

KRUPA REALTORS LIMITED

DIRECTORS' REPORT

Your Directors are pleased to present the Seventh Annual Report and the Audited Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS:

Particulars	Amount in Rs.	
	Year Ended 31-03-2014	Year Ended 31-03-2013
Total Income	-	-
Total Expenditure including Depreciation	26,727	25,578
Loss before tax	(26,727)	(25,578)
Less: Provision for tax	-	Nil
Loss after tax	(26,727)	(25,578)

OPERATIONS:

Your Company has further received Rs.1,21,112/- as unsecured interest free loans from its holding Company, Jai Realty Ventures Limited, during the year and also repaid an amount of Rs.25,000/- to Jai Realty Ventures Limited, during the year.

DIVIDEND:

In view of the loss for the year, your Directors do not recommend any dividend.

DIRECTORS:

Mr. Subodh Agrawal (DIN 01993001) who retires by rotation and being eligible, has offered himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the accounts for the financial year ended 31st March, 2014, applicable accounting standards have been followed along with proper explanation relating to material departure ;
- (ii) that appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the loss of the Company for the period ended on that date;

(iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that accounts for the financial year ended 31st March, 2014 have been prepared on a 'going concern' basis.

AUDITORS AND AUDITORS' REPORT:

M/s Pathak H. D. & Associates, Chartered Accountants, Mumbai, hold office as statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. It is proposed to re-appoint them as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting. Your Company has received the certificate from them confirming their eligibility for re-appointment pursuant to the provisions of Section 139 read with section 141 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014.

DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Nil

FIXED DEPOSIT:

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

PARTICULARS OF EMPLOYEES:

There are no employees whose remuneration requires disclosure in terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

ACKNOWLEDGEMENT:

Your Directors express their grateful appreciation for the assistance and co-operation received from the banks and other institutions, government authorities and shareholders during the period under review.

For and on behalf of the Board of Directors

Date: 05.05.2014
Place: Mumbai

Bijay Kumar Saraf
Director
(DIN:00084108)

INDEPENDENT AUDITORS' REPORT

To the Members of KRUPA REALTORS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of '**KRUPA REALTORS LIMITED**' ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 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 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.

:2:

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 loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the note 9.1 of the financial statement, in respect of non-receipt of balance confirmations of advances given for purchase of land.

Our opinion is not qualified in respect of above matter.

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 purposes 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 notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;

:3:

- 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 31st March, 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 PATHAK H.D. & ASSOCIATES
Chartered Accountants
(Firm Registration Number - 107783W)

Place: Mumbai
Date: 5th May 2014

ANUJ BHATIA
Partner
Membership No. 122179

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Krupa Realtors Limited on the accounts for the year ended 31st March 2014)

(i) In respect of its fixed assets:

The Company does not have any fixed assets, hence the provisions of Clause (i) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

(ii) In respect of its inventories:

The Company has inventories only in relation to the development projects in progress. It does not have any other inventories during the year. The management has physically verified the project under development and no discrepancies were noticed. The Company has maintained the proper records for these projects.

(iii) In respect of loans, secured / unsecured,

The Company has neither granted nor taken any loan, secured or unsecured, to/from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and hence the provisions of Clause (iii) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and for the sale of goods. During the year, the Company did not undertake any activity of purchase of inventory, fixed assets and sale of goods and services; however expenditure has been incurred by the Company in relation to the purchase of the inventory. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.

(v) According to the information and explanations given to us, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section.

(vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Hence, the provisions of Clause (vi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

Contd...2

:2:

- (vii) As the Company is not listed on any stock exchange or the paid up capital and reserves as at the Commencement of the financial year did not exceed Rupees Fifty lacs or average annual turnover for a period of three consecutive financial years immediately preceding the financial year did not exceed Rupees Five Crores, hence the provisions of Clause (vii) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (viii) As the Company is not listed company or net worth of it as on last date of immediately financial year was not excess of Rs. Five Crores or turnover during the immediately financial year was not in excess of Rs. Twenty Crores and accordingly, the cost records under Section 209(1)(d) of the Companies Act, 1956 as prescribed by Central Government are not applicable to the year under audit.
- (ix) In respect of statutory and other dues:
- (a) According to the records of the Company, the Company has generally been regular during the year in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax and Cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding except of Rs. 5040/- in respect of land revenue tax were outstanding as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating to Rs. 28,79,794/- that have not been deposited on account of matters pending before appropriate authorities are as under:-

