Differences | Accumulated Deferred tax Assets/ (Liability) as at 1-4-2013 | (Charge) / Credit during the year 31-3-2014 | Balance Asset / (Liability ) as at |
|----------------------------|---|---|------------------------------------|
| Depreciation               | 1694293   | 175881                                      | 1518412                            |
| <b>Total</b>               | <b>(Rs.1694293)</b>   | <b>175881</b>                               | <b>(1518412)</b>                   |

- g. **Earning per Share** : Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

- h. **Provisions** : A provision is recognized when the company has a present obligation as a result of past event. It is possible that an outflow of resources embodying benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
- i. **Contingent liabilities** : A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but disclosed its existence in the financial statements.
- j. **Cash and cash equivalents** : Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash in hand.

### 3. RELATED PARTY DISCLOSURES :

As per Accounting Standard 18, the disclosures of transactions with the related parties, disclosing relationship, nature of transaction and quantum of transaction are as under :

#### Transactions with Related Parties :

| Relationship             | Name of Related Party     | Nature of Transaction | Amount Received/ Credited during the year Rs. | Amount Paid / Debited during the year. Rs. | Balance As on 31/03/2014 |
|--------------------------|---------------------------|-----------------------|---|--|--------------------------|
| Key Managerial Personnel | Dashrathlal Bholdas Patel | Director Remuneration | 12,60,000                                     | 12,60,000                                  | Nil                      |
|                          | Ramanlal Bholdas Patel    |                       | 15,75,000                                     | 15,75,000                                  | Nil                      |
|                          | Chhaganlal Bholdas Patel  |                       | 6,00,000                                      | 8,12,400                                   | Nil                      |

**Transactions with Related Parties : (Contd.....)**

| Relationship   | Name of Related Party                | Nature of Transaction                    | Amount Received/ Credited during the year Rs. | Amount Paid / Debited during the year Rs. | Balance As on 31/03/2014 |
|--|--------------------------------------|--|---|---|--------------------------|
| Relatives of Key Managerial Personnel  | Kokilaben C. Patel                   | Net Loans and Advances Accepted/ (Given) | 26,75,000                                     | --  | 2,28,46,000 (Dr)         |
|  | Lataben D. Patel                     |  | 32,89,782                                     | 99,952                                    | 3,54,00,170(Dr)          |
|  | Maunang R. Patel                     |  | 45,83,840                                     | 1,640                                     | Nil                      |
|  | Mayurikaben R. Patel                 |  | 57,83,650                                     | 33,650                                    | 2,85,58,407(Dr)          |
|  | Priyesh R. Patel                     |  | 3,55,150                                      | 5440                                      | Nil                      |
|  | Vikram C. Patel                      |  | 4,80,330                                      | 3,00,330                                  | Nil                      |
| Companies over which Key Managerial Personnel are able to exercise significant influence | Nasalvish Investment Private Limited | Loans and Advances Accepted/ (Given)     | 5,35,000                                      | --  | Nil                      |
|  | Prathmesh Investment Private Limited |  | --  | 7,25,000                                  | Nil                      |
|  | Ramyuri Investment Private Limited   |  | --  | 9,35,000                                  | Nil                      |
|  | Ramyuri Farms Private limited        |  | --  | 10,70,000                                 | Nil                      |
|  | Dashrath Investment Private Limited  |  | --  | 3,80,000                                  | Nil                      |
|  | Dashrath Farms Private Limited       |  | --  | 10,00,000                                 | 10,00,000 (Dr)           |
|  | Krinesh Farms Private Limited        |  | --  | 10,00,000                                 | 65,75,000                |
|  | Maunang Farms Private Limited        |  | --  | 10,00,000                                 | 49,15,000(Dr)            |
|  | Bhojison Infra-structure Pvt. Ltd.   |  | -   | 67,30,000                                 | Nil                      |
| Firm in which the company is Partner   | Jay Ambe Enterprise                  | Capital Contribution                     | 0   | 0   | 36,17,902 (Dr)           |
|  | Shiv Enterprise                      |  | 0   | 0   | 43,47,208 (Dr)           |

4. **Earnings and Expenditure in Foreign Currency :**
- |                                 | <u>Previous Year Rs.</u> | <u>Current Year Rs.</u> |
|---------------------------------|--------------------------|-------------------------|
| Earnings in Foreign Currency    | Nil                      | Nil                     |
| Expenditure in Foreign Currency | Nil                      | Nil                     |
5. The company operates only in one segment i.e. Infrastructure and hence there is no other primary reportable segment as required by AS 17 on Segment Reporting as Issued by ICAI.
6. Previous Year's figures have been regrouped, rearranged and rescheduled wherever necessary to reflect its true nature.

