



Independent Auditor's Report

To the Members of

Marg Business Park Private Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Marg Business Park Private Limited, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

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

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Emphasis of Matter

Without qualifying our opinion, we invite attention to Note 21(a) regarding property of the Company of Rs 4,60,87,486/- provided as security for loans taken by Ultimate Holding Company and Note 21(b) regarding preparation of financial statements on a going concern basis. The accompanying financial statements have been prepared on a going concern basis after giving due considerations to matters more fully explained in aforesaid note.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For K RAMKUMAR & Co.,
Chartered Accountants
Firm Regn No: 02830S
R M V Balaji
(Partner)
Membership No. : 27476

Place: Chennai
Date: 14th May, 2014

ANNEXURE TO THE AUDITORS REPORT REFERRED TO IN OUR REPORT OF EVEN DATE TO
THE MEMBERS OF MARG BUSINESS PARK PRIVATE LIMITED UNDER THE COMPANIES
(AUDITORS' REPORT) ORDER 2003 FOR THE YEAR ENDED 31ST MARCH, 2014.

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) According to the information and explanation given to us the fixed assets have been physically verified by the management at the end of the financial year. No material discrepancies were noticed on such verification.
c) No substantial parts of fixed assets have been disposed off during the year.
2. a) As explained to us, physical verification of inventory had been conducted by the management at the end of the year.
b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) The Company is maintaining proper records of inventory and the discrepancies noticed on verification between physical stocks and books stocks were not material.
3. a) The company has not given any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act.
b) The Company has taken unsecured loans from it's Ultimate Holding Company. The maximum amount involved during the year was ₹ 4,33,52,536/- and the amount outstanding as on 31st March 2014 in respect of the above said loan is ₹ 2,72,60,385/-
The Company has also taken unsecured loans from it's Fellow Subsidiary Company. The maximum amount involved during the year was ₹ 1,63,33,799/- and the amount outstanding as on 31st March 2014 in respect of the above said loan is ₹ 1,63,33,799/-
c) According to the information and explanations given to us, the rate of interest and other terms and conditions of the loans are not, prima facie, prejudicial to the interest of the Company.
d) The loan taken is repayable on call by the lender and the company has repaid whenever such calls are made.
4. Having regard to the nature of the Company's business and based on our scrutiny of the records and the information and explanation received by us, we report that the Company's activities do not include purchase of inventory and sale of goods. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of the business, with regard to purchase of fixed assets
5. a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
b) In our opinion and according to the information and explanation given to us, these transactions have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public.
7. The Company is not required to have a separate internal audit system for the period under consideration.



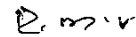
K. Ramkumar & Co.

CHARTERED ACCOUNTANTS

8. We have been informed that the Central Government has not prescribed the maintenance of Cost Records under the provisions of Section 209(1) (d) of the Companies Act, 1956.
9. a) The Company is irregular in depositing undisputed dues of income tax with the appropriate authorities. Other statutory dues including Sales tax, Customs duty are not applicable to the company. There were undisputed dues of ₹ 17,315,95/- as at 31st March 2014, payable for a period of more than six months from the date they become payable.
b) There are no disputed amounts of statutory dues which have not been deposited with the concerned authorities.
10. The Company does not have accumulated losses at the end of the financial year ended on 31.03.2014. It has not incurred any Cash loss during the current financial year ended 31.03.2014.
11. The Company has not taken loans from financial institutions/banks or issued debentures till 31st March, 2014. Hence, the question of reporting on defaults in repayment of dues to financial institutions/banks or debentures does not arise.
12. The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society.
14. According to the information and explanation given to us, the company is not dealing in or trading in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the company has given guarantees aggregating to ₹ 497,200,000/- for loans raised by others from Banks. In our opinion, the terms and conditions of the guarantees are not prejudicial to the interests of the company.
16. According to the records of the Company, the Company has not obtained term loans. Hence, comments under the clause 4 (xvi) are not applicable.
17. As per the books of accounts and according to the information and explanation given to us, we report that no funds raised on short term basis have been used for long term investment by the Company.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained U/s 301 of the Act.
19. The Company has not issued any debentures during the period
20. The Company has not raised any money by public issues during the period covered under audit.
21. According to the information and explanations given to us, no cases of fraud on or by the company has been noticed or reported during the year.

