



**AJMERA REALTY & INFRA INDIA LIMITED**

Built on Trust



# BUILDING A GREENER TOMORROW

25<sup>th</sup> Annual Report 2011-12



# CONTENTS

02	-----	A heartfelt tribute to our Founder
06	-----	Building a greener tomorrow
22	-----	Beyond business...
24	-----	Corporate Information
25	-----	Notice
31	-----	Director's Report
35	-----	Management Discussion and Analysis Report
38	-----	Corporate Governance Report
47	-----	Auditor Certificate on Corporate Governance
49	-----	Auditor's Report
52	-----	Balance Sheet
53	-----	Statement of Profit & Loss
54	-----	Cash Flow Statement
55	-----	Notes to Financial Statement
74	-----	Auditor's Report on Consolidated Statements
75	-----	Consolidated Financial Statements
78	-----	Notes to Consolidated Financial Statement
97	-----	Attendance Slip & Proxy Slip
99	-----	Go Green Initiative Note for the Shareholders

# YEAR IN RETROSPECT

₹  
**21689.68**  
Total Revenue  
+ 26.07%  
Lacs

₹  
**10.92**  
EPS  
+ ₹ 4.32

₹  
**3873.43**  
PAT  
+ 65.27%  
Lacs

## NEW PROJECTS LAUNCHED

- Ajmera Zeon - Mumbai
- Ajmera Avenue - Bengaluru

## PROJECT COMPLETED

- Ajmera Infinity - Bengaluru
- Ajmera Summit - Mumbai

## FORAYED INTO GREEN ENERGY

- Solar project - Jodhpur, Rajasthan

## UNDERGOING PROJECT

- Ajmera Aeon - Mumbai
- Villows - Bengaluru
- Enigma - Ahmedabad



# *A Heartfelt Tribute to our Founder*

## **LATE CHHOTALAL S. AJMERA**

the Chairman & Managing Director of the Ajmera Group



27th September, 1937 – 24th March, 2012

For the tens of thousands of people whose lives were touched beneficially by Mr. Chhotalal Ajmera, our dynamic, visionary and farsighted Chairman; the 24th of March 2012 will always be remembered as a day of great loss, a day of mourning. It was the day that Mr. Chhotalal Ajmera, or Chhotubhai as he was fondly called, bid goodbye to his noble mission in life.

Chhotubhai was born on 27th September, 1937 in a small village called Vasavada in Gujarat. He was a keen student at school, but like many legendary entrepreneurs, he too left formal education for the exciting world of business. Chhotubhai came to Mumbai (earlier known as 'Bombay') armed only with his own ambitions, aspirations and enthusiasm. In Mumbai, his journey began with small jobs and his pursuit to find a suitable career saw him venture into different businesses like oil trading, textile trading, fabrication, foundry, paper, etc. The beginning was small, however, he was not a person to be weighed down by limitations and had the courage to take unlimited risks and face challenges head-on, a trait that played an important role in his success.

After deep introspection and experience of running different businesses, he finally selected contract fabrication through which he garnered immense experience and generated the initial corpus required to initiate his own civil contracting firm. And in less than two years, he evolved the civil contracting business into a full-fledged building and development business. He commenced with the development of residential buildings (in partnership) in the suburban areas of Mumbai.

His business venture progressed well and it was after a decade of sheer hard work in this domain that he finally received his first big breakthrough in 1975 when he took an unconventional path to focus on the mid and budget residential segment. From



then on, there was no looking back and under his visionary leadership, emerged the brand of Ajmera which is today India's leading conglomerate. Under his aegis, the Ajmera Group built Asia's first ever township of 600 buildings, comprising of 16000 flats at Mira Road, Mumbai. His approach to housing did not end with building apartment blocks but extended to creating a liveable environment and communities with all the necessary amenities. The Ajmera Group was amongst the first to introduce the concept of an integrated township long before it became a common parlance for the industry.

As the business expanded, Chhotubhai ensured that the Ajmera brand always remained true to its motto of quality construction, adopting modern technology while unfailingly ensuring timely completion. Committed to excelling in all that Ajmera undertook, the Company appointed world renowned architects, designers, town planners and landscape consulting firms to lend a unique look and finish to projects. It is under his astute leadership that the Ajmera Group successfully completed several iconic projects and took the bold steps to develop differentiated international grade properties including high-rise towers, ultra modern luxurious villas, commercial complexes and corporate parks. While beginning in Mumbai, he took the Ajmera brand pan-India to Pune, Surat, Rajkot, Bengaluru and Ahmedabad and also touched the international shores in Bahrain.

A true leader who began with virtually nothing in hand except his own passion to excel, while building differentiated projects, he has also build an organisation supported by the Ajmera family which nurtured the second generation of leaders who share the same passion and are committed to excel as vindicated by the contemporary genre of Ajmera's ongoing projects.

Chhotubhai is also fondly remembered by employees for his straightforward approach and the practice he had introduced of celebrating festivals with employees and their families across the board.

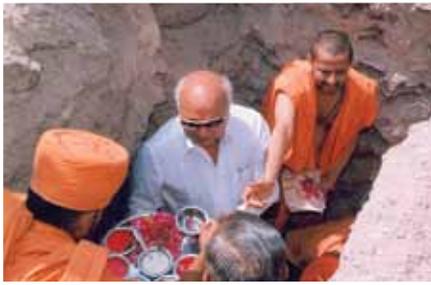
While many of these business feats exemplify Ajmera's industry stature and his mega success, there was more to Chhotubhai than his entrepreneurial business acumen. Chhotubhai was an ardent devotee of HSDH SHRI PRAMUKH SWAMI MAHARAJ, BAPS SWAMINARAYAN sect. The spiritual devotion and teachings inspired him to also work for the welfare of the poor and deprived.

Setting up a Trust to oversee the philanthropic mission of the Group, he was instrumental in building a Jain temple, local Upashrayas and a Swaminarayan temple. In his home town in Gujarat, the Ajmera Group built schools, a hospital, and dug borewells to address water scarcity in the region. During the 1987 famine in Saurashtra, he worked ceaselessly for 11 months helping the needy and providing food and shelter to 15,000 animals. HSDH SHRI PRAMUKH SWAMI MAHARAJ often called him as the man with a 56 inch chest – signifying his big-heartedness, compassion and benevolence.

Just as Chhotubhai was a pioneer and a trendsetter in the industry, he was also a friend, philosopher and guide relied upon for his honest and sage advice by many people in different walks of life. Today, while his physical presence is sorely missed, his way of life, his thoughts and his example inspires all of us at the Ajmera Group and we remain committed to moving forward in the footsteps of our revered Late Chairman. The journey continues for the Ajmera Group...

# *A Heartfelt Tribute to our Founder*

**FULFILLING DREAMS, ASPIRATIONS AND BUILDING ICONIC LANDMARKS**







**GREEN LIKE  
THE LUXURY IT  
ENDEAVOURS TO  
DEFINE**



**GREEN LIKE THE  
RELAXATION IT  
SEEKS TO PROVIDE**



**GREEN LIKE THE  
ENTHUSIASM IT  
PROMISES TO  
GENERATE**

**GREEN LIKE THE  
CLASS IT STRIVES  
TO CHARACTERISE**

**GREEN LIKE THE  
SUSTAINABILITY  
IT PLEDGES TO  
ENDOW**

## **THAT'S THE AJMERA CREDO FOR BUILDING A GREENER TOMORROW...**

The green of aspiration, of premiumness, of ambition...of prosperity...of sustainability...for the greener and cleaner side of life.

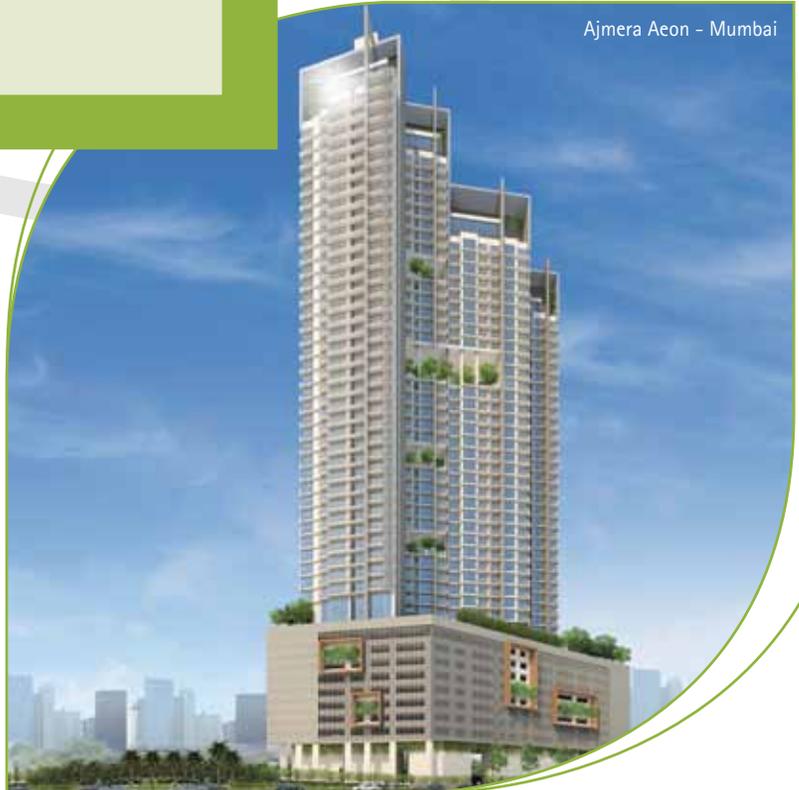
# GREEN OF LUXURY

ENVIRON SEEPED IN OPULENCE, COMFORT, LUXURY AND SUSTAINABILITY...

From transforming barren land into enticing structures, Ajmera Realty & Infra India Limited has always been committed to converting landmasses into green biomasses which empower us to reduce our carbon footprints. A testament to Ajmera's green focus and achieving holistic living is Wadala's Bhakti Park residential project which also hosts Mumbai's largest private theme garden. A green initiative which was undertaken years before the concept of "sustainable" and "green" become regular parlance. The focus on green and clean living continues till date across all our ongoing projects and encompasses comprehensive sustainability aspects right from selection of the building material, technology used to create the structures to water harvesting, water recycling, recycling garden and sewage waste and incorporating energy saving features.

One such ongoing project in Mumbai is the first residential tower in the heart of Ajmera's i-Land, Ajmera Aeon. This 49-storey tower promises to take the definition of lifestyle and sustainable living to a whole new level and is destined to get the Green Building Certification. Ajmera Aeon is planned by Singapore-based architects Space Matrix and offers the latest in technology, clean renewable energy along with a life of indulgence and new age opulence.

Ajmera Aeon - Mumbai



Reaching for the sky is also another luxurious, green residential project in Ajmera i-Land - "Ajmera Zeon". With twin tower of 55 storeys on a multi-level podium consist of spacious 2, 3 & 4 BHK East - West direction facing apartments complete with ultra modern amenities and wrapped in greenery, Ajmera Zeon promises to make living comfortable, convenient and elegant and is a continuation of our quest for sustainability.

Ajmera i-Land a new-age futuristic project is Mumbai's only interconnected, integrated 100-acre New Age Living project with the world class amenities and facilities. Planned by the world renowned New York-based architects, Skidmore, Owings & Merrill LPP (SOM), the designers of Dubai's Burj Khalifa (formerly Burj Dubai), i-Land is truly innovative, inspiring and an example of creative ingenuity and incorporates international standard of building sustainable communities.

Ajmera Zeon - Mumbai



# GREEN OF RELAXATION

ATMOSPHERE SO CALM, SO PEACEFUL, SO SOOTHING, SO RELAXING...

Ajmera Group and its flagship company Ajmera Realty & Infra India Limited are at the forefront of setting new benchmarks for eco-friendly constructions and this directly benefits consumers. Projects are not only planned to match international standards, great care is taken to ensure environmental preservation while accentuating its scenic beauty. While actual percentages reserved for green areas may differ from individual projects, most of the Group projects reserve significant amount of the total project for focussed green initiatives.



One such premium green project, "Villows" at Bengaluru successful blends the ultramodern while retaining the charm of old-Bengaluru when it was better known as the "Garden City of India". "Villows" takes inspiration from the Mexican architecture school and is a delightful cluster of 52 contemporary Mexican style villas enveloped in acres of greenery, bejewelled with picturesque pathways, maze gardens and more. In sync with nature and inviting you to inhale pure air, "Villows" has over 1800 full grown trees.

In keeping with the tradition of excellence, the cutting edge finesse to the project is visible in every inch of the spacious contemporary homes and each room in the villa is testimony of the luxury and state-of-the-art living. In line with the overall green focus, each villa also includes its own private backyard or garden terrace. The project is synonymous with comfort and the finest amenities at disposal of the privileged residents include own massage parlours, Jacuzzi and open to sky shower enclosures reminiscent of the international destination Bali.

Villows - Bengaluru



# GREEN OF ENTHUSIASM

SURROUNDINGS DESIGNED TO SPARK EXCITEMENT, PASSION, ENTHUSIASM...



Ajmera Infinity - Bengaluru

From Mumbai to Bengaluru, Ajmera Realty & Infra has won the hearts of its customers with its properties that promise to be cherished for generations. Striding forward with its indomitable spirit for innovation, Ajmera's distinctive lifestyle project at Electronic City, Bengaluru offers 4 G living at Electronic City. A large residential community spread over 18 acres, Ajmera Infinity comprises of 17 high-rise towers consisting of 1044 apartments which has been successfully completed. The unique feature of this phase is the provision of a large terrace in the sky apartments providing its residents an infinite view of the panoramic vistas.



Club House - Infinity, Bengaluru

Ajmera Avenue - Bengaluru

For Ajmera Infinity residents the location advantage is being made an even more enviable address in India's Silicon Valley as it will host "AJMERA AVENUE," the city's first exclusive Hi-street shopping mall.



# GREEN OF HEALTH

ENVIRONMENT CREATED TO NOURISH STRENGTH, WELL-BEING, HEALTH...

Ajmera Realty & Infra's vision to expand pan-India has seen its projects continue at a fervent pace and now touches one of the fast-developing cities in the country – Ahmedabad.

The Company's high-rise Enigma Towers soars high above the rapidly changing skyline of Ahmedabad and is etched in the Ajmera's trademark of building elegant, picturesque surrounding devoting nearly 70% of its area to greenery.

The project is moulded with sophistication, excellence, location advantage and large open green spaces offering just about everything you would dream of for your homes.



Enigma - Ahmedabad



# GREEN OF VIBRANCY

VIBRANCY EMANATING FROM THE PRISTINE GREEN SURROUNDINGS AND SOOTHING SERENITY

"The Palm Land" an exquisite weekend gateway of 200 villas overlooking the scenic Narmada river in all its scintillating glory is set amidst an exotic green locale. Yet another innovative and exciting project on the anvil in Gujarat from Ajmera Realty & Infra, this project will be enveloped in greenery and natural environs and promises to gratify the soul, capture life's exotica, enrapture the senses and create the magical moments to live and cherish.



The Palm Land - Gujarat



# GREEN OF CREATIVE SIMPLICITY

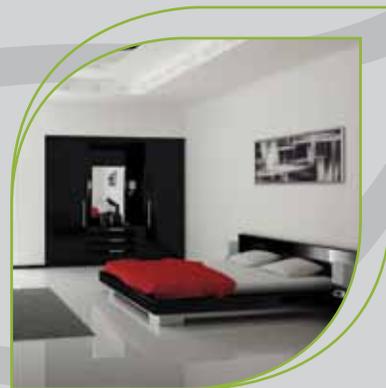
## SENSITIVELY DEVELOPED TO FULFIL THE NEEDS OF THE PEOPLE FOR AN EXPANSIVE BUT COMPACT HOME

Ajmera Group started its business nearly decades ago serving the bottom of the pyramid, much before it became a famous management buzzword. Mumbai has always been a city of two halves, the haves and the have nots. While there were plenty of builders who built for the haves – palatial apartments with luxurious amenities, the have nots were left mainly to their own devices.

Ajmera recognised this pent-up demand for small houses at affordable prices and ventured into the business of serving the purpose of this market several decades back. Today, even as Ajmera Realty & Infra develops iconic projects across Mumbai, Pune, Surat, Rajkot, Ahmedabad and Bengaluru and also overseas in Bahrain, the commitment to building affordable home remains a part of its business strategy.

The Company in the coming years plan to develop a large affordable homes project in the extended suburb of Mumbai. The planned township will offer 1/2/3 BHK apartments and is

a uniquely designed classic affordable mega housing project. In keeping with the commitment of building a greener tomorrow, the project includes various initiatives driving sustainability like building a solar power system, rainwater harvesting amongst other green initiatives.



# GREEN OF CLASS

AMBIENCE THAT SPELLS PROSPERITY, PREMIUMNESS, CLASS...

Ajmera Summit - Mumbai



It has been the endeavour of the Company to be present across all segments of the realty sector and its modern commercial offerings are in line with this strategy. Ajmera Summit at BKC Exteriors is a high-end boutique commercial structure located in Mumbai's Central Business District which houses India's largest and most significant commercial and financial corporate offices. Distinguished by its unique construction style, Summit is a 14-storied tower with only two offices per floor and double height terraces on alternate floors.



Developing differentiated properties over large land parcels is an enviable art that the Ajmera's have mastered and using this expertise will be launching the 67 acres mixed use development project in Mumbai's next big Business District – Kanjurmarg.

This mega project is planned to be developed on a complete sustainable and green platform. From the basics taking into account steps to reduce the carbon footprints right at the land development and construction stage (process, material transportation to site, construction waste disposal) to imbuing sustainability measures post occupancy (reducing electricity and fuel consumption, external and internal lighting, waste management, water supply & recycling, etc.). Modifications in the input parameters at the early state based

on the International Green Building Construction basis enables 25% saving over the base and almost 40% as compared to the conventional building standards. The international grade project planned on the "Carbon Positive" parameters envisages various green power options (Bio-mass Gasifier, Solar Water Heaters, Solar PV, Hydrogen Fuel Cells, Wind turbine off site, Micro hydro plant). In addition, the plans include using planting of native and indigenous plants, trees and vegetation.



# GREEN ENERGY

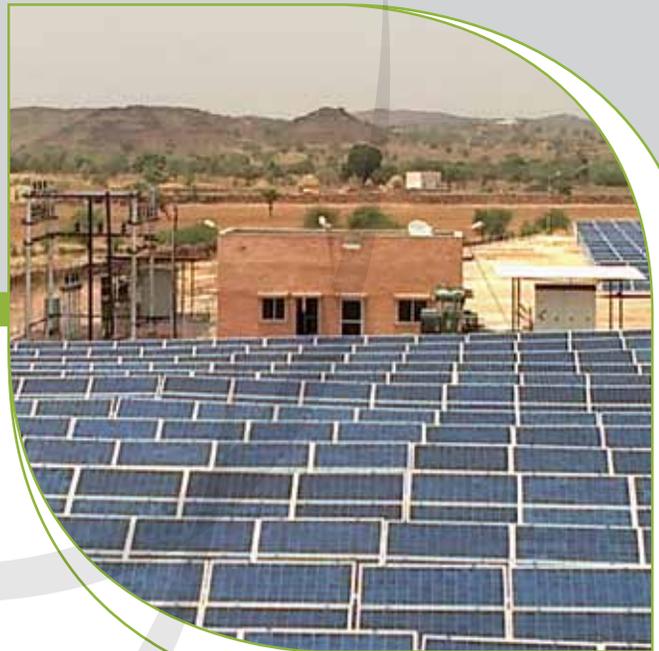
## FORAYING INTO SOLAR POWER DEVELOPMENT

Taking the sustainability focus forward, the Company through its subsidiary Ajmera Biofuel has acquired 49% stake in a company which is into Solar Power at OSIYAN, in the Jodhpur district of Rajasthan.

The highlight of the project is the Grid Interactive Electric Power Generation with the capacity of 5.75 MWP. The project emphasises on the adoption of the state-of-the-art Poly Crystalline Silicon Solar Photovoltaic (SPV) Cell Technology.

The project has achieved the Grid Connectivity and has commenced supplying H.T. Power to the Rajasthan Grid. The Company has signed PPA for 25 years with a subsidiary of NTPC under Jawaharlal Nehru National Solar Mission (JNNSM).

Adding to the Company's tradition of being first in every angle of its business, this project too is the first set of Solar Projects to be approved and commissioned under the auspices of JNNSM. The project development will adopt international grade German technology through an EPC.



Comet Power Private Limited (Joint Venture between Videocon and Ajmera Group) has invested ₹ 860 million to set up this 5.75 MW Solar Power project in Rajasthan.

Solar Power Plant - Rajasthan



# BEYOND BUSINESS...

CARING. NURTURING. ENCOURAGING. DEVELOPING.

“The difference between what we do and what we are capable of doing would suffice to solve most of the world's problems.” *Mahatma Gandhi*

## Corporate Social Responsibilities...



At Ajmera Group of Companies, it is our endeavour since inception to explore various ways and means to shoulder the responsibility of strengthening the foundation of the rural areas in our society.

Various philanthropic activities are carried out through a specifically created Trust which oversees the diverse activities in areas of social development, water storage and water resource management, education & science, healthcare, agricultural development, forest development and animal husbandry.

The spectrum of the outreach programmes focussed in the rural areas of Gujarat and Saurashtra span various activities that make everyday living better for the lesser privileged section of the society. The Trust has over the years also reached out to help people in times of disasters and natural calamities both in Gujarat and Maharashtra. From a simple gesture of providing nearly 500 litres of butter milk daily to needy families since the past 25 years to caring for cattle and

organising mass marriages as a social reform initiative to save the conspicuous expenses thrust on families, the Ajmera Trust has over the years evolved its activities to help the betterment of the society.

The Trust has also initiated various activities to conserve precious natural resources by constructing check dams and recharging of old wells and bores. Education is one area which has been given special thrust and the Ajmera Group Trust has constructed various schools, colleges and hostels for ladies across Gujarat and is also involved in the running and maintenance of some of these institutes. The Trust also provides scholarship and study material regularly to deserving students. Appreciating the need to take modern medical facilities to the rural interiors, the Trust has also set up a 40-bed hospital at Vasavad along with an ambulance facility in Gujarat. The Trust also conducts various medical diagnostic camps, runs a subsidised medical store and also subsidises medical treatment for cardiac patients.