**CASH FLOW STATEMENT FOR THE YEAR 2013-14**

| Particulars   | 2013-14  |                  | 2012-13   |                  |
|---|----------|------------------|-----------|------------------|
|   | Rs.      | Rs.              | Rs.       | Rs.              |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>   |          |                  |           |                  |
| Net Profit and Loss Account   |          | 13970017         |           | -95511943        |
| Adjusted for :  |          |                  |           |                  |
| Interest and Finance Charges  | 310063   |                  | 395627    |                  |
| Net Gain on Sale of Investment  | 0        |                  | 0         |                  |
| Extra Ordinary Items  | 0        |                  | 0         |                  |
| Differed Tax Liability  | -175881  |                  | 1694293   |                  |
| Provision for Income Tax  | 0        |                  | 0         |                  |
| Short Provision of Income Tax of Earlier Years  | 0        |                  | 0         |                  |
| Balances written off  | 0        |                  | 82737075  |                  |
| Depreciation  | 3002052  | 3136234          | 3027267   | 87854262         |
| <b>Operating Cash Flow Before Working Capital Change and Exceptional and Extra Ordinary Items</b> |          |                  |           |                  |
| Adjusted for :  |          |                  |           |                  |
| (Increase) / Decrease in Trade and Other Receivables  | 2734627  |                  | -83864983 |                  |
|   | 0        |                  | 0         |                  |
| Increase / ( Decrease) in Trade and Other Payables  | -2557890 |                  | 5325990   |                  |
|   | 0        |                  | 0         |                  |
| <b>Operating Cash Flow before Exceptional and Extra Ordinary Items :</b>                          |          | 176737           |           | -78538993        |
| Adjusted for :  |          |                  |           |                  |
| Exceptional Items   | 0        |                  | 0         |                  |
| Extra Ordinary Items  | 0        | 0                | 0         | 0                |
| <b>Cash Flow from Operating Activities</b>  |          | 17282988         |           | -86196674        |
| Net Prior Year adjustment   | 0        |                  | 0         |                  |
| Income Tax paid   | 0        | 0                | 0         | 0                |
| <b>Net Cash flow from Operating activities</b>  |          | <b>17282988</b>  |           | <b>-86196674</b> |
| <b>B. CASHFLOW FROM INVESTING ACTIVITIES :</b>  |          |                  |           |                  |
| Purchase of Fixed Assets  | -2751303 |                  | -22000    |                  |
| Sales of Investments  | 0        |                  | 0         |                  |
| Increase in Investments   | 0        |                  |           |                  |
| Increase in Advances & others   | 0        |                  | 0         |                  |
| Reduction in Advance and Others   | -8286286 |                  | 109728375 |                  |
| <b>Net Cash used in Investing activities</b>  |          | <b>-11037589</b> |           | <b>109706375</b> |
| <b>C. CASHFLOW FROM FINANCING ACTIVITIES :</b>  |          |                  |           |                  |
| Repayment of Long Term Borrowings   | -5970269 |                  | -23157689 |                  |
| Interet and Finance Charges   | -310063  |                  | -395627   |                  |
|   |          | <b>-6280332</b>  |           | <b>-23553316</b> |
| <b>Net Cash Flow from the Operations</b>  |          | <b>-34933</b>    |           | <b>-43615</b>    |
| Opening Cash and Cash Equivalent  |          | 480814           |           | 524429           |
| Closing Cash and Cash Equivalent  |          | 445881           |           | 480814           |

**For, Patel & Jesalpura**  
Chartered Accountants  
Firm Reg. No. 120802W  
Sd/-  
**Ashok P. Patel**  
Partner  
M. No. 040482

**Place : Ahmedabad**  
**Date : 21-05-2014**

**For, Popular Estate Management Limited**

Sd/-  
**Dashrathbhai B Patel**  
Whole-Time Director

Sd/-  
**Purshottam M Pandya**  
Director



## FORM OF PROXY

I/We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ in the district of \_\_\_\_\_ Being a  
member / members of the above named company hereby appoint \_\_\_\_\_ of the  
District of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of  
\_\_\_\_\_ in the district of \_\_\_\_\_ as my / our  
proxy to vote for / me / us on my / our behalf at the 20<sup>th</sup> Annual General Meeting of the members of the company  
to be held on Tuesday, 30<sup>th</sup> day of September, 2014 at 11:30 a.m. and at any adjournment thereof.

Signed this \_\_\_\_\_ days of \_\_\_\_\_ 2014

Signed \_\_\_\_\_

L.F.No.: \_\_\_\_\_ No. of Shares (s) held \_\_\_\_\_

DP Id.\* \_\_\_\_\_ No. of Shares (s) held \_\_\_\_\_

Client Id. \_\_\_\_\_

1. Rupees  
Revenue  
Stamp

- Note :-
1. A Member entitled to attend and vote is entitled to appoint a proxy to attend vote instead of himself.
  2. A Proxy need not be a member.
  3. The proxy form duly completed must be deposited at the registered Office of the Company not less than 48 hours before the time for holding the Meeting.

The proxy need not be a Member of the Company.

\*Applicable for investors holding shares in electronic form

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## POPULAR ESTATE MANAGEMENT LIMITED 20<sup>TH</sup> ANNUAL REPORT ATTENDANCE SLIP

Reg. Folio No. \_\_\_\_\_

DP Id.\* \_\_\_\_\_

Client Id.\* \_\_\_\_\_

I certify that I am a registered shareholder / proxy for the registered shareholder of the company.

I hereby record my presence at the 20<sup>th</sup> Annual General Meeting of the company at 81, 8<sup>th</sup> Floor, A-Wing, "New York Tower", Opp : Muktidham Derasar, Thaltej, S. G. Highway, Ahmedabad-380054 at 11:30 a.m. on Tuesday, 30<sup>th</sup> day of September, 2014.

\_\_\_\_\_  
Member's / Proxy's name  
In Block Letters

\_\_\_\_\_  
Member's / Proxy's Signature

Note : Please fill in this attendance slip and hand it over at the entrance of the meeting hall.

\*Applicable for investors holding shares in electronic form.



Book Post

To

*If undelivered Please return to :*

**POPULAR ESTATE MANAGEMENT LIMITED**

81, 8<sup>th</sup> Floor, A-Wing, "New York Tower",

Opp : Muktidham Derasar, Thalaji,

S. G. Highway, Ahmedabad-380054