Place: Chennai
Date: 14th May, 2014

For K RAMKUMAR & Co.,
Regn No: 028305
Chartered Accountants



R M V Balaji
Partner
Membership No: 27476

MARG BUSINESS PARK PVT LTD

BALANCE SHEET

Particulars	Note	As At	As At
		31-Mar-2014	31-Mar-2013
		₹	₹
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	100,000	100,000
Reserves & Surplus	3	15,146,303	6,045,638
NON-CURRENT LIABILITIES			
Deferred Tax Liability (Net)	4	3,801	3,953
CURRENT LIABILITIES			
Short-Term Borrowings	5	19,497,773	32,753,474
Trade Payables	6	16,400,029	83,084
Other Current Liabilities	7	197,025,754	190,821,520
Short Term Provisions	8	2,276,340	215,590
		<u>250,450,000</u>	<u>230,023,259</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets:	9		
Tangible Assets		251,480	254,830
Long-Term Loans & Advances	10	8,569,324	9,097,674
CURRENT ASSETS			
Inventories	11	45,836,006	62,245,807
Trade Receivables	12	15,309,242	-
Cash & Cash Equivalents	13	179,108	147,306
Short-Term Loans & Advances	14	180,304,840	158,277,642
		<u>250,450,000</u>	<u>230,023,259</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 028305

Chartered Accountants

R. M. V. BALAJI

R M V BALAJI

Partner

Membership No : 27476

Place : Chennai

Date : 14-May-14

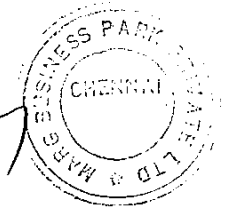
For and on behalf of Board of Directors

G R K REDDY

Director

V P RAJINI REDDY

Director



MARG BUSINESS PARK PVT LTD

STATEMENT OF PROFIT & LOSS

Particulars	Note	Year Ended 31-Mar-2014 ₹	Year Ended 31-Mar-2013 ₹
INCOME			
Project Income	15	64,674,000	8,719,200
Other Income	16	-	9,384,193
		64,674,000	18,103,393
EXPENSES			
Cost of Projects / Operating Expenses	17	34,350,361	2,212,332
Depreciation	9	3,350	2,825
Finance Cost	18	5,138,992	9,098,381
Other Expenses	19	13,804,444	29,533
		53,297,147	11,343,071
PROFIT (LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		11,376,853	6,760,322
Exceptional Items		-	-
PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX		11,376,853	6,760,322
Extraordinary Items		-	-
PROFIT (LOSS) BEFORE TAX		11,376,853	6,760,322
TAX EXPENSE			
Current Tax		2,276,340	1,288,180
Deferred Tax	20	(152)	122
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (A)		9,100,665	5,472,020
Profit (Loss) from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUING OPERATIONS (B)		-	-
PROFIT (LOSS) FOR THE PERIOD (A+B)		9,100,665	5,472,020
EARNINGS PER SHARE			
Basic (Face Value ₹ 10/-)		910.07	547.20
Diluted (Face Value ₹ 10/-)		910.07	547.20
SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS			