In a country where a majority of its population lives in rural areas and farmers are even today more often than not subject to a life of uncertainty due to the vagaries of the monsoon, financial constraints which prevent them from embracing modern farming technology and purchasing of modern farming equipment. The Trust over the years with the help of local authorities has undertaken initiatives to help farmers improve the yield of their land, subsidised or distributed free better quality seeds, promoted environmental awareness and consciousness to plant more trees, etc.

# CORPORATE INFORMATION

## Board of Directors

Late Shri Chhotalal S. Ajmera  
Founder Chairman

Shri Ishwarlal S. Ajmera  
Chairman Emeritus

Shri Rajnikant S. Ajmera  
\*Chairman & Managing Director

Shri Manoj I. Ajmera  
\*Managing Director

Shri Sanjay C. Ajmera  
\*Whole-Time Director

Shri Jagdish J. Doshi  
Director

Shri Ambalal C. Patel  
Director

Shri Jitendra Anandpara  
Director

\*w.e.f. 24th April, 2012

## Compliance Officer & Company Secretary:

Harshini D. Ajmera

## Auditors

M/s. V. Parekh & Associates  
Chartered Accountants  
Address: 37, Hamam Street,  
2nd Floor, Fort, Mumbai - 400 001

## Bankers

HDFC Ltd.

## Registered Office

"Citi Mall",  
Link Road, Andheri (West),  
Mumbai - 400 053, India

## Solicitors

M/s. Pandya & Poonawala  
M/s. Desai & Diwanji

## Registrar & Share Transfer Agent

Sharex Dynamic (India) Pvt. Limited,  
Branch Office: Unit 1, Luthra Industrial Premises,  
Andheri-Kurla Road, Safed Pool, Sakinaka, Andheri (East),  
Mumbai - 400 072

## 25th Annual General Meeting

**Day, Date & Time:** Friday, 28th September, 2012 at 3.00 P.M.

**Place:** "Esquire", The Classique Club, Raheja Classique, New Link Road, Andheri (W), Mumbai - 400 053

**Book Closure:** 22nd September, 2012 to 28th September, 2012 (both days inclusive)





## Notice

**NOTICE** is hereby given that the Twenty-Fifth Annual General Meeting of the Shareholders of Ajmera Realty & Infra India Limited will be held on Friday, 28th September, 2012 at 3.00 P. M. at Esquire Hall, The Classique Club, Raheja Classique, Andheri Link Rd, Andheri (West), Mumbai - 400 053. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account ended on that date and the Report of Auditors and Directors thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri Jagdish J Doshi, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Jitendra Anandpara, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an Ordinary Resolution:

**“RESOLVED THAT** M/s. V Parekh & Associates, Chartered Accountants, Mumbai, be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration to be decided by the Board in addition to out of expenses as may be incurred by them during the course of the Audit.”

### SPECIAL BUSINESS:

6. Appointment of Shri Manoj I. Ajmera, as a Additional Director

To consider and, if thought fit, to pass the following Resolution, with or without modification, as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the section 260 of the Companies Act, 1956, read with Article 112 of the Articles of Association of the Company, Shri Manoj I. Ajmera who was appointed in Board Meeting held on 24th April 2012 as an Additional Director of the Company, and holds office until date of the Ensuing Annual General Meeting, and in respect of whom the Company has received notice from member along with a deposit of Rs.500/- pursuant to section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

7. Appointment of Shri Sanjay C. Ajmera, as a Additional Director

To consider and, if thought fit, to pass the following Resolution, with or without modification, as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the section 260 of the Companies Act, 1956, read with Article 112 of the Articles of Association of the Company, Shri Sanjay C Ajmera who was appointed in Board Meeting held on 24th April 2012 as an Additional Director of the Company, and holds office until date of the Ensuing Annual General Meeting, and in respect of whom the Company has received notice from member along with a deposit of Rs.500/-, pursuant to section 257 of the Companies Act, 1956, proposing his candidature, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

8. Appointment of Shri Manoj I Ajmera, as Managing Director

To consider and, if thought fit, to pass the following Resolution, with or without modification, as **Ordinary Resolution**:-

**“RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, 310, 311, and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the approval of the Central Government, if necessary, the Company hereby approves of the appointment of Shri Manoj I Ajmera as Managing Director of the Company for the period of five years with effect from 24th April 2012, liable to retire by rotation on the terms and conditions and remuneration payable to him w.e.f. 1st May, 2012 as set out in the draft Agreement submitted to this Meeting and for the purpose of identification initiated by a Director, which draft Agreement is specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of the said remuneration and/or draft Agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, (including any statutory modification or re-enactment thereof), for the time being in force or any amendment thereto in such manner as may be agreed to between the Directors and Shri Manoj I. Ajmera.”



9. Appointment of Shri Sanjay C Ajmera, as a Whole Time Director

To consider and, if thought fit, to pass the following Resolution, with or without modification, as **Ordinary Resolution:-**

**“RESOLVED THAT** in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), and subject to the approval of the Central Government, if necessary, the Company hereby approves of the appointment of Shri Sanjay C Ajmera as Wholetime Director of the Company for the period of five years with effect from 24th April 2012, liable to retire by rotation on the terms and conditions and remuneration payable to him w.e.f. 1st May, 2012 as set out in the draft Agreement submitted to this Meeting and for the purpose of identification initiated by a Director, which is specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of the said remuneration and/or draft Agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force) or any amendment thereto in such manner as may be agreed to between the Directors and Shri Sanjay C Ajmera.”

10. Revision of Remuneration of Shri Rajnikant S. Ajmera Chairman & Managing Director

To consider and, if thought fit, to pass the following Resolution, with or without modification, as **Ordinary Resolution:-**

**“RESOLVED THAT** in partial modification of the Resolution No.6

passed by the members of the Company at the 22nd Annual General Meeting held as on September 30, 2009 and pursuant to sections 198, 269, 309, 310, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force), and all other guidelines relating to managerial remuneration issued by the Central Government from time to time or any other law and subject to such other approval as may be necessary and as agreed by the Board of Directors ( hereinafter referred to as “Board” ,which term shall be deemed to include any Committee thereof and any person, authorized by the Board in this behalf), consent of the Members be and is hereby accorded to the revision in the ceiling amount of Salary scale from Rs.4,00,000/-p.m to Rs.6,00,000/- p.m of Mr.Rajnikant S.Ajmera, Chairman & Managing Director of the Company with effect from 1st August, 2012, as may be decided by the Board from time to time for remainder of his tenure with consequential variation or increase in remuneration due to revision in terms of his remuneration as aforesaid, subject ,however, to the limits prescribed under Sections 198, 309 ,Schedule XIII of the Companies Act, 1956 and all other terms and conditions of his appointment remaining the same as approved by the Members at the AGM held on September 30, 2009.”

By Order of the Board of Directors  
For **AJMERA REALTY & INFRA INDIA LTD.**

**RAJNIKANT S. AJMERA**  
**CHAIRMAN & MANAGING DIRECTOR**

Place : Mumbai,  
Date : 30th July, 2012  
**Registered Office:**  
“Citi Mall”, Link Road,  
Andheri (W), Mumbai – 400 053.



## NOTE:

- I. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF OR HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- II. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- III. The Register of Members and Share Transfer Books of the Company will remain closed for Seven days from the 22nd September, 2012 to the 28th September, 2012 (both days inclusive).
- IV. The dividend as recommended by the Board of Directors, upon declaration by the members at the 25th Annual General Meeting, shall be paid to those members, whose names appear on the Register of Members of the Company on 21st September, 2012.
- V. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of business under Item No 6 to 10 as set out above and details under clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting are annexed hereto.
- VI. All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during the office hours on all working days except Sundays between 11.00 a.m. to 1.00 p.m. up to the date of the ensuing Annual General Meeting.
- VII. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
- VIII. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary for further particulars. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205 A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund.
- IX. Members are requested:
  - a. to notify any change in their addresses to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID no. and to the Sharex Dynamics (India) Private Limited – Registrar and Transfer Agent (RTA) or to the Company in respect of their physical shares quoting their folio numbers;
  - b. to write to RTA to enable them to consolidate their holdings in one folio, who are not opting for depository and are holding Shares in identical order of names in more than one folio;
  - c. to write to the Company at an early date so as to enable the Management to keep information ready, who are desiring any information as regard to accounts,.
  - d. to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting, who hold Shares in dematerialized form;
  - e. to bring their copies of the Annual Reports to the Meeting.
- X. In terms of Section 109A of the Companies Act, 1956, the Share holder(s) of the Company may nominate a person on whom the Shares held by him/them shall vest in the event of his/their death. Share(s) desirous of availing this facility may submit nomination in Form 2B.

By Order of the Board of Directors for  
For **AJMERA REALTY & INFRA INDIA LTD.**

**RAJNIKANT S. AJMERA**  
**CHAIRMAN & MANAGING DIRECTOR**

Place : Mumbai,  
Date : 30th July, 2012  
**Registered Office:**  
"Citi Mall", Link Road,  
Andheri (W), Mumbai – 400 053.



**INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:**

As per the requirement of Clause 49 of the Listing agreement, the particulars of the Director who is proposed to be re-appointed is given below:-

<b>A. Name</b>	<b>Shri Manoj I Ajmera</b>
Date of Birth	31st May 1962
Date of Appointment / Period	24th April 2012 – 23rd April 2017
Expertise in specific functional area	Having more than 30 years of over all experience in Real Estate Development & related regulatory frame work.
Qualifications	Graduate
Listed / Unlisted Public Companies in which outside Directorship held as on 30th July, 2012	None.
Chairman / Member of the Committees of the Board of the other Companies on which he is a Director as on 30th July, 2012	None.
<b>B Name</b>	<b>Shri Sanjay C. Ajmera</b>
Date of Birth	20th November 1966
Date of Appointment / Period	24th April 2012 – 23rd April 2017
Expertise in specific functional area	Having more than 25 years of over all experience in Management.
Qualifications	MBA
Listed / Unlisted Public Companies in which outside Directorship held as on 30th July 2012	Ajmera Realty & Infra India Limited
Chairman / Member of the Committees of the Board of the other Companies on which he is a Director as on 30th July 2012	Shree Precoated Steels Limited-Member of Audit Committee.
<b>C Name</b>	<b>Shri Jagdish J Doshi</b>
Date of Birth	26th February, 1931
Date of Appointment / Period	20th January, 1992
Expertise in specific functional area	Involved in the development of Steel Industry for more than five decades.
Qualifications	M. S. (Illinois), D. I. C. (London), B. E. (Hons.) Bombay, P. Eng. (Ontario, Canada), Consulting Engineer.
Listed / Unlisted Public Companies in which outside Directorship held as on 30th July 2012	Super Stainless and Hi Alloys Limited Four Seasons Marine & Air Services Limited Co-Nick Alloys (India) Limited
Chairman / Member of the Committees of the Board of the other Companies on which he is a Director as on 30th July 2012	Shree Precoated Steels Limited-Chairman of Audit Committee & Share Grievance Committee.



D	Name	Shri Jitendra Anandpara
	Date of Birth	26th May, 1951
	Date of Appointment / Period	18th January, 2010
	Expertise in specific functional area	Shri Anandpara is a Chief Life Insurance Advisor (CLIA). He is in insurance industry since 1973.
	Qualifications	Graduate in Commerce from Mumbai University and DLIM from Pune.
	Listed / Unlisted Public Companies in which outside Directorship held as on 30th July 2012	None.
	Chairman / Member of the Committees of the Board of the other Companies on which he is a Director as on 30th July 2012	None.

### EXPLANATORY STATEMENT

As required by Section 173 (2) of the Companies Act, 1956, the following Explanatory Statements set out all material facts relating to the business under Item Nos. 6 to 10 of the accompanying Notice dated 30th July 2012.

#### Item No. 6,7,8,9 and 10:

##### ITEM NO. 6 & 7

Mr. Manoj I. Ajmera and Mr. Sanjay C. Ajmera, were appointed at the meeting of the Board of Directors held on 24th April, 2012 as an additional Director of the Company liable to retire by rotation. Pursuant to the provisions of Section 260 of the Companies Act, 1956, Mr. Manoj I. Ajmera and Mr. Sanjay C. Ajmera holds office upto the date of the Ensuing Annual General Meeting.

Pursuant to Section 257 of the Companies Act, 1956, a notice has been received from a Member signifying his intention to propose the appointment of Mr. Manoj I. Ajmera and Mr. Sanjay C. Ajmera as Director of the Company at the ensuing Annual General Meeting along with a deposit of Rs. 500/- each. Hence, necessary resolutions are placed before the Meeting for Member's approval.

None of the Directors of the Company except Mr. Manoj I. Ajmera, Mr. Sanjay C. Ajmera are, in any way, concerned or interested in the said resolution.

Your Directors recommend passing of this resolution.

##### Item 8 & 9

- a The terms of appointment of Managing Director (MD), and Whole Time Director (WTD) were determined by mutual consent with effect from 24th April 2012. The Board of Directors of the Company, at the Board Meeting held on 24th April 2012, subject to the approval of the Members at the ensuing Annual General Meeting, appointed Shri Manoj I Ajmera (MD) and Shri Sanjay C Ajmera (WTD) for a period of Five years with effect from 24th April 2012.
- b The aforesaid Directors have been associated with the affairs of the Company and have made significant contribution to the growth and turn-around of the Company.

- c Accordingly, the Remuneration Committee of the Company as well as the Board of Directors have at their respective Meetings approved the appointment of MD and WTD of the Company for a period of five years effective 24th April 2012.

- d On recommendation, the Remuneration Committee approved the remuneration of Mr. Manoj I Ajmera, Managing Director and Mr. Sanjay C. Ajmera, Whole Time Director at a remuneration with effect from 1st May, 2012, as given below details:-

##### l. REMUNERATION :

##### a BASIC SALARY & DEARNESS ALLOWANCE:

MD – Rs. 2,00,000/- per month in the scale of Rs. 2,00,000/- Rs. 4,00,000/- per month.

WTD – Rs. 1,70,000/- per month in the scale of Rs. 1,70,000/- to Rs. 3,00,000/- per month.

With such increments as may be decided by the Board of Directors (which includes any Committee thereof) from time to time.

##### b PERQUISITES & ALLOWANCES:

- (l) Perquisites will be allowed in addition to salary and commission and will include accommodation (furnished or otherwise) or house rent allowance together with reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings and repairs and all other expenses for the upkeep and maintenance thereof; medical reimbursement on actual basis for self and family members (which shall include spouse, dependent children), reimbursement of leave travel concession for self and family as aforesaid, club fees (other than initial Registration / admission Fees and subject to a maximum of two Clubs), medical / personal accident insurance cover as per the Company's service Rules, and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and, MD and WTD, respectively, such perquisites and allowances will, however, be subject to a maximum of 33.33%, and 33.33 % of their respective annual salary.



- (ii) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per the Income-tax Rules, wherever applicable. In the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost.
- (iii) Benefits under the Provident Fund Scheme, the Company's Pension/Super Annuation Fund Scheme in accordance with the Company's rules and regulations in force from time to time shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable, under the Income-tax Act, 1961. Gratuity payable as per the rules of the tenure shall not be included in the computation of limits for the remuneration as aforesaid.
- (iv) Provision for use of the Company's Car for official duties and telephone at residence (including payments for local calls and long distance calls) shall be not be included in the computation of perquisites for the purpose of calculating the said ceiling.
- c. COMMISSION
- Such remuneration by way of commission, in addition to the salary and perquisites and allowances payable to MD and WTD respectively, calculated with reference to the net profits of the Company at the end of each financial year subject to the overall ceilings stipulated in Sections 198 and 309 of the Act.
- II. MINIMUM REMUNERATIONS:
- Notwithstanding anything contained herein, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay remuneration to MD and WTD by way of salary, perquisites and allowances as specified above within the limits prescribed under Schedule XIII of the Act.
- III The aforesaid appointment of the MD and WTD may be terminated by either party by giving one months' prior notice of termination in writing to the other party.
- IV If at any time, any of the above Directors ceases to be a Director of the Company, he shall cease to be the Executive Director.
- V The terms and conditions of the said appointments may be altered and varied from time to time by the Board, as it may, in its discretion deem fit, so as not to exceed the limits specified in Schedule XIII to the Act or any amendments made hereinafter in that regard.
- VI Shri Manoj I Ajmera and Shri Sanjay C Ajmera are concerned or interested in the Resolutions under item Nos 8 & 9 of the Notice respectively which pertains to their appointment and remuneration payable to them.
- VII In accordance with the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, the terms of remuneration of the aforesaid Directors of the Company, are now placed before the members in General Meeting for their approval.
- VIII Your Directors, therefore, recommend the Resolution at Item Nos. 8 & 9 of the Notice for acceptance by the members.
- IX This may be treated as an abstract of the terms of appointment

between the Company and Shri Manoj I Ajmera and Shri Sanjay C Ajmera, pursuant to Section 302 of the Companies, Act, 1956.

None of the Directors of the Company except Mr. Manoj I. Ajmera and Mr. Sanjay C Ajmera are in any way, concerned or interested in the said resolution.

**Item 10:**

- a The Shareholders at their 22nd Annual General Meeting (hereinafter referred to as "the 22nd AGM") of the Company held on 30th September, 2009 appointed Mr. Rajnikant S. Ajmera as the Managing Director of the Company for a period of five years with effect from 1st August 2009, in accordance with the provisions of Section 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions of the Companies Act, 1956 on a remuneration in the scale of Rs 1,25,000 to Rs. 4,00,000/- as per and subject to the approval of the Central Government, if necessary.
- b The Board revised the ceiling amount of remuneration payable to CMD from Rs. 4,00,000/- to Rs. 6,00,000/- per month w.e.f. 1st August, 2012 for the remaining period of his tenure on the basis of recommendation of the Remuneration Committee. The annual increment will be effective from 1st April every year and will be as per the recommendation of the Remuneration Committee and approved by the Board of Directors.
- c. The Perquisites, Commission, other components of remuneration and all the other terms and conditions of the existing contracts / agreements entered in to between CMD and the Company would remain unchanged.
- d. Your Directors recommends the Resolution No. 10 of the Notice for approval by the Members.
- e. None of the Directors except Mr. Rajnikant S. Ajmera are interested or concerned in this Resolution.

By Order of the Board of Directors for  
For **AJMERA REALTY & INFRA INDIA LTD.**

**RAJNIKANT S. AJMERA**  
**CHAIRMAN & MANAGING DIRECTOR**

Place : Mumbai,  
Date : 30th July, 2012  
**Registered Office:**  
"Citi Mall", Link Road,  
Andheri (W), Mumbai – 400 053.



## Directors' Report

To,  
The Members,

We have pleasure in presenting the **TWENTY FIFTH ANNUAL REPORT AND AUDITED ACCOUNTS** of the Company for the year ended on 31st March, 2012.

### FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

	Standalone		Consolidated	
	2011-2012	2010-2011	2011-2012	2010-2011
<b>Total Revenue</b>	<b>1886.92</b>	1809.46	<b>21689.68</b>	17204.45
<b>Total Expenditure</b>	<b>219.58</b>	501.14	<b>17315.81</b>	14455.83
<b>Earnings before interest, Depreciation and Amortisation</b>	<b>1745.62</b>	1361.95	<b>4853.47</b>	4362.04
<b>Depreciation &amp; Amortisation</b>	<b>78.28</b>	47.08	<b>324.98</b>	47.08
<b>Finance Cost</b>	-	6.56	<b>154.62</b>	1566.34
<b>Profit before Taxation</b>	<b>1667.34</b>	1308.31	<b>4373.87</b>	2748.61
<b>Tax Expense</b>				
-Current Tax	<b>214.25</b>	260.89	<b>214.25</b>	260.89
-Deferred Tax(charge)/credit				
-MAT credit utilization/entitlement				
<b>Profit after tax</b>	<b>1453.09</b>	1047.42	<b>4159.62</b>	2487.72
<b>Minority Interest</b>	-	-	<b>286.19</b>	144.06
<b>Share Profit /Loss of Associate</b>	-	-	-	-
<b>Profit for the year</b>	<b>1453.09</b>	1047.42	<b>3873.43</b>	2343.66

### PERFORMANCE :

#### Consolidated Performance

During the year under review, the Company has sold approx 4 Lakhs sq. ft. of area valuing Rs.145 crores. The total revenue stood at Rs. 216 crores as compared to Rs.172 crores representing an increase of 21%. The Company earned a Net Profit after Tax of Rs. 38.73 crores as compared to NPAT of Rs.23.43 crores in the previous year representing increase of 65%. The Company has its geographical presence in the State of Maharashtra, Gujarat and Karnataka.

#### Standalone Performance:

During the year under review, the Company has earned total revenue of Rs.18.86 crores as compared to Rs.18.09 crores representing an increase of 4.2%. The Company earned a Net Profit after Tax of Rs.14.53 crores as compared to NPAT of Rs.10.47 crores in the previous year representing increase of 39%.

### OPERATIONS :

During the year under review the Company has commenced Ajmera Zeon project comprising of 15 Lakhs sq.ft. of area in the city of Mumbai.

### TRANSFER TO RESERVES :

An amount of Rs.108.98 Lakhs is proposed to be transferred out of the current profits to General Reserve

### DIVIDEND :

Despite facing several odds such as challenging business environment, sluggish demand, lower industry volume and increased costs, having regard to the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals and the shareholders' aspirations, your Directors are pleased to recommend dividend at the rate of Re.1.7 per equity share, i.e. 17% of the paid up equity share value for the year ended March 31, 2012 (Previous Year: Rs.1.4per equity share, i.e.14 % of the paid up equity share value) subject to the approval by the Shareholders at the forthcoming Annual General Meeting.

