

# **RAINBOW INFRAPROJECTS LIMITED**

## **DIRECTORS' REPORT**

Your Directors are pleased to present the Sixth Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS:**

Particulars	Amount in Rs.	
	Year Ended 31-03-2014	Year Ended 31-03-2013
Total Income	-	-
Total Expenditure including Depreciation	45,821	44,840
Loss before tax	(45,821)	(44,840)
Add: Provision for tax	(5,727)	(5,388)
Loss after tax	(40,094)	(39,452)

### **OPERATIONS:**

Your Company has further received Rs. 32,612/- as unsecured interest free loans from its holding Company, Jai Realty Ventures Limited, during the year and repaid Rs.30,000/- to its holding Company, 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. Lalit Mohan Dhanda (DIN 0190944) 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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

**Ananjan Datta**  
**Director**  
**(DIN 0434224)**

## **INDEPENDENT AUDITORS' REPORT**

**To the Members of RAINBOW INFRAPROJECTS LIMITED**

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

We have audited the accompanying financial statements of **RAINBOW INFRAPROJECTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 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 to 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.

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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 , 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 11.1 of the financial statement, in respect of non-receipt of balance confirmations of certain advances given for purchase of land and development rights. 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;

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- 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 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 Reg. No. – 107783W)

**Anuj Bhatia**

Partner

Membership No. – 122179

Place : Mumbai

Date : 5<sup>th</sup> May 2014

## 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 Rainbow Infraprojects Limited on the accounts for the year ended 31<sup>st</sup> March 2014 )

- (i) In respect of its fixed assets:
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, all the fixed assets have been physically verified by the management. No material discrepancies were noticed on such verification as compared with the available records.
  - c. In our opinion and according to the information and explanation given to us, the Company has not disposed off a substantial part of its fixed assets during the year and going concern status of the Company is not affected.
- (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. 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.

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- (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.
- (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 as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanation given to us there are no dues of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Service Tax & Cess as applicable, which have not been deposited on account of any dispute.
- (x) The Company has accumulated losses at the end of the financial year which is 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.

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- (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.
- (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: 5<sup>th</sup> May 2014

**ANUJ BHATIA**  
Partner  
Membership No. 122179



**RAINBOW INFRAPROJECTS LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014**

**(Amount in Rs.)**

Particulars	Note	As At		As At
		31 <sup>st</sup> March, 2014		31 <sup>st</sup> March, 2013
<b>I EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
Share Capital	2	500,000		500,000
Reserves and Surplus	3	<u>(416,931)</u>	83,069	<u>(376,837)</u> 123,163
<b>2 Non-current Liabilities</b>				
Long-term Borrowings	4	122,972,257		122,969,645
Deferred Tax Liabilities (Net)	5	<u>1,615</u>	122,973,872	<u>7,342</u> 122,976,987
<b>3 Current Liabilities</b>				
Other Current Liabilities	6		14,045	14,045
<b>TOTAL</b>			<u><u>123,070,986</u></u>	<u><u>123,114,195</u></u>
<b>II ASSETS</b>				
<b>1 Non-current Assets</b>				
Fixed Assets - Tangible	7	5,715		24,977
Long-term Loans and Advances	8	<u>3,127</u>	8,842	<u>3,127</u> 28,104
<b>2 Current Assets</b>				
Inventories	9	7,685,169		7,685,169
Cash and Bank Balances	10	111,065		105,012
Short-term Loans and Advances	11	<u>115,265,910</u>	123,062,144	<u>115,295,910</u> 123,086,091
<b>TOTAL</b>			<u><u>123,070,986</u></u>	<u><u>123,114,195</u></u>
<b>Significant Accounting Policies</b>	1			
<b>Notes on Financial Statements</b>	2 to 16			

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

**L.M.Dhanda**  
Director  
DIN No: 00190944

**A. Datta**  
Director  
DIN No: 00434224

**Place :** Mumbai  
**Date :** 5<sup>th</sup> May, 2014

**RAINBOW INFRAPROJECTS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

		<b>(Amount in Rs.)</b>	
<b>Particulars</b>	<b>Note</b>	<b>Year Ended 31<sup>st</sup> March, 2014</b>	<b>Year Ended 31<sup>st</sup> March, 2013</b>
I Other Income		-	-
II <b>Total Revenue</b>		<b>-</b>	<b>-</b>
III <b>Expenses</b>			
Depreciation	7	19,262	19,262
Other Expenses	12	26,559	25,578
<b>Total Expenses</b>		<b>45,821</b>	<b>44,840</b>
IV <b>Profit / (Loss) Before Tax (II- III)</b>		<b>(45,821)</b>	<b>(44,840)</b>
V <b>Tax Expense</b>			
Deferred Tax Expenses / (Credit)		(5,727)	(5,388)
VI <b>Net Profit / (Loss) for the Year (IV - V)</b>		<b>(40,094)</b>	<b>(39,452)</b>
VII <b>Earnings per Equity Share of Rs.10 each (Basic and Diluted) (In Rs.)</b>	13	<b>(0.80)</b>	<b>(0.79)</b>
<b>Significant Accounting Policies Notes on Financial Statements</b>	<b>1 2 to 16</b>		