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No : 27476

Place : Chennai

Date : 14-May-14

For and on behalf of Board of Directors

G R K REDDY

Director

V P RAJINI REDDY

Director



MARG BUSINESS PARK PVT LTD

CASH FLOW STATEMENT

S No	Particulars	Year Ended 31-Mar-2014 ₹	Year Ended 31-Mar-2013 ₹
A	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Net Profit (Loss) before Taxation and Extraordinary Items	11,376,853	6,760,322
	Adjustment for:		
	Depreciation	3,350	2,825
	Finance Cost (Net)	5,138,992	9,098,381
	Operating Profit (Loss) before Working Capital Changes	16,519,195	15,861,528
	Decrease (Increase) in Trade Receivable	(15,309,242)	-
	Decrease (Increase) in Long-term Loans & Advances	528,350	-
	Decrease (Increase) in Short-term Loans & Advances	(19,966,448)	(157,848,585)
	Decrease (Increase) in Inventories	16,409,801	2,212,332
	Increase (Decrease) in Current Liabilities	6,204,234	181,912,796
	Increase (Decrease) in Short-term Provisions	(64,902)	(349,761)
	Increase (Decrease) in Trade Payables	16,316,945	28,651
	Cash Generated from Operations	20,637,933	41,816,961
	Income Tax Paid	(2,211,438)	(938,419)
	Cash Flow before Extraordinary Items	18,426,495	40,878,542
	Adjustment for Extraordinary Items (Preliminary Expenses)	-	-
	NET CASH FROM OPERATING ACTIVITIES (A)	18,426,495	40,878,542
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	-	-
	Proceeds from Sale of Fixed Assets	-	-
	NET CASH FROM INVESTING ACTIVITIES (B)	-	-
C	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Re-Payment of Short-term Borrowings	(13,255,700)	(31,845,116)
	Finance Cost Paid (Net)	(5,138,992)	(9,098,381)
	NET CASH USED IN FINANCING ACTIVITIES (C)	(18,394,692)	(40,943,497)
	Net Increase in Cash and Cash Equivalents (A+B+C)	31,802	(64,954)
	Cash and Cash Equivalents at beginning of Year	147,306	212,260
	Cash and Cash Equivalents at end of Year	179,108	147,306

As per our Report of even date attached

For K RAMKUMAR & CO.,

Chartered Accountants

Firm Regn. No: 02830S

R. M. V.

R M V BALAJI

Partner

Membership No: 27476

Place: Chennai

Date : 14-May-14

For and on behalf of Board of Directors


G R K REDDY

Director


V P RAJINI REDDY

Director



MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a. The Financial Statements are prepared under historical cost convention on accrual basis and going concern concept and materially comply with Accounting Standards (AS) as mandated by Rule 3 of the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956, to the extent applicable.
- b. The Company is a non small and medium sized company (Non-SMC) as defined in the General Instructions relating to Accounting Standards notified and accordingly the Company has complied with the Accounting Standards as applicable to Non-SMC.
- c. Use of Estimates: The preparation of financial statements requires the Management of the Company to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statement & reported income & expenses during the reporting period. Examples of such estimates include provisions for doubtful debts, employee retirement benefit plans, provisions for income taxes, useful life of fixed assets, accounting for work executed etc.

1.2 REVENUE RECOGNITION

All other Income and Expenses have been recognized on accrual system of accounting.

1.3 FIXED ASSETS & DEPRECIATION

- a. The Fixed Assets are stated at cost of acquisition including interest paid on specific borrowings up to the date of acquisition / installation of the assets and improvement thereon less depreciation.
- b. Depreciation is provided on fixed assets, on straight-line method, on pro-rata basis as per the rates specified in Schedule XIV of the Companies Act, 1956.
- c. Cost of assets not put to use before the year end are shown under Capital Work - in - Progress.
- d. The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset or recoverable amount of the cash generating divisions which the assets belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and recognized in the profit and loss account.

1.4 VALUATION OF CLOSING STOCK

- a. Raw Material: Raw Material, Stores and Spares are valued at weighted average cost. Cost comprises all costs of
- b. Work-in-progress: Work-in-progress is valued at cost or the contract rates whichever is lower.
- c. Completed projects: Completed Projects are valued at cost or net realizable value, whichever is less.

1.5 TAX ON INCOME

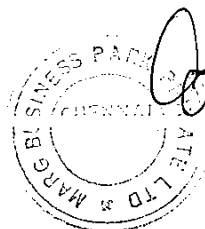
- a. The accounting treatment for income Tax in respect of Company's income is based on the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax on income for the current period is determined on the basis of Taxable Income computed in accordance with the provisions of the Income Tax Act, 1961.
- b. Deferred Tax on timing differences between the accounting income and taxable income for the year is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. In situations where the company has carry forward unabsorbed depreciation 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.

1.6 OPERATING LEASES

Assets subject to operating leases are included under fixed assets or current assets as appropriate. Lease income is recognized in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the profit and loss account.