Total amount of dividend payout will be Rs.603.77 Lakhs The Register of Members and Share Transfer Register shall remain closed during the period 22nd September, 2012 to 28th September, 2012 (both days inclusive) for the purpose of Annual General Meeting and for payment of dividend. The dividend, if approved at the Annual General Meeting, will be payable to members whose



names appear on the Register of Members of the Company on 21st September, 2012, being the first day of Book-Closure and to those whose names appear as beneficial owner in the records of National Securities Depositories Ltd. and Central Depository Services (India) Ltd. on close of business as on 21st September, 2012.

#### **SUBSIDIARY COMPANIES / JOINT VENTURES :**

As on 31st March, 2012, the Company has four Subsidiaries namely Jolly Brothers Private Limited, Ajmera Estate Karnataka Private Limited, Ajmera Mayfair Global Realty W.L.L and Ajmera Biofuel Limited.

In accordance with the general circular issued by Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit & Loss Account and other documents of the subsidiary companies are not being attached with Balance Sheet of the Company. The Company will make available the Annual Accounts of the Subsidiary Companies and related detailed information to any member of the Company who may be interested in obtaining the same at the registered office of respective subsidiary Companies. The same information is also made available on the website of the Company. A statement pursuant to Section 212 of the Companies Act, 1956 is set out as Annexure-I to this report.

During the year under review the Company has acquired 100% stake in the Ajmera Biofuel Limited. The said subsidiary has acquired 49% stake in Comet Power Private Limited (CPPL) which has the one of the best performed Solar Power Plant. The CPPL has commenced operation for 5.75 MW solar power project at Rajasthan. The commercial production has commenced from November, 2011 and has reached optimum production in the month of January, 2012. The performance of the Project is commendable in the Country and one of the best plant in generation so far.

The Company has invested in 90 % stake of Laudable Infrastructure LLP ("Laudable") subject to such approvals, consent, sanctions and permissions of the appropriate authorities.

The Laudable has entered into a Partnership with "Ajmera Bora Associates", wherein Laudable holds 67% stake and rest 33% vests in Bora Group. The said Partnership firm holds a land of approx 1,87,000 Sq. Ft. at Pune.

The SaNa BuildPro LLP ("the LLP") is 74.90% owned by the Company to carry on some really extensive real estate projects through such collaborations.

Further the Company has associated with V.M.Procon Private Limited ("the JVC"), by acquiring 50% of Equity shares and the rest is held by Sheetal Infrastructure Private Limited. It has launched HI-END Residential project "Enigma-Fragrance of life" at Ahmadabad on 28th May, 2011.

The JVC holds land of approx. 7661.00 sq.mts. The Project is situated Opposite Auda Sports Complex, S.G.Road, Ahmedabad, a fast growing area in the City.

This project will have saleable area of 3.00 Lakhs sq.ft approx. comprising of multi storey premium Towers with modern lifestyle amenities like Club House, Swimming Pool, etc.

#### **STATEMENT UNDER SECTION 212(1)(e) OF THE COMPANIES ACT, 1956 FOR SUBSIDIARIES**

A statement pursuant to Section 212(1) (e) read with Sub-Section (3) of Section 212 of the Companies Act, 1956 for the Financial Year 31st March, 2012 for the subsidiary companies is set out as Annexure I to this Report.

#### **DIRECTORS RESPONSIBILITY STATEMENT :**

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

- I. in the preparation of the annual accounts for the Financial Year ended 31 March, 2012, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- II. 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 end and of the Profit & Loss of the Company for the year ended under review;
- III. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities; and
- IV. the Directors had prepared the annual accounts of the Company for the financial year under review on a Going Concern basis.

#### **DIRECTORS :**

Mr. J.J Doshi, Director retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Mr. Jitendra Anandpara, Director retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Mr. Manoj I Ajmera and Mr. Sanjay C. Ajmera, who were appointed as an Additional Director w.e.f April, 24, 2012, shall vacate the office at the Ensuing General Meeting. A resolution for their appointment as Managing Director and Whole Time Director, respectively at the Ensuing General Meeting is incorporated in the Notice of Annual General Meeting.

Brief resume of the Directors proposed to be appointed/re-appointed, nature of his experience in specific functional areas, names of the companies in which he holds directorship and membership/chairmanship of Board Committees, shareholding and relationship between Directors inter-se, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Notice for convening the Annual General Meeting.

#### **AUDITORS :**

The Company's Auditors, M/s. V. Parekh & Associates, Chartered Accountants, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have indicated their willingness to accept re-appointment and have further furnished necessary Certificate in terms of Section 224 (1B) of the Companies Act, 1956.



The Audit Committee has considered and recommended the reappointment of M/s. V. Parekh & Associates, Chartered Accountants, Mumbai, as Statutory Auditors of the Company, to the Board of Directors at its meeting held on 30th July, 2012. Your Directors have accepted the recommendation and recommend to the shareholders the re-appointment of M/s. V. Parekh & Associates, Chartered Accountants, Mumbai as the Statutory Auditors of the Company.

#### **AUDITORS' REPORT :**

The observations made by the Auditors in their Report referring to the Notes forming part of the Accounts are self-explanatory and therefore, do not require any further comments under Section 217(3) of the Companies Act, 1956.

#### **LISTING :**

The Company's equity shares are presently listed with The Bombay Stock Exchange Ltd (Code - 513349) and The National Stock Exchange of India Limited (Code - AJMERA).

#### **CORPORATE GOVERNANCE :**

The Company has committed to maintain the highest standards of Corporate Governance as set out by SEBI. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from the Auditors of the company confirming compliance with conditions of Corporate Governance as stipulated under Clause 49, is attached to this report.

Pursuant to Clause 49 of the Listing Agreement with BSE & NSE, Management Discussion and Analysis, Corporate Governance Report, Auditors' Certificate for compliance of conditions of Corporate Governance and CEO Certificate on Code of Conduct is made as a part of the Annual Report.

#### **CODE OF CONDUCT :**

Pursuant to Clause 49 of the Listing Agreement, the declaration signed by the Code of Conduct by the Directors and senior management personnel for the year which forms part of the Corporate Governance Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

The Management Discussion and Analysis Report has been separately furnished in the Annual Report.

#### **PUBLIC DEPOSITS :**

During the year under review, your company has not accepted or renewed any fixed Deposit from the public.

#### **UNCLAIMED DIVIDEND :**

An amount of Rs. 9.09 Lakhs is lying in the unpaid equity dividend account of the Company in respect of the dividend for the Financial Year 2011. Members who have not yet received /claimed their dividend entitlements are requested to contact the Company or the registrar and transfer agent of the Company.

#### **CONSOLIDATED FINANCIAL STATEMENTS :**

As required under 'Accounting Standard 21-Consolidated Financial Statements' read with Accounting Standard 23 on Accounting for Investments in Associates, AS-27 on financial reporting of interest in joint ventures, the Company is providing the audited consolidated

Financial Statements in the Annual Report incorporating the results of the subsidiary companies.

#### **PARTICULARS OF THE EMPLOYEES :**

During the year, no employee of the Company was in receipt of remuneration exceeding the sum prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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

The provisions of Section 217 (1) (e) of the Companies Act, 1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy and technology absorption are not applicable.

Since the company caters to domestic market only, it has not undertaken any activities relating to export, initiatives to increase exports, development of new export markets for products and services or formulated any export plans.

The transaction involving foreign exchanges during the year are as below:

Total expenditure in foreign Exchange:

Travelling Rs.1.04 Lakhs, Architecture fees Rs.18.67 Lakhs (Rs10.76 Lakhs as in Previous year)

#### **HUMAN RELATIONS :**

During the year employee relations continued to be cordial and harmonious at all levels and in all divisions of the Company. There was a total understanding of the Management objectives by the workers. The Company has consistently tried to improve its HR policies and processes so as to acquire, retain & nurture the best of the available talent in the Industry.

#### **ACKNOWLEDGEMENT :**

The Board of Directors wishes to thank the Central Government, State Governments, RBI, SEBI, The Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Ltd. (NSE) for their co-operation in various spheres of your Company's functions. The Board of Directors expresses its gratitude for the co-operation extended by the Financial Institutions / Term Lenders like Dena Bank, HDFC Bank, Kotak Bank and Axis Bank for their support.

Your Directors thank all the shareholders of the Company, its clients and investors for their support during the year and look forward to their continued support in the years to come.

Your Company has also gained considerably from the sincere and devoted services rendered by its employees at all levels. The Board of Directors wishes to place on record its appreciation of their efforts in enhancing the image of your Company in the market.

By order of the Board of Directors  
For **AJMERA REALTY & INFRA INDIA LTD.**

**Rajnikant S.Ajmera**  
Chairman & Managing Director

**Date:** 30th July, 2012

**Place:** Mumbai



## Annexure 1

### Statement pursuant to section 212 of the Companies Act 1956, relating to Company's interest in Subsidiary Companies for the Financial year 2011-12

Name of Subsidiary Companies	Financial Year ended on	Date from which became subsidiary	Holding Company's Interest	Number of shares held by Holding Company as at 31st March, 2012	Net Aggregate Profit/Loss for financial years		Net Aggregate Profit/Loss for previous financial years		Exchange rate as at 31st March, 2012 (In Rupees)	Issued and Paid up capital (in Lakhs)
					Dealt with or provided	Not Dealt with or provided	Dealt with or provided	Not Dealt with or provided		
Jolly Brothers Private Limited	31.03.2012	30th October, 2006	100%	2,000.00	NA	NA	NA	NA	-	20.00
Ajmera Mayfair Global Realty W.L.L	31.03.2012	7th June 2007	60%	85,200.00	NA	NA	NA	NA	136.89	9,719.19
Ajmera Estate (Karnataka) Pvt.Ltd	31.03.2012	1st July 2008	100%	10,000.00	NA	NA	NA	NA	-	1.00
Ajmera Biofuel Limited	31.03.2012	8th December, 2011	100%	50,000.00	NA	NA	NA	NA	-	5.00

(Rupees in Lakhs)

Name of Subsidiary Companies	Reserves	Total Assets	Total Liabilities	Total Investments	Turnover	Profit before Tax	Provision for Tax	Profit after Tax	Proposed Dividend
Jolly Brothers Private Limited	99.27	2,198.00	2,198.00	-	-	-	-	-	-
Ajmera Mayfair Global Realty W.L.L	-	14,755.00	14,755.00	-	-	-	-	-	-
Ajmera Estate (Karnataka) Pvt.Ltd	3,893.96	4,794.26	4,794.26	3520.26	2,575.70	2,575.70	-	-	600.00
Ajmera Biofuel Limited	(57.95)	1,617.10	1,617.10	1,600.00	-	-	-	-	-



# Management Discussion & Analysis Report

This report covers the operational performance of the Company and forms part of the Directors' Report.

## **A. REAL ESTATE INDUSTRY :**

The demand for Real Estate being one of the primary needs and un-questionable is driven by many factors including affordability, cyclicity, market sentiment, availability of funds besides many. The supply side is influenced by availability of land, regulatory policies, liquidity, availability of resources. Owing to the challenges posed by macro economic factors, both national and International, Financial Year 2011-12 was quite taxing for the sector. It faced difficulties in terms of resources constraint especially funds, escalating costs, migration of labour and consequent shortages and regulatory issues, adversely impacting the project execution and at the same time witness demand resistant at the prevailing price.

## **B. REAL ESTATE SECTOR IN INDIA :**

The Indian Economy faced its own set of challenges mainly arising out of stagflation, high current account deficit, rising dollar and weakening rupee, high crude price. The cumulative effect lead to unprecedented high inflation forcing tight monetary policy which further affected economy in general. The slowdown leads to large unsold stock especially in the high end residential and commercial. The demand for commercial properties was further affected by lower rentals, whereas the capital price remain stagnant and or ruled higher mainly due to high cost. This has affected both volumes and margin. The system paralysis has caused delay in obtaining regulatory clearances especially in Mumbai, has affected the project execution and cost overrun.

However the Company could mitigate this adversity by undertaking project in Bangalore and Ahmedabad which to an extent has helped the Company in achieving great performance.

## **C. REAL ESTATE SECTOR IN MUMBAI :**

The Real Estate Market in Mumbai will witness increase activities due to the path breaking amendment to the Development Control Regulation (DCR) of Greater Mumbai, 1991 which will bring transparency and reduce arbitrary and decision making. With the further expected relaxation in the regulatory regulation such as relaxation of coastal zone regulation, the availability of land will improve. The price of land due to expected

amendments has in fact harden though the price of the developed property remain either stagnant or came under pressure due to resistant.

## **D. OPPORTUNITIES & CHALLENGES :**

### **Opportunities**

The recent amendments in DCR will benefit the company in long run since the Company has good Land bank and has acquired it at a historical cost which is a distinct advantage to the company over its competitors and which will help company to sail through smoothly.

As the company is near debt free facing no liquidity pressure which will help the company to leverage its assets for future project execution smoothly.

### **Challenges:**

While the management of your Company continues to leverage the opportunities, it also foresees the following challenges

1. Escalating cost due to weakening of the Rupee and high inflation;
2. Lack of stability in government policy and policy paralysis or government inaction will affect Project Execution;
3. High Inflation and high interest cost will affect the disposable income and investible surplus which in turn directly affect the demand as purchase decision will be deferred;
4. Inflationary pressures which would increase raw material / labour cost.

## **E. COMPANY'S STRENGTH'S :**

Your Company continues to capitalize on the market opportunities by leveraging its key strengths. These include:

1. Reputation: Enjoys higher recall and influences the buying decision. Strong customer connect further results in higher realizations.
2. Execution: Possesses a successful track record of quality execution of projects with contemporary architecture.



## Management Discussion & Analysis Report

3. Significant leveraging opportunity: Follows prudent debt practice coupled with higher cash balance which provides a significant leveraging opportunity for further expansions.
4. Outsourcing: Operates an outsourcing model of appointing globally renowned architects / contractors that allows scalability and emphasises contemporary design and quality construction – a key factor of success.
5. Transparency: Follows a strong culture of corporate governance and ensures transparency and high levels of business ethics.
6. Land Bank: The land was acquired at historical cost.
7. High Quality Execution team: Employs capable, experienced and skilled project management teams who oversee and execute all aspects of project development.
8. Strategic location of Land Bank: The lands are in the vicinity of Central Business Districts and/or in other developing areas and have distinct advantage. The Company can leverage on these lands which has favourable time cost capable of generating positive cash flow which will propel the growth.
9. Financial Strength: The Company is a debt free Company. The Company funds all the ongoing projects from internal accruals. It has built a business model that ensures continuous development properties ensuring adverse business cycles.

### G. OUTLOOK:

The Company has begun operations on multiple projects with mass scale of developments. Company has vast potential in the land bank at Ajmer I- Lands, Bhakti Park and Kanjurmarg, Mumbai. The Company has tied up with world renowned architects and is developing world class realty space. The Company is adopting multiple product mix strategy to targeting elite end users.

The shift from a player in residential space to diversified realty player will help company to grow faster with multiple revenue streams. The Company has graduated from the concept of

providing “living” to “comfortable and luxurious living” houses. The Company’s projects are located at ideal places offering best of connectivity and other location advantages.

The Company adopted strategy of joint venture & tie-ups to bring down land cost in growing markets like Bengaluru, Ahmedabad, Mumbai. The Company has expertise in designing, execution and conceptualization, which can also be put to optimum use. The Company has adopted new world class parameters for real estate development.

With the positive cash-flow and internal accruals, the company has potential to develop the realty space cost effectively and adhering to time and delivery schedule thereby managing the cost efficiently. The free cash flow will also help in seizing the right opportunity at right time.

### H. RISKS AND CONCERNS:

#### 1) Market price fluctuation:

The performance of your Company may be affected by the sales and rental prices of its projects. The prices are driven by prevailing market conditions, the nature and location of its projects, and other factors such as brand and reputation and the design of the projects. Your company follows a prudent business model that ensures steady cash flow during adverse pricing scenario.

#### 2) Sales Volume:

The volume of bookings depends on the ability to design projects that will meet customer preferences, general market factors, project launch and customer trust in entering into sale agreements well in advance of receiving possession of the projects. Your Company markets and sells its projects in phases from the time it launches the project, until the time it completes the project, depending on market conditions.

#### 3) Execution:

Execution depends on several factors such as labour availability, raw material prices, receipt of approvals and regulatory clearances, access to utilities such as electricity and water, weather conditions and the absence of



## Management Discussion & Analysis Report

contingencies such as litigation. Your Company manages the execution risks through meticulous planning and by engaging established and reputed contractors.

#### 4) Rental realisations:

The rental realisations on the space leased depends upon the project location, design, of shopping malls, prevailing economic conditions and competition. Your Company has set up its property in prime location and maintains a fresh ambience resulting in crowd pull and attracting leading global and domestic retailers.

### I. FINANCIAL MANAGEMENT :

The Company has a Financial Management Information System in place, which involves preparation of detailed Annual Business plan for the current year and a broad forecast of projection for successive years, which is reviewed every year. Capital expenditure commitments and borrowing plans are based on these forecasts.

### J. HUMAN RESOURCE MANAGEMENT :

For this Financial Year, the Company continued its efforts in the Human Resources policies and processes to further its performance by way of appreciable changes. The Company had introduced and implemented the Performance-Linked Incentive Scheme which is paying rich dividends. The periodic review of HR policies commensurate with value-based human resource management tools have been introduced ensuring harmony, thereby optimising human resource as a force multiplier. This has led to a positive and homogeneous work culture lending to greater productivity.

At Ajmera, we believe training is mandatory at all levels of the Organisation. Be it fresh recruit or department head or manager or a Director; it is necessary and obligatory for everyone to train for good leadership, communication, decision making, creative thinking, setting goals and team work. Thus, the Company has undertaken training initiative for the Employees and Managerial Personnel to sharpen the raw pearls and hone their skills.

### K. INTERNAL CONTROLS AND SYSTEM :

Your Company has always believed in being a knowledge based organisation and has continued to keep focus on processes and controls. The accounts team continues to streamline the process and manage risk and comprises top-notch professionals such as Chartered Accountants, Company Secretaries, and Lawyers .There is an Internal Audit Team of the Company .The statutory audit of the Company is conducted by V.Parekh & Associates, Chartered Accountants, who submit their reports to Board/Audit Committee.

The Company has an appropriate internal control system for the business processes, with regard to the efficiency of operations, financial reporting, compliance with applicable laws and regulations.

Clearly defined roles and responsibilities for all the managerial persons have been established. The Company practises quality management system for design, planning and construction that complies with International quality standards. All operating parameters are periodically monitored and well controlled. Concurrent internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors reviews the effectiveness of internal controls and suggests improvements for strengthening it, whenever required.

### L. STATUTORY COMPLIANCE :

The Company has complied with all the statutory requirements. A declaration regarding compliance of the provisions of the various statutes is also made by the Managing Director at each Board Meeting. The Company ensures statutory compliance of the Ministry of Corporate Affairs, SEBI Regulations and provisions of the Listing Agreement.

### M. CAUTIONARY STATEMENT :

This management discussion and analysis contains forward looking statements that reflects our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in the forward looking statements as a result of many factors.



# Corporate governance report

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance encapsulates corporate fairness, integrity, transparency and accountability. An organisation's growth and stability depends on co-operation from its stakeholders such as investors, customers, suppliers, employees, government etc which can be secured through the assimilation of good governance practices. It is a continuous journey towards enhancing sustainable value creation and is an upward moving target. Good Corporate Governance practices take into account the diverse and varied interests of stakeholders and ensures that the management takes decisions in the best interest of the Company and the society. Company's Philosophy on Corporate Governance ,believes in maintaining the highest standards of Corporate Governance.

It is the Company's constant endeavour to adopt the best Corporate Governance practices and provide oversight and guidance to the management in strategy implementation, risk management and fulfillment of stated goals and objectives. Our Company is in compliance with the Corporate Governance guidelines as stipulated under various clauses of the Listing Agreement entered into with stock exchanges. A report on the matters mentioned in the said clauses and the practices followed by the Company is detailed below.

## BOARD OF DIRECTORS:

### a. Composition & category of Directors:

As at 31.03.2012, the Board of Ajmera Realty & Infra India Limited comprises of an Executive Chairman, two Executive Directors and three Non-Executive Independent Directors. The composition and category of Directors is as follows:

Name of Directors	Designation	Category
*Shri Chhotalal S. Ajmera	Chairman & Managing Director	Promoter & Executive
**Shri Rajnikant S. Ajmera	Managing Director	Promoter & Executive
***Shri Ishwarlal S. Ajmera	Whole Time Director	Promoter & Executive
Shri Jagdish J. Doshi	Director	Independent & Non-Executive
Shri Ambalal C. Patel	Director	Independent & Non-Executive
Shri Jitendra Anandpara	Director	Independent & Non-Executive
# Shri Manoj I. Ajmera	Managing Director	Promoter & Executive
# Shri Sanjay C. Ajmera	Wholetime Director	Promoter & Executive

\* Ceased to be Chairman and Managing Director w.e.f. 24th March 2012 on account of his sad demise.

\*\* Changed in Designation from Managing Director to Chairman & Managing Director w.e.f 24th April, 2012.

\*\*\* Resigned w.e. f. 24th April, 2012

# Appointed w.e.f 24th April 2012

Apart from sitting fees paid for attending Board / Committee Meetings, the Non-executive Directors did not have any pecuniary relationship or transactions with the Company, during the year 2011-12. All non-executive Directors with their diverse knowledge, experience and expertise provide valuable contribution in the deliberations and decisions of the Board.

### b. Attendance at the Board Meeting & the last Annual General Meeting and other directorship & Memberships in other Boards and Board Committees:

Table 1

Name of Directors	Attendance		Directorship in other Public Limited Companies		Memberships/ Chairmanships in Committees
	Board Meetings	Last AGM	Listed	Unlisted	
*Shri Chhotalal S. Ajmera	2	No	1	2	-
Shri Rajnikant S. Ajmera	5	Yes	1	3	2
**Shri Ishwarlal S. Ajmera	5	Yes	1	2	1
Shri Jagdish J. Doshi	4	Yes	1	4	2
Shri Ambalal C. Patel	5	Yes	9	2	2
Shri Jitendra Anandpara	4	Yes	-	1	-

\* Ceased to be Chairman and Managing Director w.e.f. 24th March 2012 on account of his sad demise.