Name of the Statute	Nature of the Dues	Amount in Rs.	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	18,14,488* 10,65,306#	2008-09 2009-10	Commissioner of Income Tax (Appeal)
Total		28,79,794		

(*)Net of amount Rs 65,50,000 deposited under protest

(#)Net of amount Rs 38,50,000 deposited under protest

Contd...3

:3:

- (x) The Company has accumulated losses at the end of the financial year which is not more than fifty per cent of its net worth. The Company has incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, the Company has not taken any borrowings from financial institutions, banks or debenture holders, hence the provisions of Clause (xi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Hence, the provisions of Clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xiv) The Company has no transactions and contracts in respect of dealing and trading in shares and other securities, hence the provisions of Clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xv) As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions, hence the provisions of Clause (xv) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, no term loan has been raised during the year & hence, the provisions of Clause (xvi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xvii) On review of utilization of funds based on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that prima facie, funds raised on short-term basis have not been utilized for long term investment.
- (xviii) During the year, the Company has not made preferential allotment of shares to the parties covered in the register maintained under Section 301 of the Companies Act, 1956.

Contd...4

:4:

- (xix) The Company has not issued any Debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For PATHAK H.D. & ASSOCIATES

Chartered Accountants

(Firm Registration Number - 107783W)

Place: Mumbai

Date: 5th May 2014

ANUJ BHATIA

Partner

Membership No. 122179

KRUPA REALTORS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2014

(Amount in Rs.)

Particulars	Note	As At	
		31 st March, 2014	As At 31 st March, 2013
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share Capital	2	500,000	500,000
Reserves and Surplus	3	<u>(167,776)</u>	<u>(141,049)</u> 358,951
2 Non-current Liabilities			
Long-term Borrowings	4	82,500,757	82,404,645
3 Current Liabilities			
Other Current Liabilities	5	24,925	40,085
TOTAL		<u><u>82,857,906</u></u>	<u><u>82,803,681</u></u>
II ASSETS			
1 Non-current Assets			
Long-term Loans and Advances	6	10,400,095	10,400,095
2 Current Assets			
Inventories	7	9,103,905	9,054,065
Cash and Bank Balances	8	10,226	5,841
Short-term Loans and Advances	9	<u>63,343,680</u>	<u>63,343,680</u> 72,403,586
TOTAL		<u><u>82,857,906</u></u>	<u><u>82,803,681</u></u>
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 17		

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia
Partner

Subodh Agarwal
Director
(DIN 01993001)

Bijay Kumar Saraf
Director
(DIN 00084108)

Place : Mumbai
Date : 5th May, 2014

KRUPA REALTORS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

				(Amount in Rs.)	
Particulars	Note	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013		
I Other Income		-	-		
II Total Revenue		-	-		
III Expenses					
Land Development Expenses	10	49,840	21,840		
Changes in Inventories of Work in Progress	11	(49,840)	(21,840)		
Other Expenses	12	26,727	25,578		
Total Expenses		26,727	25,578		
IV Profit / (Loss) Before Tax (II- III)		(26,727)	(25,578)		
V Tax Expense		-	-		
VI Net Profit / (Loss) for the Year (IV - V)		(26,727)	(25,578)		
VII Earnings per Equity Share of Rs.10 each (Basic and Diluted) (In Rs.)	13	(0.53)	(0.51)		
Significant Accounting Policies	1				
Notes on Financial Statements	2 to 17				

As per our report of even date
For Pathak H. D. & Associates
Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia
Partner

Subodh Agarwal
Director
(DIN 01993001)

Bijay Kumar Saraf
Director
(DIN 00084108)

Place : Mumbai

Date : 5th May, 2014

KRUPA REALTORS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in Rs.)

Particulars	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
A. Cash Flow from Operating Activities		
Net (Loss) before tax as per Statement of Profit and Loss	(26,727)	(25,578)
Adjusted for		
Inventories	(49,840)	(21,840)
Trade and Other Payables	(15,160)	21,840
Cash used in Operations	(91,727)	(25,578)
Direct Taxes Paid	-	(7,400,000)
Net Cash used in Operating Activities	(91,727)	(7,425,578)
B. Cash Flow from Investing Activities		
Net Cash from / (used in) Investing Activities	-	-
C. Cash Flow from Financing Activities		
Proceeds from Long term Borrowings	121,112	7,424,533
Repayment of Long Term Borrowings	(25,000)	-
Net Cash From Financing Activities	96,112	7,424,533
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	4,385	(1,045)
Opening Balance of Cash and Cash Equivalents	5,841	6,886
Closing Balance of Cash and Cash Equivalents #	10,226	5,841