1.7 INVESTMENTS

Investments are classified as long-term and current investments. Long-term investments are shown at cost or written down value (in case of other than temporary diminution) and current investments are shown at cost or market value whichever is lower.



MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

1.8 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted on the exchange rate prevailing at the date of the transaction. Foreign currency monetary items outstanding as at the Balance sheet date are reported using the closing date. Gain and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Account.

1.9 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of the asset/project. All the other borrowing costs are treated as period cost and charged to Profit and Loss account in the year in which they are incurred.

1.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when:

- The Company has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed.

1.11 EARNINGS PER SHARE

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

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

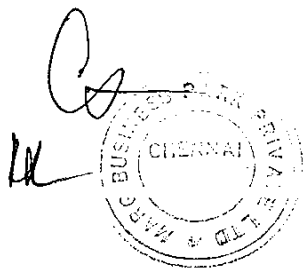
NOTE 2 : SHARE CAPITAL

2.1 Authorised, Issued, Subscribed and Paid up Capital:

Particulars	As At	As At	As At	As At
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
	Nos	Nos	₹	₹
Authorised Capital				
Equity Shares face value of ₹ 10/- each	100,000	100,000	1,000,000	1,000,000
Issued, Subscribed and Paid up Capital				
Equity Shares face value of ₹ 10/- each	10,000	10,000	100,000	100,000

2.2 Reconciliation of number of Equity Shares Outstanding:

Particulars	As At	As At
	31-Mar-2014	31-Mar-2013
	Nos	Nos
Shares Outstanding at the beginning of the year	10,000	10,000
Add: Shares Issued during the year		
Further Allotment	-	-
Shares Outstanding at the end of the year	10,000	10,000



MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

2.3 Equity Shares held by Group Companies :

Particulars	Class of Shares	As At	As At
		31-Mar-2014 Nos	31-Mar-2013 Nos
By Holding Company	Equity	10,000	10,000
		10,000	10,000

2.4 Shareholders holding more than 5 % :

Name of the Shareholders	As At 31-Mar-2014		As At 31-Mar-2013	
	Nos	%	Nos	%
Marg Properties Limited	10,000	100.00%	10,000	100.00%
	10,000	100.00%	10,000	100.00%

PARTICULARS	As At 31-Mar-2014		As At 31-Mar-2013	
	₹		₹	

NOTE 3 : RESERVES & SURPLUS

Profit & Loss Account:

Balance at the beginning of the Year	6,045,637	573,617
Profit / (Loss) for the Year	9,100,666	5,472,020
Balance at the end of the Year	15,146,303	6,045,638

NOTE 4 : DEFERRED TAX LIABILITY (NET)

Deferred Tax Liability	3,953	3,953
Less : Deferred Tax Asset	152	-
	3,801	3,953

NOTE 5 : SHORT-TERM BORROWINGS

Secured Short-term Loans:

Loans Repayable on Demand:

From Banks & Financial Institution:

Secured by way of mortgage of Residential Plots *	-	14,924,781
	-	14,924,781

* Loans Guranteed by Directors

Unsecured Short-term Loans:

From Others:

Loans From Holding Company	18,866,773	17,828,693
Loans From Other Companies	631,000	-
	19,497,773	17,828,693
	19,497,773	32,753,474

NOTE 6 : TRADE PAYABLE

Trade Payables	16,400,029	83,084
	16,400,029	83,084

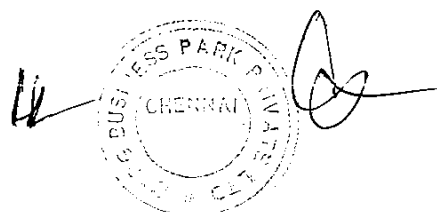
NOTE 7 : OTHER CURRENT LIABILITIES

Interest Accrued but Not Due on Borrowings	3,014,854	5,832,723
Interest Accrued and Due but not paid	5,832,723	
Other Payables		
Advances from Customers	183,223,585	183,223,585
Expenses Payable	32,072	33,617
Statutory Dues	4,922,520	1,731,595
	197,025,754	190,821,520