\*\* Resigned w.e. f. 24th April, 2012

None of the Directors was a Member in more than 10 Committees or a Chairman in more than 5 Committees across all Companies in which he was a Director.



### c. Number of Board Meetings held:

During the financial year 2011 – 12, 5 (five) Board Meetings were held on the following dates:

Sr. No.	Date of Meeting	Directors Present
1	25th April, 2011	Five
2	10th June, 2011	Four
3	29th July, 2011	Six
4	19th October, 2011	Five
5	30th January, 2012	Five

## AUDIT COMMITTEE

### a. Constitution and Composition:

Ajmera Realty & Infra India Limited continued to derive immense benefits from the deliberation & valuable advices of the Audit Committee. Shri Jagdish J. Doshi is the Chairman of the Committee along with Shri Ambalal C. Patel and Shri Rajnikant S Ajmera are the Member of the Committee.

The terms of reference of the Audit Committee are: -

- To review the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend to the Board, the appointment, re-appointment of the statutory auditor, fixation of audit fees and approval of payment to statutory auditors for any other services rendered by the statutory auditors alongwith reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- To review, with the management, the annual Financial Statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - Compliance with listing and other legal requirements relating to Financial Statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- To review, with the management, the quarterly Financial Statements before submission to the board for approval.
- To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage, frequency of internal audit and to periodically interact with internal auditors, any significant

findings and follow up there on.

- To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

### b. Meetings and attendances: -

During the financial year 2011 – 12, five Audit Committee Meetings were held on following dates- 25th April 2011, 10th June, 2011, 29th July, 2011, 19th October, 2011 and 30th January 2012.

The Meetings were scheduled well in advance. The Meeting were also attended by the Head of Finance and Internal Auditors, the Statutory Auditors of the Company, Concurrent Auditors and those executives of the Company whose presence were considered necessary. The Company Secretary acted as the Secretary to the Audit Committee.

Name of Director	No. of Meetings attended
Shri Jagdish J. Doshi	Four
Shri Ambalal C. Patel	Five
Shri Rajnikant S Ajmera	Five

## REMUNERATION OF DIRECTORS

a) The details of remuneration and Compensation to Executive /Non Executive Directors for the year ended 31st March, 2012 are as follows:

Financial Year 2011-12

Name of Director	Salary	Allowances	Sitting Fees(Rs)
Shri Chhotalal S. Ajmera	35,94,088	NIL	Nil
Shri Ishwarlal S. Ajmera	5,79,088	NIL	Nil
Shri Rajnikant S. Ajmera	31,44,088	NIL	Nil
Shri Jagdish J. Doshi	NIL	NIL	80,000
Shri Ambalal C. Patel	NIL	NIL	1,00,000
Shri Jitendra Ananadpara	NIL	NIL	40,000
<b>Total</b>	<b>73,17,264</b>		<b>2,20,000</b>

- No commission or fixed components & performance-linked incentives have been paid to the Non-Executive Directors.
- The Company has not yet introduced any stock options for its Directors / Employees.
- All the Managing Directors have a contract period of 5 years and either party is entitled to terminate the Contract by giving not less than one months notice in writing to the other party.
- No severance fees is payable to any of the Managing Directors/ Whole Time Director.



### SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

Mr. Ishwarlal S. Ajmera, Members of the Shareholders Grievance Committee of the Company has resigned with effect from 24th April, 2012 and replaced by Mr. Manoj I. Ajmera, Managing Director of the Company as on the same date. Since then, the Committee comprises of three Directors viz. Shri Jagdish J. Doshi as Chairman, Shri Rajnikant S. Ajmera and Shri Manoj I. Ajmera as Members. Compliance Officer has been nominated to ensure the due compliance of SEBI requirements and to look into shareholders' grievances on a day-to-day basis and to liaise with SEBI in the matter of investors' complaints.

The term of reference of the Committee includes attending to grievances of non-receipt of Share Certificates, non receipt of Dividend, non receipt of Annual Report and other allied matters .

During the financial year 2011 – 2012 the Committee met 4 times. The composition and the Meetings attended by the Members are as follows:

Name of Director	No. of Meetings attended
Shri Jagdish J. Doshi	4
Shri Rajnikant S. Ajmera	4
Shri Ishwarlal S. Ajmera	4

Share transfers / transmissions etc. are notified to the Board at regular intervals and are taken on record by the Board at their Meetings.

Number of complaints received from the shareholders during April 2011 to March 2012	15
Number of Complaints solved to the satisfaction of the Shareholders as on 31st March, 2012	13
Number of pending complaints / share transfers as on 31st March, 2012	02*

\* since resolved

### Name, designation & address of Compliance Officer: -

Ms. Harshini D. Ajmera  
Compliance Officer

"Citi Mall", Link Road, Andheri (West),  
Mumbai – 400 053.

Email: investors@ajmera.com  
Tel.: (022) 6698 4000  
Fax: (022) 2632 5902

### Shareholding of Directors of the Company As At 31st March, 2012

Name of Directors	Number of Shares	% of total paid up capital
Mr.Chhotalal S.Ajmera	14,71,416	4.15
Mr.Rajnikant S.Ajmera	8,98,675	2.53
Mr.Ishwarlal S.Ajmera	1,57,379	0.44
Mr.Manoj I Ajmera	5,93,329	1.67
Mr.Sanjay C.Ajmera	7,22,773	2.04

### APPOINTMENT / REAPPOINTMENT OF DIRECTORS

Shri Jagdish J Doshi, Director is retiring by rotation and is eligible for re-appointment. Being eligible, he has offered himself for re-appointment. His attendance in the Board/General Meeting has been given in **Table 1**.

Shri Jagdish J Doshi holds Directorship in following companies in addition to his Directorship in Ajmera Realty & Infra India Limited:

#### Sl. No. Name of the Company

1. Four Seasons Marine and Air Services Limited
2. Super and Stainless Hi-Alloys Limited
3. Co-Nick Alloys (India) Limited
4. Makmore Investment and Finance Company Private Limited
5. Shree Precoated Steels Limited

Shri Jitendra Anandpara, Director is retiring by rotation and is eligible for re-appointment. Being eligible, he has offered himself for re-appointment. His attendance in the Board/General Meeting has been given in **Table 1**.

Shri Jitendra Anandpara holds Directorship in Anandpara Wealth Management Private Limited in addition to his Directorship in Ajmera Realty & Infra India Limited:

Mr. Manoj I Ajmera and Mr. Sanjay C. Ajmera, who were appointed as an Additional Director w.e.f April, 24,2012, shall hold office till the Ensuing Annual General Meeting. Notice has been received from a Member under Sec 257 of the Companies Act,1956 along with deposit of Rs. 500/- each proposing their names for appointment as Directors of the Company liable to retire by rotation. The Board appointed them as Managing Director and Whole Time Director, respectively at its Meeting held as on April 24,2012 for a period of five years with remuneration as stated in the Notice of the Annual General Meeting.

The brief resume and other information as required under Clause 49(IV)(G) of the Listing Agreement relating to Mr.Manoj I Ajmera, Mr.Sanjay C. Ajmera, Mr. Jagdish Doshi and Jitendra Anandpara and are furnished in the Annexure to the Notice of Annual General Meeting.



## CODE OF CONDUCT

Pursuant to the amended Clause 49 of the Listing Agreement, the Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The Code, while laying down, in detail, the standards of business conduct, ethics and governance, centers around the given philosophy:

Philosophy:

“Ajmera Realty & Infra India Limited (ARIL) is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. Each Director, officer and employee is expected to comply with the letter and spirit of this Code.

The directors, officers and employees of the Company must not only comply with applicable laws, rules and regulations but should also promote honest and ethical conduct of the business. They must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance and to maintain a work environment that encourages the stakeholders to raise concerns to the attention of the management.”

A Copy of the Code has been put on the Company's website [www.aril.co.in](http://www.aril.co.in).

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

## DECLARATION BY THE MANAGING DIRECTOR

**I hereby confirm that:**

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

**Manoj I. Ajmera**  
Managing Director

## SHAREHOLDER INFORMATION

### a. Communication to shareholders:

- Directors' Report includes the Management Discussion & Analysis Report of the Company.
- The annual, half-yearly and quarterly results are regularly posted by the Company on its website, [www.aril.co.in](http://www.aril.co.in). These are also submitted to The Bombay Stock Exchange Ltd. (BSE) and The National Stock Exchange of India Ltd. (NSE) in accordance with the Listing Agreement.
- Your Company's quarterly, half-yearly and annual financial results are published in The Business Standard (in English) and Apna Mahanagar (in Marathi).
- .Ajmera Realty & Infra India Limited communicates corporate financial and product information, online, on its Website, [www.aril.co.in](http://www.aril.co.in).

### b. General Body Meetings

For the period ended	Date, Time & Venue	No. of Special Resolutions passed
31.03.2011 (12 Months)	30th September, 2011 at 11:30 A.M. at Activity Hall, Ground Floor, Juhu Vile Parle Gymkahana Club, N S Road, JVPD Scheme, Vile Parle (West), Mumbai – 400 049.	04
31.03.2010 (12 Months)	29th September, 2010 at 11:00 A.M. at The Classique Club, Raheja Classique, Andheri Link Road, Andheri (West), Mumbai – 400053.	01
31.03.2009 (12 Months)	30th September, 2009 at 11.30 A.M. at BJN Banquets, Fun Republic, Level 6, Off Andheri Link Road, Andheri (West), Mumbai – 400053.	03

- All Special Resolutions passed at the Annual General Meeting were passed with requisite majority.
- During the financial year 2011-12, no resolutions were passed by Postal Ballot.

### c. Disclosures

- The particulars of transactions between the Company and its related parties as per the Accounting Standard are set out in Notes to Accounts of the Annual Report. However, these transactions are not likely to have material conflict with the Company's interest.
- No penalties / strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.
- Whistle Blower Policy: There is no Whistle Blower Policy adopted by the Company.
- Company has complied with all Mandatory Provisions of Clause 49 of the Listing Agreement.



#### d. General Information

<b>1. Annual General Meeting</b>	
a. Day, Date and Time	Friday, 28th September, 2012 at 3.00 P. M.
b. Venue	Esquire Hall, The Classique Club, Raheja Classique, Andheri Link Rd, Andheri (West), Mumbai - 400 053
<b>2. Financial Calendar (Tentative)</b>	
a. Year Ending	31st March, 2013
b. Annual General Meeting	September, 2013
c. Board Meeting for considering Un-audited Financial results for first Three Quarters of the Financial Year ending 31 <sup>st</sup> March, 2012	Within forty five days from the end of each quarter.
d. Audited Results of the Company for the Financial Year ending on 31 <sup>st</sup> March, 2012	Within Six Months from the end of the Financial Year.
3. Book Closure Date	From Sept. 22, 2012 to Sept. 28, 2012 (both dates inclusive)
4. Dividend Payment date	On or after October 3, 2012
5. Listing on Stock Exchanges	The Bombay Stock Exchange Ltd. (BSE) National Stock Exchange of India Ltd. (NSE)
6. • Stock Code – (BSE) • Stock Code – (NSE) • Demat in ISIN numbers in NSDL & CDSL for Equity Shares	513349 AJMERA ISIN No. INE 298G01027

During the year under review, the Company has paid the Annual Listing fees payable to the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), in full.

#### e. Market Price Data

##### i). Monthly Highs / Lows of shares traded of the Company in 2011 - 12 on BSE & NSE

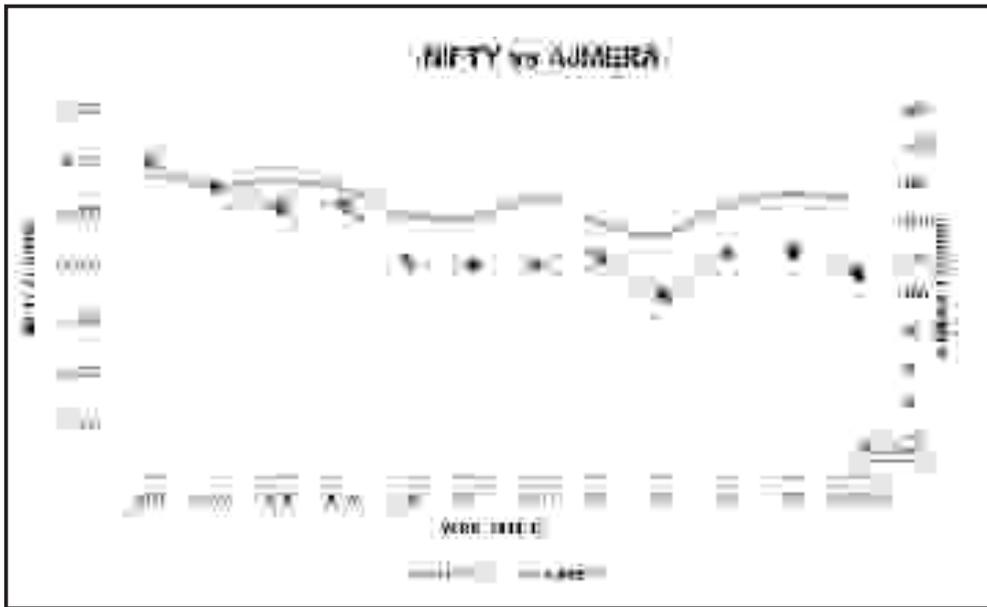
Month	BSE			NSE		S&P CNX Shares (closing)
	High Price	Low Price	SENSEX (closing)	High Price	Low Price	
Apr-11	207.65	165.50	19135.96	207.65	165.85	5749.5
May-11	176.10	145.05	18503.28	176.35	144.00	5560.15
Jun-11	164.35	139.20	18845.87	164.75	139.20	5647.4
Jul-11	168.70	145.55	18197.20	168.65	145.40	5482
Aug-11	152.50	110.05	16676.75	152.00	109.00	5001
Sep-11	143.00	112.65	16453.76	143.30	115.00	4943.25
Oct-11	129.80	111.15	17705.01	145.00	104.00	5326.6
Nov-11	122.45	94.10	16123.46	122.00	94.00	4832.05
Dec-11	124.50	85.75	15454.92	126.70	93.00	4624.3
Jan-12	126.60	99.00	17193.55	126.35	99.00	5199.25
Feb-12	145.40	117.30	17752.68	146.45	123.35	5385.2
Mar-12	131.00	101.05	17404.20	130.90	101.70	5295.55

Source: BSE/NSE websites

The closing market price on 31/03/2012 is Rs. 110.75 per equity share on BSE and Rs. 111.40 per equity share on NSE.

ii). Stock Price Performance of the Company's Shares vis-à-vis major indices: -

Share Price V/s NIFTY



Share Price Vs SENSEX





#### f. Registrar & Transfer Agent & its Registered Office

##### Sharex Dynamics (India) Pvt. Limited

Unit-1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Sakinaka, Andheri (East), Mumbai - 400 072.

Email: sharexindia@vsnl.com

Website: www.sharexindia.com

Tel: 9122 2851 5606

9122 2851 5644

Fax: 9122 2851 2885

#### g. Share Transfer System

- To expedite the share transfer process in the physical segment, authority has been delegated to the Shareholder's / Investor's Grievance Committee. The Committee looks into re-dressal of investors' grievances pertaining to share transfers and other related matters concerning the Shareholders / Investors.
- The Company is affecting the share transfer and returning the same within 21 days from the date of receipt, provided the documents are valid and complete in all respects. The Investor's Grievance Committee approves in their Meeting and sends to Registrar and Share Transfer Agent who will proceed to dispatch the share certificates, duly endorsed in favor of the purchaser / transferee.

#### h. Distribution of Shareholdings

**Table 2:** Distribution of shareholdings according to size class as on 31st March, 2012

No. of Shares	Number of Shareholders		Shares held in each class	
	Number	%	Number	%
Up to 100	36604	91.21	498222	1.40
101 to 200	1380	3.44	217623	.61
201 to 500	1095	2.73	374457	1.06
501 to 1,000	427	1.06	329445	.93
1,001 to 5,000	429	1.07	999374	2.82
5,001 to 10,000	69	.17	533856	1.50
10,001 to 100,000	63	.16	1762427	4.97
100,001 to above	66	.16	30769471	86.71
<b>Total</b>	<b>40133</b>	<b>100.00</b>	<b>35484875</b>	<b>100.00</b>

**Table 3:** Distribution of Shareholding across categories as on 31st March, 2012

Sr. No.	Category	Percentage Holding
1.	Promoter Holding	62.86
2.	NRI's /OCB's/FII's	2.92
3.	Institutions & Mutual Funds	0.00
4.	Indian Public	26.66
5.	Private Corporate Bodies	6.87
6.	Clearing Members	0.67

#### Dematerialisation of shares

- Total number of Shares transferred in physical category during 1st April 2011 – 31st March 2012 were 227
- Total number of Shares transferred to Demat category during 1st April 2011 – 31st March 2012 were 5371.  
In CDSL : 601  
In NSDL : 4770
- As on 31st March, 2012, 35369548 (99.68%) of the total number of Shares are in dematerialized form.
- As on 31st March, 2012, the Company's Shares are traded under 'B' Category in the Bombay Stock Exchange (BSE).



<b>Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversions date and likely impact on Equity</b>	The Company has not issued GDRs / ADRs / Warrants or any convertible instruments so far.
<b>Site</b>	Anik-Wadala Link Road, Next to IMAX Theatre, Wadala (East), Mumbai- 400037
<b>Address for correspondence for Investors</b>	<b>Ms. Harshini D. Ajmera</b> <b>Compliance officer</b> <b>Ajmera Realty &amp; Infra India Limited</b> "Citi Mall", 2nd Floor, Link Road, Andheri (West), Mumbai – 400 053. Tel.: 9122 6698 4000 Fax: 9122 2632 5902 E-mail:investors@ajmera.com Website: www.aril.in
<b>Investor Grievances</b>	The company has designated an exclusive e-mail id viz. investors@ajmera.com to enable the investors to register their grievances.



## CEO & A.V.P. (Accounts & Finance) Certification

We, Manoj I. Ajmera, Managing Director and Umesh L Bhavsar, Associate Vice President (Accts. & Fin) of Ajmera Realty & Infra India Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the balance sheet and profit and loss account (consolidated and unconsolidated), and all its schedules and notes on accounts, as well as the cash flow statements and the directors' report;
2. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the statements made;
3. Based on our knowledge and information, the Financial Statements, and other financial information included in this report, present in all material respects, a true and fair view of, the company's affairs, the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct;
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the company, and we have:
  - a) Designed such disclosure controls and procedures to ensure that material information relating to the company is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the company's disclosure, controls and procedures. And
  - d) disclosed in this report any change in the company's internal control over financial reporting that occurred during the company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting
6. We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors (and persons performing the equivalent functions)
  - a) all deficiencies in the design or operation of internal controls, which could adversely affect the company's ability to record, process, summarize and report financial data, and have identified for the company's auditors, any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies;
  - b) significant changes in internal controls during the year covered by this report;
  - c) all significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the Financial Statements.
  - d) instances of significant fraud of which we are aware, that involves management or other employees who have a significant role in the company's internal controls system;
7. In the event of any materially significant misstatements or omissions, we will return to the company that part of any bonus or incentive or equity-based compensation, which was inflated on account of such errors, as decided by the audit committee;
8. We affirm that we have not denied any personnel, access to the audit committee of the company (in respect of matters involving alleged misconduct) and we have provided protection to 'whistle blowers' from unfair termination and other unfair or prejudicial employment practices.

**Manoj I. Ajmera**  
Managing Director

Place: Mumbai  
Date: 30th July, 2012

**Umesh L. Bhavsar**  
Assoc. Vice President-Accts. & Finance



## Auditor's Certificate on Corporate Governance

The Members,  
**Ajmera Realty & Infra India Limited**  
Mumbai

We have examined the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company with The Stock Exchange, Mumbai (BSE) and National Stock Exchange (NSE) for the year ended 31st March 2012.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. The objective of our examination is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing Agreement entered into by the Company with BSE and NSE. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for examination and the information and explanations given to

us by the Company. Based on such examination, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of BSE and NSE.

We state that there are no investor's grievances pending against the Company for the period exceeding one month as at 31st March 2012 as per the records maintained by the Shareholders/Investors Grievance Committee.

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

For and on behalf of

**V. PAREKH & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**Place: Mumbai**  
**Date: 30th July, 2012**

**RASESH V. PAREKH (PARTNER)**  
**Membership No. 38615**



# Ajmera Realty & Infra India Limited

## Financial Statements



## Auditors' Report

The Members

**Ajmera Realty & Infra India Limited**

Mumbai.

1. We have audited the attached Balance Sheet of Ajmera Realty & Infra India Limited as at 31st March 2012, the statement of Profit & Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
  2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
  3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section (4A) of Section 227 of the Companies Act, 1956 of India (the "Act"), we enclose in the Annexure a statement of the matters specified in paragraph 4 and 5 of the said order.
  4. Further to our comments in the Annexure referred to above, we report that:
    - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
    - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books of account.
- c) The Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the attached Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred in Sub - Section (3C) of Section 211 of the Act subject to note no. 3 (b) of schedule 19.
  - e) On the basis of the written representations received from the directors taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2012 from being appointed as a director in terms of Section 274 (1) (g) of the Act.
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said statement of accounts read with other notes thereon give the information required by the Act, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
    - i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
    - ii. In the case of Statement of Profit and Loss of the Profit of the Company for the year ended on that date; and
    - iii. In the case of the Cash Flow Statement of the cash flows for the year ended on that date.

FOR AND ON BEHALF OF  
**V. PAREKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO : 107488W

Place : Mumbai  
Dated : 30th July, 2012

**RASESH V. PAREKH** (Partner)  
MEMBERSHIP No. 38615



## Annexure Referred To In Para 3 Of Our Report Of Even Date

### I. In respect of it's Fixed Assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. The fixed assets have been physically verified by the Management at reasonable intervals. No material discrepancies were noticed during the course of such verification.
- c. The disposal of part of fixed assets, in our opinion has not affected the going concern.