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

**L.M.Dhanda**  
Director  
DIN No: 00190944

**A. Datta**  
Director  
DIN No: 00434224

**Place :** Mumbai  
**Date :** 5<sup>th</sup> May, 2014

**RAINBOW INFRAPROJECTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
<b>A. Cash Flow from Operating Activities</b>		
Net (Loss) before tax as per Statement of Profit and Loss	(45,821)	(44,840)
<b>Adjusted for</b>		
Depreciation	19,262	19,262
<b>Operating Loss before Working Capital Changes</b>	(26,559)	(25,578)
<b>Adjusted for</b>		
Other Receivables	30,000	-
<b>Net Cash From/(used in) Operating Activities</b>	<b>3,441</b>	<b>(25,578)</b>
<b>B. Cash Flow from Investing Activities</b>	-	-
<b>Net Cash From/ (used in) Investing Activities</b>	-	-
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Long term Borrowings	32,612	23,033
Re-payment of Long term Borrowings	(30,000)	-
<b>Net Cash From/ (used in) Financing Activities</b>	<b>2,612</b>	<b>23,033</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>6,053</b>	<b>(2,545)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>105,012</b>	<b>107,557</b>
<b>Closing Balance of Cash and Cash Equivalents #</b>	<b>111,065</b>	<b>105,012</b>

# Components of Cash and Cash equivalents Refer note 10

**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 and reclassified wherever necessary.

As per our report of even date

**For Pathak H. D. and Associates**  
Chartered Accountants

For and on behalf of the Board of Directors

**Anuj Bhatia**  
Partner

**L.M.Dhanda**  
Director  
DIN No: 00190944

**A. Datta**  
Director  
DIN No: 00434224

**Place :** Mumbai  
**Date :** 5<sup>th</sup> May, 2014

## **RAINBOW INFRAPROJECTS LIMITED**

**Notes on Financial statements for the year ended 31<sup>st</sup> 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 Fixed Assets**

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss, if any.

#### **1.4 Depreciation**

Depreciation is provided on straight line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

#### **1.5 Preliminary And Share Issue Expenses**

Preliminary and Share Issue expenses are charged off to the Statement of Profit and Loss in the year in which they are incurred.

#### **1.6 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.

#### **1.7 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.

#### **1.8 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.

**RAINBOW INFRAPROJECTS LIMITED**

Notes on Financial statements for the year ended 31<sup>st</sup> March, 2014

**Note 2 - Share Capital**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>Authorised</b>		
<b>60,000</b> Equity Shares of Rs. 10 each (60,000)	<b>600,000</b>	600,000
<b>40,000</b> 1% Optionally Convertible Non-Cumulative, Redeemable (40,000) Preference Shares of Rs. 10 each	<b>400,000</b>	400,000
<b>Total</b>	<b>1,000,000</b>	1,000,000
<b>Issued, Subscribed and Paid up</b>		
<b>50,000</b> Equity Shares of Rs. 10 each fully paid up (50,000)	<b>500,000</b>	500,000
<b>Total</b>	<b>500,000</b>	500,000

Figures in bracket represent previous year figures.

**2.1 Reconciliation of number of Equity Shares outstanding.**

Particulars	As At	
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
Number of Shares outstanding at the beginning of the year	<b>50,000</b>	50,000
Number of Shares outstanding at the end of the year	<b>50,000</b>	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**

Particulars	As At	
	31 <sup>st</sup> March, 2014	31 <sup>st</sup> March, 2013
<b>Jai Realty Ventures Limited</b> Equity Shares (in Nos.) ( Including Equity Shares held jointly with nominees)	<b>50,000</b>	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 <sup>st</sup> March, 2014		As At 31 <sup>st</sup> March, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Jai Realty Ventures Limited,</b> Equity Shares ( Including Equity Shares held jointly with nominees)	<b>50,000</b>	<b>100</b>	50,000	100

**RAINBOW INFRAPROJECTS LIMITED**  
**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2014**

**Note 3 - Reserves and Surplus**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>Surplus in Statement of Profit and Loss</b>	<b>(376,837)</b>	<b>(337,385)</b>
Add: (Loss) for the year	<b>(40,094)</b>	<b>(39,452)</b>
<b>Closing Balance</b>	<b>(416,931)</b>	<b>(376,837)</b>
<b>Total</b>	<b>(416,931)</b>	<b>(376,837)</b>