NOTE 8 : SHORT TERM PROVISIONS

Provision for Taxation	2,276,340	215,590
	2,276,340	215,590

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MARG BUSINESS PARK PVT LTD
Notes To The Financial Statements

NOTE 9 : FIXED ASSETS

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Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As At 31-Mar-2013	Additions	Deductions/ Transfers	As At 31-Mar-2014	Up to 31-Mar-2013	For the year	Deletions	Up to 31-Mar-2014	As At 31-Mar-2014	As At 31-Mar-2013
TANGIBLE ASSET										
OTHER ASSETS										
Agriculture Land	220,035	-	-	220,035	-	-	-	-	220,035	220,035
Land	17,924,957	46,533,182	64,458,139	-	-	-	-	-	-	17,924,957
Furniture	48,778	-	-	48,778	13,983	3,350	-	17,333	31,445	34,795
Total	18,193,770	46,533,182	64,458,139	268,813	13,983	3,350	-	17,333	251,480	18,179,787
Previous Year	18,193,770	-	-	18,193,770	8,071	3,088	-	11,158	18,182,612	18,185,699
CAPITAL WORK IN PROGRESS										
Capital Work in Progress	46,533,182	-	46,533,182	-	-	-	-	-	-	46,533,182
Total	46,533,182	-	46,533,182	-	-	-	-	-	-	46,533,182
Previous Year	34,152,765	12,380,417	-	46,533,182	-	-	-	-	46,533,182	34,152,765

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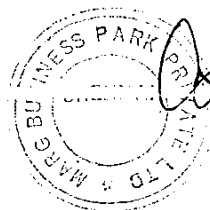


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MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

PARTICULARS	As At 31-Mar-2014 ₹	As At 31-Mar-2013 ₹
NOTE 10 : LONG-TERM LOANS AND ADVANCE		
Unsecured and considered good		
Capital Advance	8,550,824	9,079,174
Deposits	18,500	18,500
	<u>8,569,324</u>	<u>9,097,674</u>
NOTE 11 : INVENTORIES		
Land in Stock	45,836,006	62,245,807
	<u>45,836,006</u>	<u>62,245,807</u>
NOTE 12 : TRADE RECEIVABLES		
Unsecured and considered good		
Others	15,309,242	-
	<u>15,309,242</u>	<u>-</u>
NOTE 13 : CASH & CASH EQUIVALENTS		
Cash Balance	2,354	1,051
Balances with Scheduled Banks In Current Accounts	176,754	146,255
	<u>179,108</u>	<u>147,306</u>
NOTE 14 : SHORT-TERM LOANS & ADVANCES		
Unsecured Short-Term Loans & Advances and considered good		
Others		
Advances to Suppliers	548,349	20,000
Advances to Staff	3,000	3,000
Other Advances Recoverable	177,362,537	158,247,998
Prepaid Taxes	2,390,954	6,644
	<u>180,304,840</u>	<u>158,277,642</u>
NOTE 15 : INCOME FROM OPERATIONS		
Project Income	64,674,000	8,719,200
	<u>64,674,000</u>	<u>8,719,200</u>
NOTE 16 : OTHER INCOME		
Interest Income	-	9,384,193
	<u>-</u>	<u>9,384,193</u>
NOTE 17 : COST OF PROJECTS/OPERATING EXPENSES		
COST OF PROJECTS / OPERATING EXPENSES		
Opening Stock	62,245,807	-
	<u>62,245,807</u>	<u>-</u>
Expenditure During the year		
Cost of Projects / Operating Expenses	17,940,560	64,458,139
Closing Stock	45,836,006	62,245,807
	<u>45,836,006</u>	<u>62,245,807</u>
Cost of Projects / Operating Expenses	34,350,361	2,212,332
	<u>34,350,361</u>	<u>2,212,332</u>



MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

PARTICULARS	Year Ended	Year Ended
	31-Mar-2014	31-Mar-2013
	₹	₹
NOTE 18 : FINANCE COST		
Interest	27,159,631	8,981,617
Less : Interest Recovered	22,114,377	-
Net Interest	5,045,254	8,981,617
Bank & Finance Charges	93,738	116,764
	<u>5,138,992</u>	<u>9,098,381</u>
NOTE 19 : OTHER EXPENSES		
Rates & Taxes	697	4,398
Printing & Stationery	-	245
Payment to Auditors		
- Audit Fee	12,500	11,213
Prior Period Expenses	13,775,747	-
Legal & Professional Charges	15,500	13,677
	<u>13,804,444</u>	<u>29,533</u>
NOTE 20 : DEFERRED TAX EXPENSE (INCOME)		
Deferred Tax Liability for the year	(152)	122
	<u>(152)</u>	<u>122</u>

NOTE 21 : CONTINGENT LIABILITIES :

- Estimated amount of liability on capital contracts : ₹ 1.35 Mn (PY: 1.35)
- The Company has given its land as collateral security for loan raised by Marg Limited (Ultimate Holding Company)

NOTE 22: PREPARATION OF THE FINANCIAL STATEMENTS ON 'GOING CONCERN' BASIS

- The company's land of 12.76 acres having a carrying cost of ₹ 4,60,87,486/- (including development cost/project work in progress) as on 31st March'14 was provided as security for the loan taken from lenders by the Ultimate holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is exposed to the risks of attachment / sale by the lenders.
- The property of the company, provided as security as aforesaid, constitutes the project land and in the event of any attachment / sale by the Lenders the business of the company would be adversely affected. However as on date no such action has been initiated by the lenders and the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

NOTE 23 : DEFERRED TAX LIABILITY :

During the year an amount of ₹152 has been accounted for deferred tax asset from the profit of current year. The balance deferred tax liability outstanding as on 31-Mar-2014 is ₹ 3801 the details of which are as follows:

Particulars	Year Ended	Year Ended
	31-Mar-2014	31-Mar-2013
	₹	₹
Deferred Tax Assets		
Outstanding deferred tax Liability (net) at the beginning of the year	3,953	3,831
Timing Difference on account of Preliminary Expenses		-
Timing Difference on account of Depreciation	152	122
Outstanding deferred tax Liability (net) as at the end of the year	<u>3,801</u>	<u>3,953</u>

MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

NOTE 24 : RELATED PARTY DISCLOSURES :

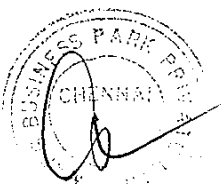
The following is the list of related parties:

- a. Holding Company – Marg Properties Limited
- b. Ultimate Holding Company – Marg Limited
- c. List of fellow subsidiaries, where control existed during the year:

Sl Company Name	Sl Company Name
1 Advance Infradevelopers Private Limited	2 Agni Infradevelopers Private Limited
3 Akhil Infrastructure Private Limited	4 Ambar Nivas Private Limited
5 Amir Constructions Private Limited	6 Anumanthai Beachside Resorts Private Limited
7 Anuttam Constructions Private Limited	8 Aprati Constructions Private Limited
9 Archana Infradevelopers Private Limited	10 Arohi Infrastructure Private Limited
11 Aroopa Infradevelopers Private Limited	12 Ashram Infradevelopers Private Limited
13 Atul Infrastructure Private Limited	14 Avatar Constructions Private Limited
15 Bharani Infrastructure Private Limited	16 Comex Infrastructure Private Limited
17 Darpan Houses Private Limited	18 Darshan Homes Private Limited
19 Dasha Infradevelopers Private Limited	20 Future Parking Private Limited
21 Guiding Infradevelopers Private Limited	22 Hilary Constructions Private Limited
23 Kanchanajunga Infradevelopers Private Limited	24 Karaikal Port Private Limited
25 Karaikal Power Company Private Limited	26 Kirtidhara Infrastructure Private Limited
27 Magnusopus Infrastructure Private Limited	28 Marg Aviations Private Limited
29 MARG Hotels and Service Apartments Private Limited	30 Marg Industrial Clusters Limited
31 Marg Infrastructure Developers Limited	32 Marg International Dredging PTE Ltd
33 Marg Logistics Private Limited	34 Marg Marine Infrastructure Limited
35 Marg Sri Krishnadevaraya Airport Private Limited	36 Marg Swarnabhoomi Port Private Limited
37 Marg Trading PTE Ltd	38 Mukta Infrastructure Private Limited
39 Navita Estates Private Limited	40 Navrang Infrastructure Private Limited
41 New Chennai Township Private Limited	42 O M R Developers Private Limited
43 Parivar Apartments Private Limited	44 Rainbow Habitat Private Limited
45 Riverside Infrastructure (India) Private Limited	46 Saptajit Projects Private Limited
47 Sarang Infradevelopers Private Limited	48 Shikha Infrastructure Private Limited
49 Shubham Vihar Private Limited	50 Signa Infrastructure India Limited
51 Sulekh Constructions Private Limited	52 Swatantra Infrastructure Private Limited
53 Talin Infradevelopers Private Limited	54 Uttarak Infradevelopers Private Limited
55 Vyan Infraprojects Private Limited	