### ii. In respect of it's inventories:

- a. The physical verification of inventories has been conducted at reasonable intervals by the Management.
- b. In our opinion and according to the explanations given to us, the procedures for physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
- c. In our opinion and according to the explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were observed during the course of physical verification.

### iii. In respect of the loan, secured or unsecured, granted or taken by the company to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- a. The Company has granted Interest free loans to three subsidiary Companies and one associate Company. In respect of the said loans, the maximum outstanding during the year is Rs.16790 Lacs and the yearend balance is Rs.6790 Lacs.
- b. In our opinion and according to the information and explanations given to us, and other terms and conditions of the loans given by the company, are not prima facie prejudicial to the interest of the company
- c. The principal amount are repayable on demand and there is no repayment schedule.
- d. In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise.

### iv. In our opinion, and according to the explanations given to us, the Company has adequate internal control systems

commensurate with the size of the Company with regard to the purchase of inventory, fixed assets and sale of goods. During the course of our audit no major weakness has been noticed in the internal controls. We have not observed any failure on the part of the Company to correct major weakness in internal control system.

- v. a. Based on the audit procedures applied by us and according to the information and explanations provided to us by the Management, we are of the opinion that the particulars of the contract or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- b. According to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Act have been made at prices which are reasonable having regard to prevailing market prices at relevant time.
- vi. In our opinion and according to the explanations given to us the Company has not accepted any deposits within the meaning of Section 58A and Section 58AA or any other relevant provisions of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- viii. The Central Government has prescribed maintenance of Cost Records vide notification No.GSR 429(E)dated 3rd June, 2011 and as per the explanation given to us, the Company has maintained prima facie requisite records as per the Notification.
- ix. a. According to the information and explanations given to us the Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, investor education fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues to the extent applicable to it.
- b. In respect of Contingent dues on account of income tax disputed by the Company and not being paid vis-à-vis forums where such disputes are pending are mentioned below:

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Year	Forum where pending
Income Tax Act, 1961.	Block Assessment Demand	2908.58	1988-89 to 1992-93	The application of the Company is pending with Settlement Commission.
Income Tax Act, 1961.	Assessment Tax Demand	1337.18	2006-07	The Commissioner of Income Tax Appeal



## Annexure Referred To In Para 3 Of Our Report Of Even Date

- x. The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.
- xi. In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holder.
- xii. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a Chit Fund or a Nidhi / Mutual Benefit Society. Therefore, the provisions of clause are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of the clause are not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us the Company has not given any guarantees for loans taken by others from banks and institutions
- xvi. Based on the information and explanations given to us by the Management, Term Loans obtained during the year were applied for the purpose for which the loans were obtained.
- xvii. According to the information and explanation given to us and on overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- xviii. The Company has not made any preferential allotment of shares to any of the entities/ persons covered in the register maintained under Section 301 of the Act.
- xix. The Company has not issued any debentures during the year, which required creation of security or charge.
- xx. The Company has not raised any money by public issue during the year.
- xxi. Based on the audit procedures performed and information and explanations given by the Management, we report that no fraud on or by the Company has been noticed or reported during the year.

Place : Mumbai  
Date : 30<sup>th</sup> July 2012

FOR AND ON BEHALF OF  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
FIRM REGISTRATION NO : 107488W

**RASESH V. PAREKH** (Partner)  
Membership No. 38615



## Balance Sheet as on 31st March, 2012

	Notes	As on 31 <sup>st</sup> March, 2012	(Rs. in Lakhs) As on 31 <sup>st</sup> March, 2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	3,548.49	3,548.49
(b) Reserves and Surplus	4	30,683.70	29,834.38
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	289.48	229.69
(b) Other Long term liabilities	6	7,201.03	2,472.79
(c) Long term provisions	7	52.96	19.00
<b>(3) Current Liabilities</b>			
(a) Trade payables	8	1,240.18	383.58
(b) Other current liabilities	9	1,283.34	611.72
(c) Short-term provisions	10	660.52	613.26
<b>Total</b>		<b>44,959.68</b>	<b>37,712.91</b>
<b>II.ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11.1	975.82	628.04
(ii) Intangible assets	11.2	24.02	31.62
(b) Non-current investments	12	9,199.82	7,023.07
(c) Long term loans and advances	13	15,218.07	16,774.83
<b>(2) Current assets</b>			
(a) Inventories	14	16,700.52	11,305.17
(b) Trade receivables	15	769.65	665.40
(c) Cash and cash equivalents	16	456.17	343.58
(d) Short-term loans and advances	17	1,615.61	941.22
<b>Total</b>		<b>44,959.68</b>	<b>37,712.91</b>
Significant Accounting policies and notes to the Financial Statements	2		
The accompanying notes are an integral part of the Financial Statements			

As per our Audit Report of even date  
For and on behalf of  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 107488W

**RASESH V. PAREKH**  
Partner  
Membership No. 38615

Place : MUMBAI  
Date : 30<sup>th</sup> July, 2012

For and on behalf of Board  
**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

**HARSHINI D. AJMERA** - Company Secretary



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

(Rs. in Lakhs)

	Notes	Year Ended 31 <sup>st</sup> March 2012	Year Ended 31 <sup>st</sup> March 2011
I. Revenue from operations	18	1,053.02	1,740.36
II. Other Income	19	833.89	69.10
<b>III. Total Revenue (I + II)</b>		<b>1,886.92</b>	<b>1,809.46</b>
<b>IV. Expenses:</b>			
Construction Expenses	20	121.26	425.98
Employee benefit expenses	21	20.04	21.52
Financial costs	22	-	6.56
Depreciation and amortization expenses	11.1 & 11.2	78.28	47.08
<b>Total Expenses (IV)</b>		<b>219.58</b>	<b>501.14</b>
<b>V. Profit before tax (III - IV)</b>		<b>1,667.34</b>	<b>1,308.31</b>
<b>VI. Tax expense:</b>			
(1) Current tax		214.25	260.89
(2) Deferred tax (Refer Note. No.27)		-	-
<b>VII. Profit for the Year (V - VI)</b>		<b>1,453.09</b>	<b>1,047.42</b>
<b>VIII. Earning per equity share:</b>			
(1) Basic	23	4.09	2.95
(2) Diluted	23	4.09	2.95
Significant Accounting policies	2		

The accompanying notes are an integral part of the Financial Statements

As per our Audit Report of even date  
For and on behalf of  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 107488W

**RASESH V. PAREKH**  
Partner  
Membership No. 38615

Place : MUMBAI  
Date : 30<sup>th</sup> July, 2012

For and on behalf of Board  
**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

**HARSHINI D. AJMERA** - Company Secretary



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

(Rs. in Lakhs)

	Year Ended 31 <sup>st</sup> March, 2012	Year Ended 31 <sup>st</sup> March, 2011
<b>Cash Flow From Operating Activities</b>		
Profit before tax and Dividend	1,065.43	1,308.31
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortisation	78.28	47.08
Interest Expense	-	(6.56)
Interest Income	1.91	4.46
<b>Operating profit before working capital changes</b>	<b>1,145.62</b>	<b>1,353.30</b>
<b>Movements in working capital:</b>		
Increase/(decrease) in trade payables	856.60	796.29
Increase/(decrease) in Other Long term Liabilities	4,728.24	357.47
Increase/(decrease) in long term provision	33.96	(14.96)
Increase/(decrease) in Other Current liabilities	671.61	(1,004.30)
Increase/(decrease) in short term provision	47.26	597.05
Decrease/(increase) in trade receivables	(104.25)	(250.10)
Decrease/(increase) in inventories	(5,395.35)	(2,933.73)
Decrease/(increase) in long term loans and advances	1,556.76	2,227.20
Decrease/(increase) in short term loans and advances	(674.39)	2,288.41
Cash generated from/(used in) operating activities	2,866.05	3,416.63
Direct taxes paid	(214.25)	(260.89)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>2,651.80</b>	<b>3,155.74</b>
<b>Cash flow from investing activities:</b>		
Purchase of fixed assets including intangible assets, CWIP and Capital advances	(423.01)	(245.37)
Proceeds from sale of assets	4.54	-
Purchase of non-current investments	(2,176.75)	(2,777.30)
Dividend received	600.00	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(1,995.21)</b>	<b>(3,022.67)</b>
<b>Cash flow from financing activities:</b>		
Proceeds from long term borrowings	59.79	143.96
Dividend paid	(603.24)	(496.79)
Tax on dividend paid	(0.53)	(82.51)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>(543.98)</b>	<b>(435.34)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C)</b>	<b>112.59</b>	<b>(302.27)</b>
Cash and cash equivalents at the beginning of the year	343.58	645.85
<b>Cash and cash equivalents at the end of the year</b>	<b>456.17</b>	<b>343.58</b>

As per our Audit Report of even date

For and on behalf of

**V. PAREKH & ASSOCIATES**

Chartered Accountants

Firm Registration No : 107488W

**RASESH V. PAREKH**

Partner

Membership No. 38615

Place : MUMBAI

Date : 30<sup>th</sup> July, 2012

For and on behalf of Board

**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

**HARSHINI D. AJMERA** - Company Secretary



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

## NOTES TO ACCOUNTS

### 1. Corporate Information

Ajmera Realty & Infra India Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The company is engaged in real estate business.

### 2. Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

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 SIGNIFICANT ACCOUNTING POLICIES:

##### a Change in Accounting Policy

###### Presentation and Disclosure of Financial Statements

During the year ended 31st March, 2012, the revised schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its Financial Statements. Except accounting for dividend on investments in subsidiary companies, the adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation. However it has significant impact on presentation and disclosures made in the Financial Statements. The Company has also reclassified the previous year figure in accordance with the requirements applicable in the current year.

##### b. 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 adjustments are based on the 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.

##### c. Current and Non Current Classification

An asset is classified as current when it satisfies any of the following criteria :

- i. It is expected to be realized/ settled, or is intended for sale or consumption, in the company's normal operating cycle or
- ii. It is held primarily for the purpose of being traded or
- iii. It is expected to be realized/ due to be settled within 12 months after the reporting date or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or
- v. The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non current

##### d Tangible Fixed Assets:

Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from de recognition of fixed assets are measured as



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

the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### f. Depreciation and Amortization

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the schedule XIV to the Companies Act, 1956. Whichever is higher.

Intangible assets are amortized on a straight line basis over the estimated useful economics life

### g. Impairment of Tangible and Intangible Assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generated units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks

specific to the asset. In determining net selling price, recent market transaction is taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

### h. Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### i. Investments

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

On initial recognized, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statement at lower of cost and fair value determined on an individual investment basis. Long-term investment is carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### j Inventories:

#### Construction Materials and Consumables

Construction Materials and Consumables are valued at lower of cost or net realizable value. The Construction materials and consumables purchased for construction work issued to construction work in progress are treated as consumed.



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

## Construction Work in Progress

Construction Work in Progress are valued at lower of cost or net realizable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

## Finished Stock of Flats

- i. Unsold Flats & Convenient Units are valued at cost.
- ii. Valuation of construction material is not considered on year to year basis.

## k. Revenue Recognition

- i. Revenue from Real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers commitment to make the complete payment.

Revenue from real estate under development is recognized upon transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreement, except for the contracts where the company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognized on percentage of completion method, when the stage of completion of each project reaches a reasonable level of progress. The revenue is recognized in proportion that the contract cost incurred for work performed up to the reporting date bear to the estimated total contract cost.

## ii. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

## iii. Dividend Income

Dividend income is recognized with the company's right to receive dividend is established by the reporting date.

## iv. Other Income

Other Income is accounted on accrual basis

## l. Foreign currency transactions

Foreign currency transaction are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

## Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

## Exchange differences

- i. Exchange difference arising on a monetary item that, in substance forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relates to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- ii. Exchange difference arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary items", if it has a term of 12 months or more at the date of its origination.
- iii. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- iv. All other exchange differences are recognized as income or as expenses in the period in which they arise.



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

### m. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates two defined benefit plans for its employee, viz., gratuity and post employment medical benefit liability. The costs of providing benefits under these plans are determined on the basis actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short – term employee benefit. The company measures the expected cost of such absences as the additional amount that is except to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave excepted to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### n. Income Taxes

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 jurisdiction 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. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of

profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted by the reporting date. Deferred income tax relating to items recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situation where the company is entitled to a tax holiday under the Income-Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdiction where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which after the tax holiday is recognized in the year in which the timing differences originate. However, the restrict recognition of deferred tax assets to the extent that it has become reasonable certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax can be realized. For recognition of deferred taxes, the timing difference which originates first is considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognized unrecognized deferred asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying



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

amount of deferred tax asset to the extent that is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written-down is reserved to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specific period, i. e, the period for which MAT credit is allowed to be carried forward. In the year in which the company recognize MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income –Tax Act, 1961, the said is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

### **o. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reserve share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

### **p. Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit 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.

### **q. 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 discloses its existence in the financial statement.

### **r. Cash and cash equivalents**

Cash and cash an equivalent for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

### **s. Regrouping of Previous Year Figures.**

Till the year ended 31st March 2011, the company was using pre- revised Notes-VI of the Companies Act, 1956, for preparation and presentation of its Financial Statements. During the year ended 31st March 2012, the revised Notes VI notified under the Companies Act, 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification. The adoption of revised Notes VI does not impact recognition and measurement principales followed for preparation of financial statemnets. However it has significant impact on presentation and disclouses made in Financial Statements..



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

Particulars	(Rs. in Lakhs)			
	As on 31 <sup>st</sup> March, 2012		As on 31 <sup>st</sup> March, 2011	
<b>3 Share capital</b>				
<b>Authorised</b>				
15,00,00,000 (Previous year 15,00,00,000) Equity Shares of Rs. 10/- each	<b>15,000.00</b>			15,000.00
	<b>15,000.00</b>			15,000.00
Issued, subscribed and fully paid up				
3,54,84,875 (Previous Year 3,54,84,875) Equity Shares of Rs.10/- each fully paid up.	<b>3,548.49</b>			3,548.49
	<b>3,548.49</b>			3,548.49
<b>a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>				
<b>Equity shares</b>	<b>No. of Shares</b>	<b>Rs. In Lakhs</b>	<b>No. of Shares</b>	<b>Rs. In Lakhs</b>
At the beginning of the year	35,484,875	3,548.49	35,484,875	3,548.49
Issued during the year - Bonus	-	-	-	-
Issued during the year - ESOP	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>35,484,875</b>	<b>3,548.49</b>	<b>35,484,875</b>	<b>3,548.49</b>
<b>b. Term/rights attached to equity shares</b>				
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
During the year ended 31st March, 2012, the amount of per share dividend recognised as distributions to equity shareholders was Rs. 1.70 per share (Previous year Rs. 1.40 per share).				
<b>c. Aggregate numbers of bonus shares issued, share issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:</b>				
For the period of five years starting from preceding date				
<b>Shares issued for Consideration Other Than Cash</b>				<b>No. of Shares</b>
Year 2011-2012				Nil
Year 2010-2011				Nil
Year 2009-2010				Nil
Year 2008-2009				Nil
Year 2007-2008 *				<b>41,666,667</b>
*During the year 2007-2008, the company has issued total 4,16,66,667 shares (Previous year NIL) pursuant to scheme of amalgamation of Anik Development Corporation Private Limited with the Company.				
<b>d. Details of shareholders holding more than 5% shares in the company</b>				
Equity shares of Rs. 10 each fully paid	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Ajmera Water N Amusement Park Private Limited	2,499,999	7.05	2,499,999	7.05
As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.				
<b>4 Reserves and surplus :</b>				
<b>Securities premium account</b>				
Balance as per last Financial Statements	3,432.43			3,432.43



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

		(Rs. in Lakhs)	
Particulars		As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
Add: Premium on issue of shares		-	-
<b>Closing Balance</b>		<b>3,432.43</b>	<b>3,432.43</b>
<b>Capital Reserve</b>			
Balance as per last Financial Statements		1,243.00	1,243.00
Less: amount transferred to the statement of profit and loss as reduction from depreciation		-	-
<b>Closing Balance</b>		<b>1,243.00</b>	<b>1,243.00</b>
<b>General reserve</b>			
Balance as per last Financial Statements		7,212.32	7,154.71
Add: amount transferred from surplus balance in the statement of profit and loss		108.98	57.61
<b>Closing Balance</b>		<b>7,321.30</b>	<b>7,212.32</b>
<b>Surplus in the statement of profit and loss</b>			
<b>Balance as per last Financial Statements</b>	<b>A</b>	<b>17,946.63</b>	<b>17,536.12</b>
<b>Add: Profit for the Year</b>	<b>B</b>	<b>1,453.09</b>	<b>1,047.42</b>
<b>Less: Appropriations</b>			
Proposed final equity dividend		603.24	496.79
Tax on proposed equity dividend		0.53	82.51
Transfer to general reserve		108.98	57.61
<b>Total appropriations</b>	<b>C</b>	<b>712.75</b>	<b>636.91</b>
<b>Closing Balance (A+B-C)</b>		<b>18,686.96</b>	<b>17,946.63</b>
<b>Total Reserves and Surplus</b>		<b>30,683.70</b>	<b>29,834.38</b>
<b>5 Long term borrowings</b>			
Indian rupee loans from Banks		275.45	229.69
From Financial Institutions		14.03	-
<b>Total Amount</b>		<b>289.48</b>	<b>229.69</b>
<b>Particulars of Secured Loans</b>	<b>Rate of Interest</b>	<b>Security</b>	<b>Repayment Terms</b>
<b>Term Loan From Banks</b>			
Axis Bank Limited	12.00%	Vehicle	36 Months
ICICI Bank Limited	9.49%	Vehicle	36 Months
Axis Bank Limited	9.32%	Vehicle	36 Months
HDFC Bank Limited	15.00%	Vehicle	36 Months
<b>Financial Institutions</b>			
Kotak Mahindra Prime Limited	13.50%	Vehicle	36 Months
Kotak Mahindra Prime Limited	17.40%	Vehicle	36 Months
Kotak Mahindra Prime Limited	14.00%	Vehicle	36 Months
Kotak Mahindra Prime Limited	12.00%	Vehicle	36 Months
Tata Capital Limited	13.00%	Vehicle	36 Months
<b>6 Other long term liability</b>			
Advance from customers		7,201.03	2,472.79
		<b>7,201.03</b>	<b>2,472.79</b>
<b>7 Long term provisions</b>			
<b>Provisions for employee benefits</b>			
Provision for gratuity		29.60	10.09



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

Particulars	(Rs. in Lakhs)	
	As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
Provision for leave benefits	23.36	8.91
	<b>52.96</b>	<b>19.00</b>
<b>8 Trade payables</b>		
Due to micro and small enterprises (refer note. No.31)	-	-
Trade Payables	1,240.18	383.58
	<b>1,240.18</b>	<b>383.58</b>
<b>9 Other current liabilities</b>		
Current maturities of long term borrowings	19.87	37.79
Unpaid dividend	10.33	8.66
Provison For Expenses	360.10	406.97
Sundry Deposits	27.00	-
Overdraft Balance As Per Bank Book	866.04	158.30
	<b>1,283.34</b>	<b>611.72</b>
<b>10 Short term provisions</b>		
<b>Provisions for employee benefits</b>		
Provision for gratuity	26.76	19.52
Provision for leave benefits	29.98	14.44
Proposed Dividend	603.77	579.30
	<b>660.52</b>	<b>613.26</b>
<b>12 Non current investments</b>		
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in Subsidiaries		
In Jolly Brothers Private Limited Wholly-Owned Subsidiary Company 2000 (Previous Year 2000) Equity Shares Of Rs. 1000 Each Fully Paid	4,179.79	4,179.79
In Ajmera Mayfair Global Realty W.L.L. 85,200 (Previous Year 85,200) Equity Shares Of Bahrain Dinar. 50/- Each Fully Paid.	2,795.19	2,795.19
In Ajmera Estates (Karnataka) Private Limited Wholly Owned Subsidiary 10000 (Previous Year Nil) Equity Shares Of Rs. 10/- Each Fully Paid.	1.00	1.00
In Ajmera Biofuel limited 5,000 (Previous Year Nil) Equity Shares Of Rs. 10/- Each Fully Paid.	5.00	-
<b>Total A</b>	<b>6,980.99</b>	<b>6,975.99</b>
<b>Investment in Limited Liability Partnership</b>		
In Laudable infrastructure LLP 90% Stake in LLP 31st March, 2012 (Previous Year Nil)	9.00	-
In Sana Build Pro LLP 74.9% Stake in LLP 31st March, 2012 (Previous Year Nil)	0.75	-
<b>Total</b>	<b>9.75</b>	<b>-</b>
<b>B</b>		

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

Note No.11.1 and Note No. 11.2 for Tangible and Intangible Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	Balance as at 1 April 2011	Additions During The Year	Disposals Sales	As On 31.03.2012	Depreciation charge for the year	On Disposals Sales	As on 31.03.2012	As on 31-03-2011
<b>Tangible Assets</b>								
Plant and Equipment	105.78	142.67	4.54	243.91	9.22	0.99	219.71	89.81
Furniture and Fixtures	113.10	12.57	-	125.67	7.33	-	105.33	100.09
Vehicles	418.39	210.29	-	628.68	44.42	-	553.84	387.97
Office equipment	22.32	42.48	-	64.81	1.24	-	61.65	20.41
Computer Hardware	53.95	14.99	-	68.94	9.46	-	35.28	29.76
<b>As At 31st March, 12</b>	<b>713.53</b>	<b>423.01</b>	<b>4.54</b>	<b>1,131.99</b>	<b>71.67</b>	<b>0.99</b>	<b>975.82</b>	<b>628.04</b>
As At 31st March, 11	422.15	291.38	-	713.53	46.72	-	628.04	383.74
<b>Intangible Assets</b>								
Computer software	42.79	-	-	42.79	7.60	-	24.02	31.62
<b>As At 31st March, 12</b>	<b>42.79</b>	<b>-</b>	<b>-</b>	<b>42.79</b>	<b>7.60</b>	<b>-</b>	<b>24.02</b>	<b>31.62</b>
As At 31st March, 11	36.98	5.81	-	42.79	0.36	-	31.62	25.81