Components of Cash and Cash equivalents Refer note 8

Notes :

- 1 Figures in brackets represent cash outflow.
- 2 The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standards) Rules, 2006.
- 3 The previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

As per our report of even date

For Pathak H. D. & Associates

Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia

Partner

Subodh Agarwal

Director
(DIN 01993001)

Bijay Kumar Saraf

Director
(DIN 00084108)

Place : Mumbai

Date : 5th May, 2014

KRUPA REALTORS LIMITED

Notes on Financial statements for the year ended 31st March, 2014

Note 1 Significant Accounting Policies

1.1 Basis Of Preparation Of Financial Statements

The financial statements have been prepared as a going concern under historical cost convention, in accordance with the notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 ("The Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of general circular 15/2013, dated 13th September 2013 of the Ministry of Corporate Affairs) as adopted consistently by the Company.

1.2 Use Of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3 Preliminary And Share Issue Expenses

Preliminary and share issue expenses are charged to the Statement of Profit and Loss in the year in which they are incurred.

1.4 Inventories

Cost of inventories consists of cost of land, land development expenses, material services, construction cost, interest and financial charges and other expenses related to project under development. In general, all Inventories of land are stated at lower of cost and net realisable value.

1.5 Provision For Current And Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual/reasonable certainty that the assets will be realized in future.

1.6 Provision, Contingent Liabilities And Contingent Assets

A provision is recognised 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, in respect of which a reliable estimate can be made. Provisions are not discounted to present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

KRUPA REALTORS LIMITED**Notes on Financial statements for the year ended 31st March, 2014****Note 2 - Share Capital**

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
Authorised		
85,000 Equity Shares of Rs. 10 each (85,000)	850,000	850,000
15,000 1% Optionally Convertible Non-Cumulative, Redeemable (15,000) Preference Shares of Rs. 10 each	150,000	150,000
Total	1,000,000	1,000,000
Issued, Subscribed and Paid up		
50,000 Equity Shares of Rs. 10 each fully paid up (50,000)	500,000	500,000
Total	500,000	500,000

Figures in bracket represent previous year figures.

2.1 Reconciliation of number of Equity Shares outstanding.

Particulars	As At	
	31 st March, 2014	31 st March, 2013
Number of Shares outstanding at the beginning of the year	50,000	50,000
Number of Shares outstanding at the end of the year	50,000	50,000

2.2 The Terms / Rights attached to the Equity Shares

Holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by shareholders.

2.3 Details of shares in the Company held by Holding Company

Name of the Company	As At	
	31 st March, 2014	31 st March, 2013
Jai Realty Ventures Limited Equity Shares (in Nos.) (Including Equity Shares held jointly with nominees)	50,000	50,000

2.4 Details of shares in the Company held by each shareholder holding more than 5% shares:

Name of Shareholder	As At 31 st March, 2014		As At 31 st March, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jai Realty Ventures Limited Equity Shares (Including Equity Shares held jointly with nominees)	50,000	100	50,000	100

KRUPA REALTORS LIMITED
Notes on Financial statements for the year ended 31st March, 2014

Note 3 - Reserves and Surplus

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
Surplus in statement of Profit and Loss	(141,049)	(115,471)
Add: (Loss) for the year	(26,727)	(25,578)
Closing Balance	(167,776)	(141,049)
Total	(167,776)	(141,049)

Note 4 - Long - Term Borrowings

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
Unsecured Loans		
Loan from Related Party	82,500,757	82,404,645
Total	82,500,757	82,404,645

- 4.1 The above interest free loan from Jai Realty Ventures Limited, holding company, is repayable on or before 30th June, 2015 with an option to the company to repay earlier if sufficient funds are available with the company.
- 4.2 For details refer note 16

Note 5 - Other Current Liabilities

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
Statutory Dues	5,880	5,040
Expenses Payable	19,045	35,045
Total	24,925	40,085

Note 6 - Long - Term Loans and Advances

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
(Unsecured, Considered Good)		
Income Tax (Net)	10,400,095	10,400,095
	10,400,095	10,400,095

- 6.1 Income Tax includes of **Rs. 1,04,00,000** (Previous Year Rs. 1,04,00,000) as deposit against Income Tax Appeal.