**Note 4 - Long - Term Borrowings**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>Unsecured Loans</b>		
Loan from Related Party	122,972,257	122,969,645
<b>Total</b>	<b>122,972,257</b>	<b>122,969,645</b>

- 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 15

**Note 5 - Deferred Tax Liabilities (Net)**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	1,615	7,342
<b>Deferred Tax Assets</b>	-	-
<b>Total</b>	<b>1,615</b>	<b>7,342</b>

**Note 6 - Other Current Liabilities**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
Expenses Payable	14,045	14,045
<b>Total</b>	<b>14,045</b>	<b>14,045</b>

**Note 8 - Long - Term Loans and Advances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>(Unsecured, Considered Good)</b>		
Income Tax (Net)	3,127	3,127
<b>Total</b>	<b>3,127</b>	<b>3,127</b>

**RAINBOW INFRAPROJECTS LIMITED**  
**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2014**

**Note 9- Inventories**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
Work-in-Progress - Land and Development Expenses	7,685,169	7,685,169
<b>Total</b>	<b>7,685,169</b>	<b>7,685,169</b>

9.1 Refer Note No.1.6 for mode of valuation of inventories.

**Note 10 - Cash and Bank Balances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>Cash and Cash Equivalents</b>		
Balance with Banks in Current Account	111,065	105,012
<b>Total</b>	<b>111,065</b>	<b>105,012</b>

**Note 11 - Short Term Loans and Advances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>(Unsecured, Considered Good)</b>		
Advance towards Purchase of Land / Development Rights	115,265,910	115,265,910
Other Advances	-	30,000
	<b>115,265,910</b>	<b>115,295,910</b>

11.1 Advance towards Purchase of Land / Development Rights aggregating to Rs.42,812,910/- (Previous Year Rs.42,812,910/-) are subject to confirmation, though management is confident of recovery.

**Note 12 - Other Expenses**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
<b>Administrative and General Expenses</b>		
Rates and Taxes	3,112	2,806
Legal, Professional and Consultancy Charges	9,289	8,727
Bank Charges	113	-
<b>Payment to Auditors</b>		
Audit Fees	14,045	14,045
<b>Total</b>	<b>26,559</b>	<b>25,578</b>

**RAINBOW INFRAPROJECTS LIMITED**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2014**Note 13 - Earnings Per Equity Share**

Particulars	Year Ended 31 <sup>st</sup> March, 2014	Year Ended 31 <sup>st</sup> March, 2013
Net (Loss) for the Year Attributable for Equity Shareholders for Basic and Diluted EPS (In Rs.)	<b>(40,094)</b>	(39,452)
Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.)	<b>50,000</b>	50,000
Basic and Diluted Earning per share of Rs. 10 each (in Rs.)	<b>(0.80)</b>	(0.79)
Face Value per Equity Share (in Rs.)	<b>10.00</b>	10.00

**Note 14 - 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 15 - 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	(Amount in Rs.) 2012-13
Jai Realty Ventures Limited	<b>Equity Shares</b>		
	-- Opening Balance	<b>500,000</b>	500,000
	-- Closing Balance	<b>500,000</b>	500,000
	<b>Long-term Borrowings</b>		
	-- Opening Balance	<b>122,969,645</b>	122,946,612
	-- Received During the year	<b>32,612</b>	23,033
	-- Refund During the year	<b>30,000</b>	-
	-- Closing Balance	<b>122,972,257</b>	122,969,645
	<b>Reimbursement of Expenses to</b>	<b>612</b>	9,645

**Note 16**

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

**L.M.Dhanda**

Director  
 DIN No: 00190944

**A. Datta**

Director  
 DIN No: 00434224

**Place :** Mumbai  
**Date :** 5<sup>th</sup> May, 2014



**RAINBOW INFRAPROJECTS LIMITED**

Notes on Financial statements for the year ended 31<sup>st</sup> March, 2014

**Note 7 - Fixed Assets**

(Amount in Rs.)

Description	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	As At 1 <sup>st</sup> April, 2013	Additions	Deductions	As At 31 <sup>st</sup> March, 2014	Upto 31 <sup>st</sup> March, 2013	For the Year	Deductions/ Adjustments	Upto 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2014	As At 31 <sup>st</sup> March, 2013
<b>Tangible Assets - Owned</b>										
Office Equipment	118,825	-	-	<b>118,825</b>	93,848	19,262	-	<b>113,110</b>	<b>5,715</b>	24,977
<b>GRAND TOTAL</b>	<b>118,825</b>	-	-	<b>118,825</b>	<b>93,848</b>	<b>19,262</b>	-	<b>113,110</b>	<b>5,715</b>	<b>24,977</b>
PREVIOUS YEAR	118,825	-	-	118,825	74,586	19,262	-	93,848	24,977	-