(Rs. in Lakhs)



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

Particulars	(Rs. in Lakhs)	
	As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
<b>Investment in Associates</b>		
In Ultratech Property Developers Private Limited 3,56,400 (Previous Year 3,56,400) Equity Shares Of Rs. 10/- Each Fully Paid.	37.08	37.08
In V.M.Procon Private Limited 20,000 (Previous Year Nil) Equity Shares Of Rs. 10/- Each Fully Paid.	2.00	-
In V.M.Procon Private Limited 20,00,000 (Previous Year Nil) 8% non-cumulative convertible preference shares Each Fully Paid.	2,160.00	-
<b>Total</b>	<b>C</b> <u>2,199.08</u>	<u>37.08</u>
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
Investment in Mutual Fund (quoted)		
In HDFC Mutual Fund In HDFC Debt Fund for Cancer Cure 100000 (Previous Year 100000) units Face Value Rs.10 each	10.00	10.00
<b>Total</b>	<b>D</b> <u>10.00</u>	<u>10.00</u>
<b>Total [A+B+C+D]</b>	<u>9,199.82</u>	<u>7,023.07</u>
<b>Aggregate of</b>		
<b>Book value of Quoted Investments</b>	<b>10.00</b>	<b>10.00</b>
<b>Market value of Quoted Investments</b>	<b>10.07</b>	<b>10.01</b>
<b>Details of Investment in Limited Liability Partnership</b>		
Investment in Laudable Infrastructure LLP	<b>% of Profit/ Loss Distribution</b>	<b>%of Profit/Loss Distribution</b>
Late Shri. Chhotalal S. Ajmera	4.00%	-
Shri. Ishwarlal S. Ajmera	3.00%	-
Shri. Rajnikant S. Ajmera	3.00%	-
Ajmera Realty & Infra India Limited	90.00%	-
<b>Total Capital of the Firm (In Lakhs)</b>	<b>10.00</b>	<b>-</b>
Investment in Sana Build Pro LLP	<b>% of Profit/ Loss Distribution</b>	<b>% of Profit/ Loss Distribution</b>
Ajmera Realty & Infra India Ltd	74.90%	-
Shri. Deepak Gadhia	25.00%	-
Shri. Manoj I. Ajmera	0.10%	-
<b>Total Capital of the Firm (In Lakhs)</b>	<b>1.00</b>	<b>-</b>
<b>13 Long term loans and advances</b>		
<b>Security deposits</b>		
Unsecured, considered good	56.96	35.64
secured, considered good	-	-
Doubtful	-	-
	<u>56.96</u>	<u>35.64</u>
Provision for doubtful advances	-	-
<b>Total</b>	<b>A</b> <u>56.96</u>	<u>35.64</u>



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

		(Rs. in Lakhs)	
Particulars		As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
<b>Loans and advances to related parties</b>			
unsecured, considered good		6,790.27	7,108.98
<b>Total</b>	<b>B</b>	<b>6,790.27</b>	<b>7,108.98</b>
<b>Other loans and advances</b>			
Advances (Recoverable In Cash Or In Kind Or For Value To Be Received)		8,370.84	9,630.21
<b>Total</b>	<b>C</b>	<b>8,370.84</b>	<b>9,630.21</b>
<b>Total (A+B+C)</b>		<b>15,218.07</b>	<b>16,774.83</b>
<b>14 Inventories (valued at lower of cost and net relisable value)</b>			
<b>Opening Work In Progress :</b>			
Cost Of Land		39.31	39.31
Cost Of Infrastructure, Development And Filling		11,265.85	8,372.33
	<b>A</b>	<b>11,305.16</b>	<b>8,411.63</b>
<b>Addition during the Year :</b>			
Material Purchase		1,601.88	1,667.42
Labour Charges		721.00	450.08
Rent, Rates & Taxes		629.49	1.34
Legal & Professional Expenses		141.58	122.50
Other Expenses		2,442.71	1,106.26
	<b>B</b>	<b>5,536.66</b>	<b>3,347.60</b>
<b>Total</b>	<b>C</b>	<b>16,841.82</b>	<b>11,759.23</b>
<b>Less: Transferred to Statement of Profit &amp; Loss</b> (Refer Note. No. 20, 21 and 22)		141.30	454.06
<b>Work In Progress (A+B-C)</b>		<b>16,700.52</b>	<b>11,305.17</b>
<b>15 Trade receivables</b>			
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>			
Unsecured, considered good		78.57	126.55
Secured, considered good		-	-
Doubtful		-	-
		78.57	126.55
Provisions for doubtful receivables		-	-
	<b>A</b>	<b>78.57</b>	<b>126.55</b>
<b>Other receivables</b>			
Unsecured, considered good		691.08	538.84
Secured, considered good		-	-
Doubtful		-	-
		691.08	538.84
Provisions for doubtful receivables		-	-
	<b>B</b>	<b>691.08</b>	<b>538.84</b>
<b>Total (A+B)</b>		<b>769.65</b>	<b>665.40</b>
<b>16 Cash and cash equivalent</b>			
<b>Balance with banks:</b>			
On current accounts		418.76	324.98
On unpaid dividend account		9.09	7.42
Cash on Hand		28.32	11.18
		<b>456.17</b>	<b>343.58</b>
<b>17 Short term loans and advances</b>			
Other loans and advances			
Advance Income Tax (net of provision for taxation)		96.73	62.96
Prepaid expenses		23.08	30.48
Loans to employees		4.18	3.77
Advance to Suppliers		1,491.62	844.00
		<b>1,615.61</b>	<b>941.22</b>



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

(Rs. in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
<b>18 Revenue from operations</b>		
<b>Sales of products</b>		
Finished Flats	1,053.02	1,740.36
<b>Revenue from operations (net)</b>	<b>1,053.02</b>	<b>1,740.36</b>
<b>Details of products sold</b>		
Flats Sold	1,053.02	1,740.36
	<b>1,053.02</b>	<b>1,740.36</b>
<b>19 Other Income</b>		
<b>Interest income on</b>		
Bank deposits	1.91	4.46
other Non Operating Income	132.66	-
<b>Dividend income on</b>		
Investment in subsidiaries	600.00	-
current investments	63.50	13.37
Miscellaneous Income	35.82	51.27
	<b>833.89</b>	<b>69.10</b>
<b>20 Construction &amp; Other Expenses</b>		
Material Cost	26.17	45.82
Labour Cost	15.50	77.94
Rates and Taxes	3.44	2.18
Payment to Auditor		
Audit Fee	5.18	5.73
Tax Audit	1.11	1.10
Sales & Discount	-	19.63
Marketing Expenses	-	33.04
Power and fuel	-	40.20
Communication Expenses	2.82	16.36
Travelling and Conveyance	1.05	27.51
Insurance	-	2.65
Repairs and maintenance	-	16.39
Legal and Professional Fees	0.73	28.24
Computer Expenses	1.32	6.36
Bank Charges	2.20	2.22
Service Tax	0.09	0.50
Vehicle Expenses	0.67	28.88
Festival Expenses	1.98	-
Printing & Stationery	18.84	24.57
Maintenance Charges	5.67	0.21
Custodial Fees	1.83	2.12
Listing Fees	1.93	1.29
Share Transfer Charges	2.81	2.72
Miscellaneous Expenses	27.91	40.33
	<b>121.26</b>	<b>425.98</b>
<b>21 Employee benefit expenses</b>		
Salaries, wages and bonus	20.04	21.52
	<b>20.04</b>	<b>21.52</b>
<b>22 Financial costs</b>		
Interest	-	6.56
	-	<b>6.56</b>
<b>23 Earnings per share (EPS)</b>		
The following reflects the profit and share data used in the basic and diluted EPS computations.	<b>Rs. In lakhs except EPS</b>	<b>Rs. In lakhs except EPS</b>
Profit/(loss) after tax	(A) 1,453.09	1,047.42
No. of outstanding equity share	(B) 3,548.49	3,548.49
	<b>(A/B) 4.09</b>	<b>2.95</b>
<b>24 Expenditure in foreign currency (accrual basis)</b>		
Architect Fees	18.67	10.76
Travelling	1.04	26.28
	<b>19.71</b>	<b>37.04</b>



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

### 25. Contingent liabilities not provided for in respect of:

- There are certain disputed cases where appeal has been initiated with CIT/ ITAT (Appeals) on disallowance of Tax exemption U/S 80IB for For Assessment Year 2006 - 2007 assessed Rs.1337.18 lacs as tax liability on total income of Rs.3016.88 lacs.
- Income Tax Demand raised by authorities for the period 1988-1989 to 1992 -1993 not accepted by the company amounting to Rs.2909 Lakhs. (Previous Year Rs.2909. Lakhs) the company has filed petition with the settlement commission under section 245 (C) of the Income Tax Act, 1961, Any Adjustment required would be accounted in the year in which final order is received.
- Stamp Duty payable on account of reorganization/ reconstruction of the company is not yet determined as the same is pending for adjudication estimated at Rs.300 lacs.

### 26. Sitting Fess paid to Directors other than managing / whole time directors:

(Rs. In Lakhs)

Particulars	2011-2012	2010-2011
Sitting Fees	2.20	2.00
Total	2.20	2.00

### 27. Deferred Taxation:

The Company has net Deferred Tax Assets of **Rs. 4,330.89 Lakhs** (Previous year Rs. 4,345.13 Lakhs) as on 31st March 2012 on account of net MAT Credit till 31st March 2012. As a prudence policy the said Deferred Tax Assets has not been recognized which is in accordance with the Accounting Standard – 22 issued by the Institute of Chartered Accountants of India.

#### Major components of deferred tax arising on account of timing differences are

(Rs. In Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
<b>Liabilities :</b>		
Depreciation	22.20	36.59
<b>Total Liabilities</b>	22.20	36.59
<b>Assets :</b>		
Retirement benefits / Expenses allowable on payment basis	36.44	18.39
<b>Total Assets</b>	36.44	18.39
<b>Net Asset/ (Liabilities )</b>	14.24	(18.20)
Less : MAT Credit Till Date	(4,345.13)	(4,326.93)
<b>Deferred Tax Liability / (Assets) As on Balance Sheet Date</b>	<b>(4,330.89)</b>	<b>(4,345.13)</b>



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

## 28. Employee Benefit

Consequent to Revised Accounting Standards 15 (AS-15) "Employee Benefits" read with guidance note on implementation of AS-15 issued by Institute of Chartered Accountants of India, effective from April 1,2007, the company has reviewed and revised its accounting policy in respect of employee benefits.

Particulars	Amount in Rs. as on 31.03.2012		
	Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
<b>[I] Reconciliation in Present Value of Obligation (PVO) - defined benefits</b>			
Current Service Cost	21,23,432	25,04,046	46,27,478
	7,74,146	7,35,239	15,09,385
Interest Cost	2,44,203	1,92,688	4,36,891
	1,60,996	1,19,154	2,80,150
Actuarial (gain)/ losses	3,91,511	6,48,560	10,40,071
	1,52,824	2,71,448	4,24,272
Benefits Paid	(82,783)	(3,46,840)	(4,29,623)
	(79,326)	(2,34,516)	(3,13,842)
Past service cost	NIL	NIL	NIL
	NIL	NIL	NIL
PVO at the beginning of the year	29,60,041	23,35,618	52,95,659
	19,51,471	14,44,293	33,95,764
PVO at end of the year	56,36,404	53,34,072	1,09,70,476
	29,60,041	23,35,618	52,95,659
<b>[II] Change in fair value of plan assets :</b>			
Expected Return on plan assets	NIL	NIL	NIL
	NIL	NIL	NIL
Actuarial (gain)/ losses	3,91,511	6,48,560	10,40,071
	1,52,824	2,71,448	4,24,272
Contribution by employers	NIL	NIL	NIL
	NIL	NIL	NIL
Benefits Paid	(82,783)	(3,46,840)	(4,29,623)
	(79,326)	(2,34,516)	(3,13,842)
Fair value of plan assets at the beginning of the year	NIL	NIL	NIL
	NIL	NIL	NIL
Fair value of plan assets at end of the year	NIL	NIL	NIL
	NIL	NIL	NIL
<b>[III] Reconciliation of PVO and fair value of plan assets :</b>			
PVO at end of period	56,36,404	53,34,072	1,09,70,476
	29,60,041	23,35,618	52,95,659
Fair value of plan assets at end of the year	NIL	NIL	NIL
	NIL	NIL	NIL
Funded status	NIL	NIL	NIL
	NIL	NIL	NIL
Unrecognised actuarial (gain)/ losses	NIL	NIL	NIL
	NIL	NIL	NIL



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

Particulars	Amount in Rs. as on 31.03.2012		
	Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
Net assets/(liability) recognised in the Balance Sheet	<b>56,36,404</b> 29,60,041	<b>53,34,072</b> 23,35,618	<b>1,09,70,476</b> 52,95,659
[IV] Net cost for the year ended 31st March, 2012 :			
Current Service Cost	<b>21,23,432</b> 7,74,146	<b>25,04,046</b> 7,35,239	<b>46,27,478</b> 15,09,385
Interest Cost	<b>2,44,203</b> 1,60,996	<b>1,92,688</b> 1,19,154	<b>4,36,891</b> 2,80,150
Expected Return on plan assets	<b>NIL</b> NIL	<b>NIL</b> NIL	<b>NIL</b> NIL
Actuarial (gain)/ losses	<b>3,91,511</b> 1,52,824	<b>6,48,560</b> 2,71,448	<b>10,40,071</b> 4,24,272
Net Cost	<b>NIL</b> NIL	<b>NIL</b> NIL	<b>NIL</b> NIL
[V] Category of assets as at 31st March, 2012			
[VI] Actual return of plan assets	<b>NIL</b> NIL	<b>NIL</b> NIL	<b>NIL</b> NIL
[VII] Assumption used in accounting for the Gratuity & Leave Salary plan:			
Discount rate (%)	<b>8.75%</b> 8.25%	<b>8.75%</b> 8.25%	
Salary escalation rate(%)	<b>7%</b> 6%	<b>7%</b> 6%	
Expected amount of return on plan assets	<b>NIL</b> NIL	<b>NIL</b> NIL	

Figures in Bold represents current financial year & others represents for previous year.



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

## 29. Segment Information

The Company primarily deals in the business of Real Estate and hence there is no Primary reportable segment in the context of Accounting Standard – 17 issued by ICAI.

## 30. Related Party Disclosures:

The related party and relationships, as identified by the Management and relied upon by the Auditors, with whom transactions have taken place during the year are:

### a. Name of Related Parties and Related Party Relationship

#### Key Management Personnel

- i] Late Shri. Chhotalal S. Ajmera**  
(Chairman & Managing Director)  
upto 24th March, 2012
- ii] Shri. Rajnikant S. Ajmera\***  
(Chairman & Managing Director)
- iii] Shri. Manoj I. Ajmera\***  
(Managing Director)
- iv] Shri. Sanjay C. Ajmera\***  
(Wholetime Director)

\* Appointed w.e.f. 24th April, 2012

### b. Relatives of Key Management Personnel

- Atul C. Ajmera Huf
- Atul C. Ajmera
- Bhogilal S. Ajmera
- Binal S. Ajmera
- Jyoti N. Ajmera
- Sanjay C. Ajmera
- Dhaval R. Ajmera
- Dhaval R. Ajmera Huf
- Ishwarlal S. Ajmera Huf
- Jayant I. Ajmera
- Jayant I. Ajmera Huf
- Manoj I. Ajmera Huf
- Megha S. Ajmera
- Natwarlal S. Ajmera
- Natwarlal S. Ajmera Huf
- Rajnikant S. Ajmera Huf
- Sanjay C. Ajmera Huf
- Sonali A. Ajmera
- Surendra I. Ajmera Huf
- Tanvi M. Ajmera



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

### C. Related Parties Where Control exists

	<b>Name Of Party</b>
<b>Subsidiaries</b>	<ul style="list-style-type: none"><li>i. Jolly Brothers Private limited</li><li>ii. Ajmera Estate Karnataka Private Limited</li><li>iii. Ajmera Mayfair Global W.L.L</li><li>iv. Ajmera Biofuel Limited</li></ul>
<b>Limited Liability Partnership</b>	<ul style="list-style-type: none"><li>i. Sana Buildpro LLP</li><li>ii. Laudable Infrastructure LLP</li></ul>
<b>Associates &amp; joint Ventures</b>	<ul style="list-style-type: none"><li>i. Ultratech Property Developers Private limited</li><li>ii. A.G. Estate Private Limited</li><li>iii. Ajmera Cement Private Limited</li><li>iv. Ajmera Citi Developers Private Limited</li><li>v. Ajmera Housing Corporation</li><li>vi. Ajmera Housing Corporation Bangalore</li><li>vii. Ajmera Realcon Private Limited</li><li>ix. Ajmera Bora Associates</li><li>x. Ajmera Water N Amusement Park Private Limited</li><li>xi. Bombay Freezco Private Limited</li><li>xii. Four Brothers</li><li>xiii. V.M. Procon Private limited</li><li>xiv. Nilkanth Tech Park Private Limited</li><li>xv. Pramukh Development Corporation</li><li>xvi. Sankalp Holdings Private Ltd</li><li>xvii. Shree Precoated Steel Limited</li><li>xviii. Vijay Nagar Corporation</li><li>xix. Yogi Nagar Vasahat Private Limited</li><li>xx. Rushab Investments Private limited</li></ul>



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

### c. Disclosure in respect of material transactions with related parties

(Rs. in Lakhs)

Nature of Transaction	Related Parties	2011-12	2010-11
	<b>Subsidiaries</b>		
Finance Received / (Paid)	Ajmera Estates (Karnataka) Private Limited	(6.17)	2182.50
	Jolly Brothers Private limited	(2.77)	(0.61)
	Ajmera Mayfair Global Realty W.L.L	(120.88)	(2332.59)
	Ajmera Biofuel Limited	(1200.02)	-
	<b>Total</b>	<b>(1329.84)</b>	<b>(4515.70)</b>
		<b>Associate &amp; Joint Ventures</b>	
Material Purchase	Ajmera Cement Private Limited	21.54	7.18
	<b>Total</b>	<b>21.54</b>	<b>7.18</b>
Finance Received / (Paid)	Ultratech Property Developers P Ltd	(560.34)	(286.96)
	V.M.Procons Private Limited	(2680.00)	-
	Sana Buildpro LLP	(288.75)	-
	Laudable Infrastructure LLP	(912.55)	-
	Ajmera Bora Associates	(25.00)	-
	Nilkanth Tech Park Private Limited	10,000.00	-
	Nilkanth Tech Park Private Limited	(10,000.00)	-
	<b>Total</b>	<b>(3645.35)</b>	<b>(286.96)</b>

### 31. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

There are no delays in payment to Micro and Small enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006.

The above information and that given in note no.8 –“Trade Payables” regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

As per our Audit Report of even date  
For and on behalf of  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 107488W

**RASESH V. PAREKH**  
Partner  
Membership No. 38615

Place : MUMBAI  
Date : 30<sup>th</sup> July, 2012

For and on behalf of Board  
**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

**HARSHINI D. AJMERA** - Company Secretary



## Consolidated Financial Statements



## Auditors' Report

### Auditors report to the Board of Directors of Ajmera Realty & Infra India Limited on the consolidated Financial Statements of The Ajmera Realty & Infra India Limited and its subsidiary.

The Board of Directors,  
**Ajmera Realty & Infra India Limited**  
Mumbai

1. We have audited the attached Consolidated Balance Sheet of The Ajmera Realty & Infra India Limited ("the Company"), its subsidiaries as at 31st March, 2012 and also the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto.
2. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards, require that we plan and perform the audit to obtain reasonable assurance whether the Financial Statements are prepared in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating overall the Financial Statements. We believe that our audit provides a reasonable basis for our opinion.
3. The company has consolidated audited Financial Statements of foreign subsidiary reflecting total assets of Rs.14755 lacs, revenue Nil, as at 31st March, 2012. we have relied upon the audited statement and report of the auditor thereon submitted to us. And our opinion on consolidation of these figures is solely based on the said report of the auditors.
4. We did not audit the Financial Statements of its associates / joint ventures namely, Omkar Builders, V. M. Procon Private Limited and Comet India Private Limited whose Financial Statements reflect the Group's share of Total Assets of Rs. 8458.36 Lakhs, and revenue of Rs. 293.70 Lakhs. These Financial Statements have been audited by other auditors whose reports has been furnished to us and our opinion is based solely on the reports of the other auditors.
5. We report that the consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard on "Consolidated Financial Statements' (AS-21) and 'Accounting for Investment in Associates in Consolidated Financial Statements' (AS-23) and (AS -27) Financial reporting of interests in joint ventures as issued by the Institute of Chartered Accountants of India.
6. Based on our audit and on consideration of the audit reports of other auditor on separate Financial Statements and on the other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
  - a) In the case of the Consolidated Balance Sheets, of the consolidated state of affairs of the company and its subsidiaries as at 31st March, 2012.
  - b) In the case of Consolidated Statement of Profit and Loss, of the consolidated results of the operations of the company and its subsidiaries for the year then ended and
  - c) In the case of the consolidated cash flow statements, of the consolidated cash flows of the company and its subsidiaries for the year then ended.