- d. List of fellow subsidiaries, where control existed for part of the year:

Sl Company Name
1 Wisdom Constructions Private Limited



44

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MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

e) Key Management Personnel (KMP)

G R K Reddy

f) Relative of KMP

V P Rajini Reddy - Wife of KMP

g) Entities over which KMP of Holding Company and/or their relatives exercise control:

- 1 Akshya Infrastructure Private Limited
- 2 Avinash Constructions Private Limited
- 3 Exemplarr Worldwide Limited
- 4 Jeevan Habitat Private Limited
- 5 Marg Capital Markets Limited
- 6 Marg Foundation
- 7 Noble Habitat Private Limited
- 8 Swarnabhoomi Academic Institutions
- 9 Marg Digital Infrastructure Pvt Ltd

h) The following transactions were carried out with the related parties during the course of the business:

Particulars	Holding Company		Ultimate Holding Company		Fellow Subsidiaries		Entities over which KMP of Holding Company and / or their relatives exercise control	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Transactions								
Share Capital	-	-	-	-	-	-	-	-
Services Received	-	-	-	-	-	-	-	10,0
Loan Received / (Re-Paid) [Net]	390,000	-	3,598,970	(30,373,277)	16,221,802	-	631,000	-
Interest Paid	45,232,262	-	3,278,767	6,480,803	124,441	-	31,647	-
Services Rendered	-	-	-	-	-	-	-	-
Advance from Customers	15,309,242.00	-	-	-	-	-	-	-
Sale of Land	46,733,440	8,719,200	-	-	-	-	-	-
Guarantees and Collaterals Issued	-	-	(1,800,000)	-	-	-	-	-
Balances								
	As At		As At		As At		As At	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
Share Capital	-	-	-	100,000	-	-	-	-
Trade Payables	-	-	241,649	-	-	-	11,236	11,2
Trade Receivable	-	-	-	-	-	-	-	-
Loan Received / (Re-Paid) [Net]	422,317	-	27,018,736	23,661,416	16,333,799	-	662,647	-
Advance from Customers	167,914,342	183,223,584	-	-	-	-	-	-
Guarantees and Collaterals Issued	-	-	497,200,000	497,200,000	-	-	-	-
Guarantees and Collaterals Received	-	-	-	18,000,000	-	-	-	-



MARG BUSINESS PARK PVT LTD

Notes To The Financial Statements

NOTE 25 : INFORMATIONS UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT,2006

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as the period end together with interest paid / payable under this Act have not been given.

NOTE 26 : EARNINGS PER SHARE (EPS):

Particulars	Year Ended	Year Ended
	31-Mar-2014	31-Mar-2013
Profit After Tax (₹)		
For Basic & Diluted EPS	9,100,665	5,472,020
Weighted average number of equity shares (Nos)		
For Basic & Diluted EPS	10,000	10,000
Earning Per Share (₹)		
Basic	910.07	547.20
Diluted	910.07	547.20
Nominal Value Per Share (₹)	10	10

NOTE 27 : PRESENTATION OF PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year figures.

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R. M. V. BALAJI

R M V BALAJI

Partner

Membership No. 27476

Place : Chennai

Date : 14-May-14

For and on behalf of Board of Directors

G. R. K. REDDY

Director

V. P. RAJINI REDDY

Director