Note 7 - Inventories

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
Work-in-Progress - Land and Development Expenses	9,103,905	9,054,065
Total	9,103,905	9,054,065

- 7.1 Refer Note No.1.4 for mode of valuation of inventories

Note 8 - Cash and Bank Balances

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
Cash and Cash Equivalents		
Balance with a Bank in Current Account	10,226	5,841
Total	10,226	5,841

KRUPA REALTORS LIMITED
Notes on Financial statements for the year ended 31st March, 2014

Note 9 - Short - Term Loans and Advances

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
(Unsecured, Considered Good)		
Other Loans and Advances		
Advance towards purchase of Land	63,343,680	63,343,680
Total	63,343,680	63,343,680

9.1 Advance towards Purchase of Land are subject to confirmation, though management is confident of recovery.

Note 10 - Land Development Expenses

Particulars	(Amount in Rs.)	
	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
Land Assessment Tax	840	840
Other Charges	49,000	21,000
Total	49,840	21,840

Note 11 - Changes in Inventories of Work in Progress

Particulars	(Amount in Rs.)	
	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
At the end of the Year		
Work-in-Progress	9,103,905	9,054,065
At the beginning of the Year		
Work-in-Progress	9,054,065	9,032,225
Total	(49,840)	(21,840)

Note 12 - Other Expenses

Particulars	(Amount in Rs.)	
	Year Ended 31 st March, 2014	Year Ended 31 st March, 2013
Administrative and General Expenses		
Rates and Taxes	3,112	2,806
Legal, Professional and Consultancy Charges	9,289	8,727
Bank Charges	281	-
Payment to Auditors		
Audit Fees	14,045	14,045
Total	26,727	25,578

Note 13 - Earnings Per Equity Share

Particulars	Year Ended	
	31 st March, 2014	31 st March, 2013
Net (Loss) for the Year Attributable for Equity Shareholders for Basic and Diluted EPS (In Rs.)	(26,727)	(25,578)
Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.)	50,000	50,000
Basic and Diluted Earning per share of Rs. 10 each (in Rs.)	(0.53)	(0.51)
Face Value per Equity Share (in Rs.)	10.00	10.00

KRUPA REALTORS LIMITED
Notes on Financial statements for the year ended 31st March, 2014

Note 14 - Contingent Liabilities

Particulars	(Amount in Rs.)	
	As At 31 st March, 2014	As At 31 st March, 2013
Contingent Liabilities		
Claims against the Company not acknowledged as debts		
Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)		
- Income Tax	13,279,794	13,279,794
Total	13,279,794	13,279,794

- 14.1** During the Assessment Year 2009-10 Income tax department had carried out search and seizure actions under section 132 of the Income Tax Act, 1961 (" Act") in the case of the Company, its employees and close associates who were closely involved in the processing of acquiring the land. As a result, the Company had received demand of under section 156 of the Act. The Company has disputed the same and paid Rs.1,04,00,000 till 31st March, 2014 under protest and filed an appeal against the above order with CIT (A). The company has been advised that the above demands are not likely to be resulted into any material tax liability and hence no provision is considered necessary in respect of the above matter.

Note 15 - Segment Reporting

In the opinion of the Management and based on consideration of dominant source and nature of risk and returns, the Company's activities, during the year revolved around the single segment namely, "Builders and Developers". Considering the nature of Company's business and operations, there are no separate reportable segment (Business and/or Geographical) in accordance with the requirement of Accounting Standard 17-"Segment Reporting" as notified in the Companies (Accounting Standards) rules 2006.

Note 16 - Related Party Disclosure

Information on Related Parties Disclosures as per Accounting Standard (AS-18) - "Related Party Disclosures" are given below:

(A) List of Related Parties :

Jai Realty Ventures Limited Holding Company
 Jai Corp Limited Ultimate Holding Company

(B) Transactions with Related Parties :

Name of the Party	Nature of Transaction	2013-14	2012-13
Jai Realty Ventures Limited	Equity Shares		
	-- Opening Balance	500,000	500,000
	-- Closing Balance	500,000	500,000
	Long-term Borrowings		
	-- Opening Balance	82,404,645	74,980,112
	-- Received During the year	121,112	7,424,533
	-- Refund/Adjustment during the year	25,000	-
	-- Closing Balance	82,500,757	82,404,645
	Reimbursement of Expenses to	612	9,645

Note 17

Previous year's figures have been re-grouped, reworked, reclassified and re-arranged wherever necessary.

As per our report of even date

For Pathak H. D. & Associates

Chartered Accountants

For and on behalf of the Board of Directors

Anuj Bhatia
Partner

Subodh Agarwal
Director
(DIN 01993001)

Bijay Kumar Saraf
Director
(DIN 00084108)

Place : Mumbai
Date : 5th May, 2014