FOR AND ON BEHALF OF  
**V. PAREKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO 107488W

Place: Mumbai  
Dated: 30<sup>th</sup> July, 2012

**RASESH V. PAREKH (PARTNER)**  
MEMBERSHIP NO. 38615



# Consolidated Balance Sheet as on 31st March, 2012

	Notes	As on 31 <sup>st</sup> March, 2012	(Rs. in Lakhs) As on 31 <sup>st</sup> March, 2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	3,548.49	3,548.49
(b) Reserves and Surplus	4	36,590.96	31,949.43
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	5	18,869.65	12,170.09
(b) Other Long term liabilities	6	7,207.63	2,479.37
(c) Long term provisions	7	52.96	19.00
<b>(3) Current Liabilities</b>			
(a) Trade payables	8	2,884.36	1,804.70
(b) Short Term Borrowings	9	325.13	703.28
(b) Other current liabilities	10	2,434.72	2,283.60
(c) Short-term provisions	11	1,048.35	846.90
<b>Minority Interest</b>		<b>2,584.98</b>	<b>1,202.76</b>
<b>Total</b>		<b>75,547.22</b>	<b>57,007.62</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	12.1	19,802.93	14,155.79
(ii) Intangible assets	12.2	4,183.92	4,191.52
(iii) Capital work-in-progress	12.2	245.19	-
(b) Non-current investments	13	98.57	24.08
(c) Long term loans and advances	14	12,204.03	10,606.65
<b>(2) Current assets</b>			
(a) Inventories	15	28,170.34	22,836.99
(b) Trade receivables	16	4,169.68	665.40
(c) Cash and cash equivalents	17	1,108.18	829.57
(d) Short-term loans and advances	18	5,476.39	3,697.63
(e) Other current assets	19	88.00	-
<b>Total</b>		<b>75,547.22</b>	<b>57,007.62</b>
Significant Accounting policies and notes to the Financial Statements	2		
The accompanying notes are an integral part of the Financial Statements			

As per our Audit Report of even date  
For and on behalf of

**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 107488W

**RASESH V. PAREKH**  
Partner  
Membership No. 38615

Place : MUMBAI  
Date : 30<sup>th</sup> July, 2012

For and on behalf of Board  
**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

**HARSHINI D. AJMERA** - Company Secretary



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

	Notes	Year Ended 31 <sup>st</sup> March, 2012	(Rs. in Lakhs) Year Ended 31 <sup>st</sup> March, 2011
<b>I. Revenue from operations</b>	20	<b>20,849.44</b>	17,186.62
II. Other Income	21	840.24	17.83
<b>III. Total Revenue (I + II)</b>		<b>21,689.68</b>	<b>17,204.45</b>
<b>IV. Expenses:</b>			-
Construction Expenses	22	16,574.73	12,754.80
Employee benefit expenses	23	261.49	87.61
Financial costs	24	154.62	1,566.34
Depreciation and amortization expenses	12.1 & 12.2	324.98	47.08
<b>Total Expenses (IV)</b>		<b>17,315.81</b>	14,455.83
<b>V. Profit before tax (III - IV)</b>		<b>4,373.87</b>	2,748.61
VI. Tax expenses:			
(1) Current tax		214.25	260.89
(2) Deferred tax (Refer Note. No.27)		-	-
<b>VII. Profit After Tax (V - VI)</b>		<b>4,159.62</b>	2,487.72
VIII. Minority Interest		286.19	144.06
<b>IX. Profit for the Year</b>		<b>3,873.43</b>	2,343.66
<b>X. Earning per equity share:</b>			
(1) Basic	25	10.92	6.60
(2) Diluted	25	10.92	6.60
Significant Accounting policies and notes to the Financial Statements	2		
The accompanying notes are an integral part of the Financial Statements			

As per our Audit Report of even date  
For and on behalf of  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 107488W

**RASESH V. PAREKH**  
Partner  
Membership No. 38615

Place : MUMBAI  
Date : 30<sup>th</sup> July, 2012

For and on behalf of Board  
**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

**HARSHINI D. AJMERA** - Company Secretary



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

(Rs. in Lakhs)

	Year Ended 31 <sup>st</sup> March, 2012	Year Ended 31 <sup>st</sup> March, 2011
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax and Dividend	3,773.87	2,748.61
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortisation	324.98	47.08
Interest Expense	(154.62)	(1,566.34)
Interest Income	-	4.46
<b>Operating profit before working capital changes</b>	<b>3,944.23</b>	<b>1,233.82</b>
<b>Movements in working capital:</b>		
Increase/(decrease) in trade payables	1,079.66	1,989.53
Increase/(decrease) in Other Long term Liabilities	4,728.25	(615.00)
Increase/(decrease) in long term provision	33.96	135.04
Increase/(decrease) in Other Current liabilities	151.13	(384.39)
Increase/(decrease) in short term provision	201.45	(252.95)
Decrease/(increase) in trade receivables	(3,504.28)	(250.10)
Decrease/(increase) in inventories	(5,333.35)	(2,932.83)
Decrease/(increase) in long term loans and advances	(1,597.38)	2,813.95
Decrease/(increase) in short term loans and advances	(1,778.76)	2,638.41
Decrease/(increase) in other current assets	(88.00)	-
Cash generated from/(used in) operating activities	(2,163.09)	4,375.48
Direct taxes paid	(214.25)	(260.89)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(2,377.35)</b>	<b>4,114.59</b>
<b>Cash flow from investing activities:</b>		
Purchase of fixed assets including intangible assets, CWIP and Capital advances	(4,967.34)	(2,456.06)
Proceeds from sale of assets	8.79	-
Purchase of non-current investments	(74.49)	-
Dividend received	600.00	-
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>(4,433.04)</b>	<b>(2,456.06)</b>
<b>Cash flow from financing activities:</b>		
Proceeds from issuance of share capital	1,371.87	-
Proceeds from long term borrowings	6,699.56	(1,645.46)
Repayment of short term borrowings	(378.14)	-
Dividend paid	(603.77)	(496.79)
Tax on dividend paid	(0.53)	(82.51)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>7,088.99</b>	<b>(2,224.76)</b>
Net increase/(decrease) in cash and cash equivalents (A) + (B) + (C)	278.60	(566.23)
Cash and cash equivalents at the beginning of the year	829.57	1,395.80
<b>Cash and cash equivalents at the end of the year</b>	<b>1,108.18</b>	<b>829.57</b>

As per our Audit Report of even date

For and on behalf of

**V. PAREKH & ASSOCIATES**

Chartered Accountants

Firm Registration No : 107488W

**RASESH V. PAREKH**

Partner

Membership No. 38615

For and on behalf of Board  
**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

Place : MUMBAI

Date : 30<sup>th</sup> July, 2012

**HARSHINI D. AJMERA** - Company Secretary



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

## NOTES TO ACCOUNTS

The Consolidated Financial Statements relate to Ajmera Realty & Infra India Limited and its associate. The consolidated Financial Statements are prepared on the following basis: -

- a. The Financial Statements of the Company and its associate are combined on a line - by - line basis by adding together the book values of like items of Assets, liabilities, income and expenditures, after carefully eliminating intra-group balances and intra-group transactions in accordance with the Accounting Standard – 21 “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.
- b. The difference between the cost of investments in the subsidiary over the net assets at the time of acquisition of shares in the subsidiary is recognized in the Financial Statements as Goodwill or Capital Reserve as the case may be.
- c. As far as possible, the consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate Financial Statements.
- d. Minority Interest share of Net profit of consolidated subsidiaries for the year is identified and adjusted against the Income of group in order to arrive the net income attributable to shareholders of the company
- e. Minority interest share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of company’s shareholders
- f. Investment in Associate companies has been accounted under the equity method as per (AS-23) – “Accounting for Investment in Associates in Consolidated Financial Statements”

As far as possible the consolidated Financial Statements are prepared using uniform accounting policy for like transactions and other events in similar circumstances and are presented in the same manner as the company’s separate Financial Statements

### 1. Corporate Information

Ajmera Realty & Infra India limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The company is engaged in real estate business.

### 2. Basis of Preparation

The Financial Statements of the company have been prepared

in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these Financial Statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

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 SIGNIFICANT ACCOUNTING POLICIES:

### a Change in Accounting Policy

#### Presentation and Disclosure of Financial Statements

During the year ended 31st March, 2012, the revised schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its Financial Statements. Except accounting for dividend on investments in subsidiary companies, the adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation. However it has significant impact on presentation and disclosures made in the Financial Statements. The company has also reclassified the previous year figure in accordance with the requirements applicable in the current year.

### b. 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 adjustments are based on the 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.

### c. Current and Non Current Classification

An asset is classified as current when it satisfies any of the following criteria:

1. It is expected to be realized/ settled, or is intended for sale or consumption, In the companies normal operating cycle or



# Notes to Consolidated Financial Statements

## for the year ended 31st March, 2012

- ii. It is held primarily for the purpose of being traded or
- iii. It is expected to be realized/ due to be settled within 12 months after the reporting date or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date or
- v. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other assets and liabilities are classified as non current

### d Tangible Fixed Assets:

Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of fixed is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from de recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### f. Depreciation and Amortization

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the schedule XIV to the companies Act, 1956. Whichever is higher.

In Case of firm Depreciation on fixed assets is calculated as per the rates prescribed under Income Tax Act

Intangible assets are amortized on a straight line basis over the estimated useful economics life

### g. Impairment of Tangible and Intangible Assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generated units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other asset or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining net selling price, recent market transaction is taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

### h. Borrowing cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### i. Investments

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



# Notes to Consolidated Financial Statements

## for the year ended 31st March, 2012

On initial recognized, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

Current investments are carried in the financial statement at lower of cost and fair value determined on an individual investment basis. Long-term investment is carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investment.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### j Inventories:

#### Construction Materials and Consumables

Construction Materials and Consumables are valued at lower of cost or net realizable value. The Construction materials and consumables purchased for construction work issued to construction work in progress are treated as consumed.

#### Construction Work in Progress

Construction Work in Progress are valued at lower of cost or net realizable value. Cost includes cost of land, development rights, rates and taxes, construction costs, borrowing costs, other direct expenditure, allocated overheads and other incidental expenses.

#### Finished Stock of Flats

- i. Unsold Flats & Convenient Units are valued at cost.
- ii. Valuation of construction material is not considered on year to year basis.

### k. Revenue Recognition

- i. Revenue from Real estate projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers commitment to make the complete payment.

Revenue from real estate under development is recognized upon transfer of all significant risks and rewards of ownership of such real estate, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreement, except for the contracts where the company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards. In such cases, the revenue is recognized on percentage of completion method, when the stage of completion of each project reaches a

reasonable level of progress. The revenue is recognized in proportion that the contract cost incurred for work performed up to the reporting date bear to the estimated total contract cost.

### ii. Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### iii. Dividend Income

Dividend income is recognized with the company's right to receive dividend is established by the reporting date.

### iv. Other Income

Other Income is accounted on accrual basis

### l. Foreign currency transactions

Foreign currency transaction are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

#### Exchange differences

- i. Exchange difference arising on a monetary item that, in substance forms part of the company's net investment in a non-integral foreign operation is accumulated in the foreign currency translation reserve until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relates to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- ii. Exchange difference arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. For this purpose, the company treats a foreign monetary item as "long-term foreign currency monetary items", if it has a term of 12 months or more at the date of its origination.



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

- iii. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- iv. All other exchange differences are recognized as income or as expenses in the period in which they arise.

### m. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

The company operates two defined benefit plans for its employee, viz., gratuity and post employment medical benefit liability. The costs of providing benefits under these plans are determined on the basis actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short – term employee benefit. The company measures the expected cost of such absences as the additional amount that is except to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave excepted to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### n. Income Taxes

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 jurisdiction 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. Current income tax relating to items recognized directly in equity is recognized in

equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted by the reporting date. Deferred income tax relating to items recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the company has unabsorbed or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situation where the company is entitled to a tax holiday under the Income-Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdiction where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which after the tax holiday is recognized in the year in which the timing differences originate. However, the restrict recognition of deferred tax assets to the extent that it has become reasonable certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax can be realized. For recognition of deferred taxes, the timing difference which originates first is considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognized unrecognized deferred asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such written-down is reserved to the extent that it becomes reasonably certain or virtually certain,



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

as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specific period, i. e, the period for which MAT credit is allowed to be carried forward. In the year in which the company recognize MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the income –tax Act, 1961, the said is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

### **o. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reserve share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

### **p. Provisions**

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit 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.

### **q. 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 discloses its existence in the financial statement.

### **r. Cash and cash equivalents**

Cash and cash an equivalent for the purposes of cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

### **s. Regrouping of Previous Year Figures.**

Till the year ended 31st March 2011, the company was using pre- revised Notes-VI of the Companies Act, 1956, for preparation and presentation of its Financial Statements. During the year ended 31st March 2012, the revised Notes VI notified under the Companies Act, 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification. The adoption of revised Notes VI does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and discloses made in Financial Statements.



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

Particulars	(Rs. in Lakhs)			
	As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011		
<b>3 Share capital</b>				
Authorised				
15,00,00,000 (Previous year 15,00,00,000)				
Equity Shares of Rs. 10/- each	15,000.00	15,000.00		
	15,000.00	15,000.00		
<b>Issued, subscribed and fully paid up</b>				
3,54,84,875 (Previous Year 3,54,84,875)				
Equity Shares of Rs.10/- each fully paid up.	3,548.49	3,548.49		
	3,548.49	3,548.49		
<b>a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period</b>				
	<b>No. of Shares</b>	<b>Rs. In Lakhs</b>	<b>No. of Shares</b>	<b>Rs. In Lakhs</b>
At the beginning of the year	35,484,875	3,548.49	35,484,875	3,548.49
Issued during the year - Bonus	-	-	-	-
Issued during the year - ESOP	-	-	-	-
Outstanding at the end of the year	<b>35,484,875</b>	<b>3,548.49</b>	<b>35,484,875</b>	<b>3,548.49</b>
<b>b. Term/rights attached to equity shares</b>				
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
During the year ended 31st March, 2012, the amount of per share dividend recognised as distributions to equity shareholders was Rs. 1.70 per share (Previous year Rs. 1.40 per share).				
<b>c. Aggregate numbers of bonus shares issued, share issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date:</b>				
For the period of five years starting from preceding date				
<b>Shares issued for Consideration Other Than Cash</b>				<b>No. of Shares</b>
Year 2011-2012				Nil
Year 2010-2011				Nil
Year 2009-2010				Nil
Year 2008-2009				Nil
Year 2007-2008 *				41,666,667
*During the year 2007-2008, the company has issued total 4,16,66,667 shares (Previous year NIL) pursuant to scheme of amalgamation of Anik Development Corporation Private Limited with the Company.				
<b>d. Details of shareholders holding more than 5% shares in the company</b>				
Equity shares of Rs. 10 each fully paid	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Ajmera Water N Amusement Park Private limited	2,499,999	7.05	2,499,999	7.05
As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.				



# Notes to Consolidated Financial Statements

## for the year ended 31st March, 2012

Particulars	(Rs. in Lakhs)	
	As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
<b>4 Reserves and surplus :</b>		
<b>Securities premium account</b>		
Balance as per last Financial Statements	3,432.43	3,432.43
Add: Premium on issue of shares	1,371.87	-
<b>Closing Balance</b>	<b>4,804.30</b>	<b>3,432.43</b>
<b>Capital Reserve</b>		
Balance as per last Financial Statements	1,342.27	1,342.27
Less: amount transferred to the statement of profit and loss as reduction from depreciation	-	-
<b>Closing Balance</b>	<b>1,342.27</b>	<b>1,342.27</b>
<b>General reserve</b>		
Balance as per last Financial Statements	7,212.32	7,154.71
Add: amount transferred from surplus balance in the statement of profit and loss	108.98	57.61
<b>Closing Balance</b>	<b>7,321.30</b>	<b>7,212.32</b>
<b>Surplus in the statement of profit and loss</b>		
<b>Balance as per last Financial Statements</b>	<b>19,962.40</b>	<b>18,255.65</b>
<b>Add: Profit for the Year</b>	<b>3,873.43</b>	<b>2,343.66</b>
<b>Less: Appropriations</b>		
Proposed final equity dividend	603.24	496.79
Tax on proposed equity dividend	0.53	82.51
Transfer to general reserve	108.98	57.61
<b>Total appropriations</b>	<b>712.75</b>	<b>636.91</b>
<b>Closing Balance (A+B-C)</b>	<b>23,123.08</b>	<b>19,962.40</b>
<b>Total Reserves and Surplus</b>	<b>36,590.96</b>	<b>31,949.43</b>
<b>5 Long term borrowings</b>		
Indian rupee loans from Banks	4,385.25	364.37
From Financial Institutions	14.03	-
Unsecured Loans	14,470.37	11,805.72
	<b>18,869.65</b>	<b>12,170.09</b>

The term loan is secured by -

- Mortgage and 1st charge on entire Immovable Properties, both present and future,
- First charge on entire Movable Properties, both present and future including Movable Plant and Machinery, Machinery Spares, Tools and Accessories, Furniture and Fixture, Vehicles and all other Movable Properties,
- First charge on entire cash flows, receivables, book debts and revenues, both present and future,
- First charge on entire intangible assets both present and future
- First charge by way of hypothecation/mortgage/assignment of all the rights, title, interest, benefits, claims and demands in the Project Documents, clearances in the Letter of Credit, guarantee, performance bond, corporate guarantee, bank guarantee provided by the Project Documents,
- First charge by way of hypothecation/mortgage/assignment of all the rights, title, interest, benefits, claims and demands of the Company in Power Purchase Agreement.



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

		(Rs. in Lakhs)	
Particulars		As on 31 <sup>st</sup> March, 2012	As on 31 <sup>st</sup> March, 2011
<b>Particulars of Secured Loans</b>	<b>Rate of Interest</b>	<b>Security</b>	<b>Repayment Terms</b>
<b>Term Loan From Banks</b>			
Axis Bank Limited	12.00%	Vehicle	36 Months
ICICI Bank Limited	9.49%	Vehicle	36 Months
Axis Bank Limited	9.32%	Vehicle	36 Months
HDFC Bank Limited	15.00%	Vehicle	36 Months
<b>Financial Institutions</b>			
Kotak Mahindra Prime Limited	13.50%	Vehicle	36 Months
Kotak Mahindra Prime Limited	17.40%	Vehicle	36 Months
Kotak Mahindra Prime Limited	14.00%	Vehicle	36 Months
Tata Capital Limited	13.00%	Vehicle	36 Months
Kotak Mahindra Prime Limited	12.00%	Vehicle	36 Months
<b>6 Other long term liability</b>			
Advance from customers		7,207.63	2,479.37
		<b>7,207.63</b>	<b>2,479.37</b>
<b>7 Long term provisions</b>			
<b>Provisions for employee benefits</b>			
Provision for gratuity		29.60	10.09
Provision for leave benefits		23.36	8.91
		<b>52.96</b>	<b>19.00</b>
<b>8 Trade payables</b>			
Trade payables			
Due to micro and small enterprises (Refer note.no.34)		-	-
Trade Payables		2,884.36	1,804.70
		<b>2,884.36</b>	<b>1,804.70</b>
<b>9 Short Term Borrowings</b>			
Interest free loans and advances from related parties repayable on demand (unsecured)		325.13	703.28
		<b>325.13</b>	<b>703.28</b>
<b>10 Other current liabilities</b>			
Current maturities of long term borrowings		19.87	37.79
Unpaid dividend		10.33	8.66
Provison For Expenses		1,511.48	2,078.85
Sundry Deposits		27.00	-
Overdraft Balance As Per Bank Book		866.04	158.30
		<b>2,434.72</b>	<b>2,283.60</b>
<b>11 Short term provisions</b>			
<b>Provisions for employee benefits</b>			
Provision for gratuity		26.76	19.51
Provision for leave benefits		29.98	14.44
Proposed Dividend		603.77	579.30
Others		387.83	233.64
		<b>1,048.35</b>	<b>846.90</b>



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

Note No.12.1 and Note No. 12.2 for Tangible and Intangible Assets

(Rs. in Lakhs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Balance as at 1 April 2011	Additions During The Year	Disposals Sales	As On 31.03.2012	As On 1.04.2011	Depreciation charge for the year	On Disposals Sales	As on 31.03.2012	As on 31-03-2011
<b>Tangible Assets</b>									
Land	11,235.09	21.22	-	11,256.31	-	-	-	11,256.31	11,235.09
Leasehold Land	1,446.68	-	-	1,446.68	-	0.48	0.48	1,446.20	1,446.68
Buildings	679.44	12.77	4.25	687.96	-	68.40	-	619.57	679.44
Plant and Equipment	116.81	5,715.05	4.54	5,827.32	15.97	256.85	0.99	5,555.49	100.85
Furniture and Fixtures	209.75	33.40	-	243.15	16.94	17.16	-	209.06	192.82
Vehicles	448.32	214.11	-	662.44	33.94	49.53	-	578.96	414.38
Office equipment	60.34	52.05	-	112.39	6.47	7.25	-	98.67	53.87
Computer Hardware	56.85	18.08	-	74.93	24.19	12.06	-	38.68	32.66
<b>As At 31st March, 12</b>	<b>14,253.30</b>	<b>6,066.68</b>	<b>8.79</b>	<b>20,311.19</b>	<b>97.51</b>	<b>411.74</b>	<b>0.99</b>	<b>19,802.93</b>	<b>14,155.79</b>
As At 31st March, 11	12,847.50	1,405.80	-	14,253.30	50.79	46.72	-	14,155.79	-
<b>Intangible Assets</b>									
Goodwill	4,159.90	-	-	4,159.90	-	-	-	4,159.90	4,159.90
Computer software	42.79	-	-	42.79	11.17	7.60	-	24.02	31.62
<b>As At 31st March, 12</b>	<b>4,202.69</b>	<b>-</b>	<b>-</b>	<b>4,202.69</b>	<b>11.17</b>	<b>7.60</b>	<b>-</b>	<b>4,183.92</b>	<b>4,191.52</b>
As At 31st March, 11	4,196.88	5.81	-	4,202.69	10.81	0.36	-	4,191.52	-
Capital Work in Progress	-	245.19	-	245.19	-	-	-	245.19	-
<b>As At 31st March, 12</b>	<b>-</b>	<b>245.19</b>	<b>-</b>	<b>245.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>245.19</b>	<b>-</b>
As At 31st March, 11	-	-	-	-	-	-	-	-	-



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

Particulars	(Rs. in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2012	Year Ended 31 <sup>st</sup> March, 2011
<b>13 Non current investments</b>		
<b>Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Investment in Mutual Fund (quoted)</b>		
In HDFC Mutual Fund In HDFC Debt Fund for Cancer Cure 100000 (Previous Year 100000) units Face Value Rs.10 each	84.49	10.00
Fixed Deposit (Against Bank Guarantee)	14.08	14.08
	<b>98.57</b>	<b>24.08</b>
<b>Aggregate of</b>		
<b>Book value of Quoted Investments</b>	<b>98.57</b>	<b>24.08</b>
<b>Market value of Quoted Investments</b>	<b>98.64</b>	<b>24.09</b>
<b>14 Long term loans and advances</b>		
<b>Security deposits</b>		
Unsecured, considered good	56.96	35.64
secured, considered good	-	-
Doubtful	-	-
	<b>56.96</b>	<b>35.64</b>
Provision for doubtful advances		
<b>Total</b>	<b>56.96</b>	<b>35.64</b>
<b>Other loans and advances</b>		
Advances (Recoverable in cash or in kind or for value to be received)	12,147.06	10,571.01
<b>Total</b>	<b>12,147.06</b>	<b>10,571.01</b>
<b>Total (A+B)</b>	<b>12,204.03</b>	<b>10,606.65</b>
<b>15 Inventories (valued at lower of cost and net relisable value)</b>		
Opening Work In Progress		
Cost Of Land	39.31	39.31
Cost Of Infrastructure,Development And Filling	22,797.69	12,299.07
	<b>22,836.99</b>	<b>12,338.37</b>
Addition during the year		
Material Purchase	11,601.88	15,812.42
Labour Charges	1,721.00	4,667.08
Rent,Rates & Taxes	29.49	25.00
Legal & Professional Expenses	1,741.58	2,122.50
Other Expenses	2,229.10	2,280.37
	<b>17,323.05</b>	<b>24,907.37</b>
<b>Total</b>	<b>40,160.04</b>	<b>37,245.74</b>
Less Transferred to Statement of Profit & Loss (Refer Note. No. 20, 21 & 22)	16,990.83	14,408.75



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

Particulars	(Rs. in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2012	Year Ended 31 <sup>st</sup> March, 2011
Work In Progress	23,169.21	22,836.99
Stock of Finished Goods	5,001.13	-
<b>Total Inventories</b>	<b>28,170.34</b>	<b>22,836.99</b>
<b>16 Trade receivables</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	78.57	126.55
Secured, considered good	-	-
Doubtful	-	-
	78.57	126.55
Provisions for doubtful receivables	-	-
<b>A</b>	<b>78.57</b>	<b>126.55</b>
<b>Other receivables</b>		
Unsecured, considered good	4,091.11	538.84
Secured, considered good	-	-
Doubtful	-	-
	4,091.11	538.84
Provisions for doubtful receivables	-	-
<b>B</b>	<b>4,091.11</b>	<b>538.84</b>
<b>Total (A+B)</b>	<b>4,169.68</b>	<b>665.40</b>
<b>17 Cash and cash equivalent</b>		
<b>Balance with banks:</b>		
On current accounts	1,061.14	806.39
On unpaid dividend account	9.09	7.42
Cash on Hand	37.95	15.76
	<b>1,108.18</b>	<b>829.57</b>
<b>18 Short term loans and advances</b>		
Other loans and advances		
Advance income tax (net of provision for taxation)	96.73	62.96
Prepaid expenses	23.08	30.48
Loans to employees	4.18	3.77
Advance to Suppliers	1,491.62	1,031.26
Advances (Recoverable In Cash Or Kind)	3,860.78	2,569.15
	<b>5,476.39</b>	<b>3,697.63</b>
<b>19 Other Current Assets</b>		
Others	88.00	-
	<b>88.00</b>	<b>-</b>



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

Particulars	(Rs. in Lakhs)	
	Year Ended 31 <sup>st</sup> March, 2012	Year Ended 31 <sup>st</sup> March, 2011
<b>20 Revenue from operations</b>		
<b>Sales of products</b>		
Finished Flats	15,848.31	17,186.62
<b>Revenue from operations (A)</b>	<b>15,848.31</b>	<b>17,186.62</b>
<b>Increase in Stock of Finished Flat (B)</b>	5,001.13	-
<b>Revenue from operations (A)+ (B)</b>	<b>20,849.44</b>	<b>17,186.62</b>
<b>Details of products sold</b>		
Flats	15,848.31	17,186.62
	<b>15,848.31</b>	<b>17,186.62</b>
	-	-
<b>21 Other Income</b>		
<b>Interest income on</b>		
Bank deposits	1.91	4.46
other Non Operating Income	132.66	-
<b>Dividend income on</b>		
Investment in subsidiaries	600.00	-
current investments	69.85	13.37
Miscellaneous Income	35.82	-
	<b>840.24</b>	<b>17.83</b>
<b>22 Construction &amp; Other Expenses</b>		
Material Cost	3,616.72	3,867.82
Labour Cost	7,298.68	5,298.64
Rates and Taxes	150.70	127.18
Payment To Auditor		
Audit Fee	6.79	7.17
Tax Audit	1.11	1.10
Other Expenses	5,500.73	3,452.89
<b>Total</b>	<b>16,574.73</b>	<b>12,754.80</b>
<b>23 Employee benefit expenses</b>		
Salaries, wages and bonus	261.49	87.61
	<b>261.49</b>	<b>87.61</b>
<b>24 Financial costs</b>		
Interest	154.62	1,566.34
	<b>154.62</b>	<b>1,566.34</b>
<b>25 Earnings per share (EPS)</b>	<b>Rs. in Lakhs except EPS</b>	<b>Rs. in Lakhs except EPS</b>
The following reflects the profit and share data used in the basic and diluted EPS computations.		
Profit/(loss) after tax (A)	3,873.43	2,343.66
No. of outstanding equity share (B)	3,548.49	3,548.49
(A/B)	<b>10.92</b>	<b>6.60</b>
<b>26 Expenditure in foreign currency (accrual basis)</b>		
Architect Fees	18.67	10.76
Travelling	1.04	26.28
	<b>19.71</b>	<b>37.04</b>



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

## 27. Contingent liabilities not provided for in respect of:

- There is one disputed case where appeal has been initiated with CIT/ITAT (Appeals) on disallowance of Tax exemption U/S 80IB for For Assessment Year 2006 - 2007 assessed Rs.1337.18 lacs as tax liability on total income of Rs.3016.88 lacs.
- Income Tax Demand raised by authorities for the period 1988-1989 to 1992 -1993 not accepted by the company amounting to Rs.2909 Lakhs. (Previous Year Rs.2909. Lakhs) the company has filed petition with the settlement commission under section 245 (C) of the Income Tax Act, 1961, Any Adjustment required would be accounted in the year in which final order is received.
- Stamp Duty payable on account of reorganization/ reconstruction of the company is not yet determined as the same is pending for adjudication estimated at Rs.300 lacs.
- In case of Ajmera Housing Corporation Bangalore, there are disputed cases as detailed below :-
  - Sales Tax order on Tax on Land Value. Liability to the extent of Rs.118.83 Lakhs. Writ petition has been filed with the High Court against the Order.
  - Sales Tax endorsement liability estimated at Rs.63.34 Lakhs

## 28. Sitting Fess paid to Directors other than managing / whole time directors:

(Rs. In Lakhs)

Particulars	2011-2012	2010-2011
Sitting Fees	2.20	2.00
Total	2.20	2.00

## 29. Deferred Taxation:

The Company has net Deferred Tax Assets of **Rs. 4,330.89 Lakhs** (Previous year Rs 4,345.13 Lakhs) as on 31st March 2012 on account of net MAT Credit till 31st March 2012. As a prudence policy the said Deferred Tax Assets has not been recognized which is in accordance with the Accounting Standard – 22 issued by the Institute of Chartered Accountants of India.

### Major components of deferred tax arising on account of timing differences are

(Rs. In Lakhs)

Particulars	As at 31st March, 2012	As at 31st March, 2011
<b>Liabilities :</b>		
Depreciation	22.20	36.59
<b>Total Liabilities</b>	<b>22.20</b>	<b>36.59</b>
<b>Assets :</b>		
Retirement benefits / Expenses allowable on payment basis	36.44	18.39
<b>Total Assets</b>	<b>36.44</b>	<b>18.39</b>
<b>Net Asset/ (Liabilities )</b>	<b>14.24</b>	<b>(18.20)</b>
Less : MAT Credit Till Date	(4,345.13)	(4,326.93)
<b>Deferred Tax Liability / (Assets) As on Balance Sheet Date</b>	<b>(4,330.89)</b>	<b>(4,345.13)</b>



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

### 30. Employee Benefit

Consequent to Revised Accounting Standards 15 (AS-15) "Employee Benefits" read with guidance note on implementation of AS-15 issued by Institute of Chartered Accountants of India, effective from April 1, 2007, the company has reviewed and revised its accounting policy in respect of employee benefits.

Particulars	Amount in Rs. as on 31.03.2012		
	Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
<b>[I] Reconciliation in Present Value of Obligation (PVO) - defined benefits</b>			
Current Service Cost	21,23,432	25,04,046	46,27,478
	7,74,146	7,35,239	15,09,385
Interest Cost	2,44,203	1,92,688	4,36,891
	1,60,996	1,19,154	2,80,150
Actuarial (gain)/ losses	3,91,511	6,48,560	10,40,071
	1,52,824	2,71,448	4,24,272
Benefits Paid	(82,783)	(3,46,840)	(4,29,623)
	(79,326)	(2,34,516)	(3,13,842)
Past service cost	NIL	NIL	NIL
	NIL	NIL	NIL
PVO at the beginning of the year	29,60,041	23,35,618	52,95,659
	19,51,471	14,44,293	33,95,764
PVO at end of the year	56,36,404	53,34,072	1,09,70,476
	29,60,041	23,35,618	52,95,659
<b>[II] Change in fair value of plan assets :</b>			
Expected Return on plan assets	NIL	NIL	NIL
	NIL	NIL	NIL
Actuarial (gain)/ losses	3,91,511	6,48,560	10,40,071
	1,52,824	2,71,448	4,24,272
Contribution by employers	NIL	NIL	NIL
	NIL	NIL	NIL
Benefits Paid	(82,783)	(3,46,840)	(4,29,623)
	(79,326)	(2,34,516)	(3,13,842)
Fair value of plan assets at the beginning of the year	NIL	NIL	NIL
	NIL	NIL	NIL
Fair value of plan assets at end of the year	NIL	NIL	NIL
	NIL	NIL	NIL
<b>[III] Reconciliation of PVO and fair value of plan assets :</b>			
PVO at end of period	56,36,404	53,34,072	1,09,70,476
	29,60,041	23,35,618	52,95,659
Fair value of plan assets at end of the year	NIL	NIL	NIL
	NIL	NIL	NIL
Funded status	NIL	NIL	NIL
	NIL	NIL	NIL
Unrecognised actuarial (gain)/ losses	NIL	NIL	NIL
	NIL	NIL	NIL
Net assets/(liability) recognised in the balance sheet	56,36,404	53,34,072	1,09,70,476
	29,60,041	23,35,618	52,95,659
<b>[IV] Net cost for the year ended 31st March, 2012 :</b>			
Current Service Cost	21,23,432	25,04,046	46,27,478
	7,74,146	7,35,239	15,09,385



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

Particulars	Amount in Rs. as on 31.03.2012		
	Gratuity (Unfunded)	Leave Salary (Unfunded)	Total
Interest Cost	<b>2,44,203</b>	<b>1,92,688</b>	<b>4,36,891</b>
	1,60,996	1,19,154	2,80,150
Expected Return on plan assets	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	NIL	NIL	NIL
Actuarial (gain)/ losses	<b>3,91,511</b>	<b>6,48,560</b>	<b>10,40,071</b>
	1,52,824	2,71,448	4,24,272
Net Cost	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	NIL	NIL	NIL
[V] Category of assets as at 31st March, 2012			
[VI] Actual return of plan assets	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	NIL	NIL	NIL
[VII] Assumption used in accounting for the Gratuity & Leave Salary plan:			
Discount rate (%)	<b>8.75%</b>	<b>8.75%</b>	
	8.25%	8.25%	
Salary escalation rate(%)	<b>7%</b>	<b>7%</b>	
	6%	6%	
Expected amount of return on plan assets	<b>NIL</b>	<b>NIL</b>	
	NIL	NIL	

Figures in Bold represents current financial year & others represents for previous year.

### 31. Segment Information:

Primary Business Segment:

(Rs. In Lakhs)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
<b>1 Segment Revenue</b>		
(a) Construction	21,395.98	17,204.45
(b) Renewable Energy	293.70	-
<b>Total</b>	<b>21,689.68</b>	<b>17,204.45</b>
Less: Inter Segment Revenue	-	-
Net Sales From Operations	21,689.68	17,204.45
<b>2 Segment Results</b>		
<b>Profit / (Loss) Before Tax and interest from each Segment</b>		
(a) Construction	4,683.66	4,314.95
(b) Renewable Energy	(155.17)	-
<b>Total</b>	<b>4,528.49</b>	<b>4314.95</b>
<b>Less : Interest</b>	<b>154.62</b>	<b>1,566.34</b>
<b>Total Profit / (loss) before Tax</b>	<b>4373.87</b>	<b>2,748.61</b>



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

## 32. Related Party Disclosures:

### a. Name of Related Parties and Related Party Relationship

#### Key Management Personnel

**ij] Late Shri. Chhotalal S. Ajmera**  
(Chairman & Managing Director)  
upto 24th March, 2012

**ii] Shri. Rajnikant S. Ajmera\***  
(Chairman & Managing Director)

**iiij] Shri. Manoj I. Ajmera\***  
(Managing Director)

**iv] Shri. Sanjay C. Ajmera\***  
(Wholetime Director)

\* Appointed w.e.f. 24th April, 2012

### b. Relatives of Key Management Personnel

- Atul C. Ajmera Huf
- Atul C. Ajmera
- Bhogilal S. Ajmera
- Binal S. Ajmera
- Jyoti N. Ajmera
- Sanjay C. Ajmera
- Dhaval R. Ajmera
- Dhaval R. Ajmera Huf
- Ishwarlal S. Ajmera Huf
- Jayant I. Ajmera
- Jayant I. Ajmera Huf
- Manoj I. Ajmera Huf
- Megha S. Ajmera
- Natwarlal S. Ajmera
- Natwarlal S. Ajmera Huf
- Rajnikant S. Ajmera Huf
- Sanjay C. Ajmera Huf
- Sonali A. Ajmera
- Surendra I. Ajmera Huf
- Tanvi M. Ajmera



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

### C. Related Parties Where Control exists

	<b>Name of the Party</b>
<b>Subsidiaries</b>	<ul style="list-style-type: none"><li>i. Jolly Brothers Private limited</li><li>ii. Ajmera Estate Karnataka Private Limited</li><li>iii. Ajmera Mayfair Global W.L.L</li><li>iv. Ajmera Biofuel Limited</li></ul>
<b>Limited Liability Partnership</b>	<ul style="list-style-type: none"><li>i. Sana Buildpro LLP</li><li>ii. Laudable Infrastructure LLP</li></ul>
<b>Associates &amp; joint Ventures</b>	<ul style="list-style-type: none"><li>i. Ultratech Property Developers Private limited</li><li>ii. A.G. Estate Private Limited</li><li>iii. Ajmera Cement Private Limited</li><li>iv. Ajmera Citi Developers Private Limited</li><li>v. Ajmera Housing Corporation</li><li>vi. Ajmera Housing Corporation Bangalore</li><li>vii. Ajmera Realcon Private Limited</li><li>ix. Ajmera Bora Associates</li><li>x. Ajmera Water N Amusement Park Private Limited</li><li>xi. Bombay Freezco Private Limited</li><li>xii. Four Brothers</li><li>xiii. V.M. Procon Private limited</li><li>xiv. Nilkanth Tech Park Private Limited</li><li>xv. Pramukh Development Corporation</li><li>xvi. Sankalp Holdings Private Ltd</li><li>xvii. Shree Precoated Steel Limited</li><li>xviii. Vijay Nagar Corporation</li><li>xix. Yogi Nagar Vasahat Private Limited</li><li>xx. Rushab Investments Private limited</li></ul>



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

### c. Disclosure in respect of material transactions with related parties

(Rs. in Lakhs)

Nature of Transaction	Related Parties	2011-12	2010-11
	<b>Subsidiaries</b>		
Finance Received / (Paid)	Ajmera Estates (Karnataka) Private Limited	(6.17)	2182.50
	Jolly Brothers Private limited	(2.77)	(0.61)
	Ajmera Mayfair Global Realty W.L.L	(120.88)	(2332.59)
	Ajmera Biofuel Limited	(1200.02)	-
	<b>Total</b>	<b>(1329.84)</b>	<b>(4515.70)</b>
		<b>Associate &amp; Joint Ventures</b>	
Material Purchase	Ajmera Cement Private Limited	21.54	7.18
	<b>Total</b>	<b>21.54</b>	<b>7.18</b>
Finance Received / (Paid)	Ultratech Property Developers P Ltd	(560.34)	(286.96)
	V.M.Procons Private Limited	(2680.00)	-
	Sana Buildpro LLP	(288.75)	-
	Laudable Infrastructure LLP	(912.55)	-
	Ajmera Bora Associates	(25.00)	-
	Nilkanth Tech Park Private Limited	10,000.00	-
	Nilkanth Tech Park Private Limited	(10,000.00)	-
	<b>Total</b>	<b>(3645.35)</b>	<b>(286.96)</b>



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

### 33. The subsidiary companies considered in the consolidated Financial Statements are

Name of the Subsidiaries	Country of Proportion of	Incorporation Ownership Interest
Ajmera Estates Karnataka Private Limited	India	100.00%
Jolly Brothers Private Limited	India	100.00%
Ajmera Mayfair Global Realty W.L.L.	Baharain	60.00%
Ajmera Biofuel Limited	India	100.00%

- a. The significant associates / joint ventures considered in the consolidated financial statements are on total assets and liabilities basis. However company share of ownership is as under

Name of the Associate / Joint Venture	Country of Incorporation of	Proportion Ownership Interest
Ultra Tech Property Developers Private Limited	India	36.00%
V.M.Procon Private Limited	India	50.00%
Sana Buildpro LLP	India	74.90%
Laudable Infrastructure LLP	India	90.00%

### 34. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:

There are no delays in payment to Micro and Small enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006.

The above information and that given in note no.8 – “Trade payables” regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

As per our Audit Report of even date  
For and on behalf of  
**V. PAREKH & ASSOCIATES**  
Chartered Accountants  
Firm Registration No : 107488W

**RASESH V. PAREKH**  
Partner  
Membership No. 38615

Place : MUMBAI  
Date : 30<sup>th</sup> July, 2012

For and on behalf of Board  
**Ajmera Realty & Infra India Limited**

**RAJNIKANT S. AJMERA** - Chairman & Managing Director

**MANOJ I. AJMERA** - Managing Director

**HARSHINI D. AJMERA** - Company Secretary



**AJMERA REALTY & INFRA INDIA LIMITED**

"Citi Mall", Link Road, Andheri (West), Mumbai -400 053

**ATTENDANCE SLIP**

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

I hereby record my presence at TWENTY-FIFTH ANNUAL GENERAL MEETING on Friday, the 28<sup>th</sup> September, 2012, at 3:00 p.m at Esquire Hall, The Classique Club, Raheja Classique, Andheri Link Rd, Andheri (West), Mumbai - 400 053.

Full name of the Members (in BLOCK Letters)

Signature

Ledger Folio No : \_\_\_\_\_ DP ID\* \_\_\_\_\_ Client ID.\* \_\_\_\_\_

No. of Shares : \_\_\_\_\_

\* Applicable for members holding shares in electronic form.

Full name of the Proxy (in BLOCK Letters)

Signature

- NOTES: 1. Member/Proxy holder wishing to attend the Meeting must bring the Attendance Slip to the Meeting.  
 2. Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the Meeting.

**TEAR HERE**

**AJMERA REALTY & INFRA INDIA LIMITED**

"Citi Mall", Link Road, Andheri (West), Mumbai -400 053

**PROXY**

Ledger Folio No \_\_\_\_\_

I/we \_\_\_\_\_

of \_\_\_\_\_ being

a Member/Members of AJMERA REALTY & INFRA INDIA LIMITED hereby appoint \_\_\_\_\_

of \_\_\_\_\_ or failing him/her \_\_\_\_\_

of \_\_\_\_\_ or failing him/her \_\_\_\_\_

of \_\_\_\_\_ as my/our Proxy to attend and vote for me/us and on my/our behalf at

TWENTY-FIFTH ANNUAL GENERAL MEETING of the Company to be held on Friday, the 28<sup>th</sup> September 2012 at 3:00 p.m and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

DP ID \* \_\_\_\_\_ Client ID.\* \_\_\_\_\_

\* Applicable for members holding shares in electronic form.

\*\* In Favour of

This form is to be used \_\_\_\_\_ the resolution. Unless otherwise instructed, the Proxy will act as thinks fit.

\*\* Against

\*\* Strike out whichever is not desired.



- NOTES: 1. The Proxy must be returned so as to reach the Registered Office of the Company, not less than FORTY EIGHT Hours before the time of holding the aforesaid meeting.  
 2. Those members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.

TEAR HERE





## Go Green

The Ministry of Corporate Affairs (MCA), Government of India has taken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by companies, after considering the relevant sections of the Information Technology Act, 2000, for legal validity of compliances under the Companies Act, 1956 ('the Act') through electronic mode. The MCA has vide its Circular Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011, provided that a company would have to comply with Section 53 of the Act, if the service of the documents has been made through **electronic mode**, provided the company has obtained the email address of its members for sending the notice / documents through email by giving an advance opportunity to every member to register his / her email address and changes therein from time to time with the company. In cases where any member has not registered his / her email address with the company, the service of documents, etc. will be effected by other service as provided in Section 53 of the Act.

In light of the above, those members, who desire to receive notice / documents including Annual Reports through e-mail, are requested to **communicate their e-mail ID** and changes thereto from time to time to their **Depository Participant / Company's Share Registrars and Transfer Agents, Sharex Dynamic (India) Pvt. Ltd.** for receipt of notice/ documents including Annual Reports through e-mail.



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Unit: Ajmera Realty & Infra India Ltd.

Unit-1, Luthra Ind. Premises, 1st Flr, 44-E, M. V. Marg, Andheri-Kurla Rd., Safed Pool, Andheri (E), Mumbai - 400 072.