

HIND AGRI PROPERTIES LIMITED

Regd. Office: 82, Maker Chambers III, Nariman Point, Mumbai- 21

Tel: (022) 22042554

DIRECTORS' REPORT

Your Directors are pleased to present the Fifth Director's Report and the Audited Financial Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS:

(Figures in Rs.)

Particulars	<u>Year Ended</u> <u>31-03-2011</u>	<u>Year Ended</u> <u>31-03-2010</u>
Total Income	-	-
Total Expenditure including Depreciation	19,530	24,988
Loss before Tax	19,530	24,988
Less: Provision for Tax	-	-
Loss after Tax	19,530	24,988

OPERATIONS:

Your Company has received Rs. 19.56 lakhs as unsecured interest free loans from its holding Company, Jai Realty Ventures Limited.

DIVIDEND:

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

DIRECTORS:

Mr. L. M. Dhanda retires by rotation and being eligible have offered himself for re-appointment. The Director who is being re appointed has intimated to your Company that he is eligible for being re appointed.

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, 2011, 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, 2011 and of the loss of the Company for the year 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, 2011 have been prepared on a 'going concern' basis.

AUDITORS AND AUDITORS' REPORT:

Messrs Pathak H D & Associates, Chartered Accountants, Mumbai, hold office as statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. Pursuant to the provisions of Section 224 (1B) of the Companies Act, 1956 your Company has received a certificate from Messrs Pathak H D & Associates, Chartered Accountants confirming their eligibility for re-appointment.

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, Government Authorities and Shareholders during the year under review.

For and on behalf of the Board of Directors

Date: 20.05.2011
Place: Mumbai

Director

Hind Agri Properties Limited
BALANCE SHEET AS AT 31st MARCH, 2011
Amount in (Rs.)

Particulars	Schedule	As at 31.03.2011		As at 31.03.2010
SOURCES OF FUNDS				
Shareholders 'Funds				
Share Capital	A		500,000	500,000
Loan Fund	B		93,528,500	91,572,500
Unsecured Loan				
Total			94,028,500	92,072,500
APPLICATION OF FUNDS				
Investment in agricultural land			30,587	30,587
Current Assets, Loans and Advances	C			
Inventories		-		-
Cash & Bank Balances		75,273		80,593
Loans & Advances		993		993
		76,266		81,586
Less: Current Liabilities & Provisions	D			
Current Liabilities		15,288		23,788
		15,288		23,788
Net Current Assets			60,978	57,798
Profit & Loss Account			93,936,935	91,984,115
Total			94,028,500	92,072,500
Significant Accounting Policies & Notes on Accounts	H			

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
Place : Mumbai
Date: 20th May 2011

Subodh Agarwal
Director

L.M.Dhanda
Director

Hind Agri Properties Limited

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2011

Amount in (Rs.)

Particulars	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
A) INCOME			
Variation in Inventory	E	-	(69,830,025)
		-	(69,830,025)
B) EXPENDITURE			
Land and Development Expenses	F	1,933,290	21,977,350
Administration & General Expense	G	17,788	24,844
Bank Charges		1,742	144
		1,952,820	22,002,338
Loss Before Tax		(1,952,820)	(91,832,363)
Less: Provision for Tax		-	-
Loss After Tax		(1,952,820)	(91,832,363)
Balance as per the last balance sheet		(91,984,115)	(151,752)
Balance Carried to Balance Sheet		(93,936,935)	(91,984,115)
Basic and Diluted earning per Equity Share of Rs.10 each (Refer note number 3 of Schedule "H")		(39.06)	(1,836.65)
Significant Accounting Policies & Notes on Accounts	H		

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

Place : Mumbai

Date: 20th May 2011

Subodh Agarwal

Director

L.M.Dhanda

Director

Hind Agri Properties Limited

SCHEDULE FORMING PART OF THE BALANCE SHEET

	Amount in (Rs.)	
	As at 31.03.2011	As at 31.03.2010
SCHEDULE "A"		
SHARE CAPITAL		
AUTHORISED		
4,85,000 (Previous Year 4,85,000) Equity shares of Rs 10 each	4,850,000	4,850,000
15,000 (Previous Year 15,000) 1% Optionally Convertible Non Cumulative Redeemable Preference Share of Rs.10 each	150,000	150,000
	5,000,000	5,000,000
ISSUED,SUBSCRIBED AND PAID UP		
50,000 (Previous Year 50000) Equity Shares of Rs 10 each fully paid up (Above shares are held by Jai Realty Ventures Ltd., the holding company including 5000 shares held jointly with nominee.)	500,000	500,000
	500,000	500,000
SCHEDULE "B"		
UNSECURED LOAN		
Long Term Loan from Holding Company	93,528,500	91,572,500
	93,528,500	91,572,500
SCHEDULE "C "		
CURRENT ASSETS, LOANS & ADVANCES		
CURRENT ASSETS		
INVENTORIES		
(As Certified & Valued by the Management)		
Work In Progress*	-	-
CASH AND BANK BALANCE		
Balance with Scheduled Banks In Current Account	75,273	80,593
LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Income Tax (Net)	993	993
	76,266	-
* Conveyance Deed is yet to be executed		
SCHEDULE "D"		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Other Liabilities	15,288	23,788
	15,288	23,788

Hind Agri Properties Limited

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT

	Amount in (Rs.)	
	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE "E"		
VARIAION IN INVENTORY		
<u>Closing inventory</u>		
Work in progress	-	-
<u>Opening Inventory</u>		
Work in progress	-	69,830,025
Variation in Inventory	-	(69,830,025)
SCHEDULE "F"		
LAND AND DEVELOPMENTS EXPENSES		
Cost of the land	1,890,360	21,948,910
Legal & Professional Expenses	5,500	21,000
Survey and Other Charges	37,430	7,440
	1,933,290	21,977,350
SCHEDULE "G"		
ADMINISTRATION & GENERAL EXPENSES		
Payment to Auditors	13,788	13,788
Filing Fees	1,500	1,500
Other Expenses	2,500	9,556
	17,788	24,844

Hind Agri Properties Limited

Cash Flow Statement for the year ended 31st March, 2011

	Amount in (Rs.)	
	2010-2011	2009-2010
A. Cash Flow from Operating Activities		
Net Loss before tax as per P & L Account	(1,952,820)	(91,832,363)
Adjusted for		
Operating Loss before Working Capital Changes	(1,952,820)	(91,832,363)
Adjusted for		
Trade and other receivables	-	-
Inventories	-	69,830,025
Trade Payables	(8,500)	(422,412)
Cash Generated from Operation	(1,961,320)	(22,424,750)
Direct Taxes Paid	-	-
Net Cash from / (used in) Operating Activities	(1,961,320)	(22,424,750)
B. Cash Flow from Investing Activities		
	-	-
Net Cash from / (used in) Investing Activities	-	-
C. Cash Flow from Financing Activities		
Proceeds of Long term Loans	2,096,000	22,477,500
Repayment of Long term Loans	(140,000)	(13,000)
Net Cash From /(used in) Financing Activities	1,956,000	22,464,500
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(5,320)	39,750
Opening Balance of Cash and Cash Equivalents	80,593	40,843
Closing Balance of Cash and Cash Equivalents	75,273	80,593

Notes :

- 1 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.
- 2 Bracket indicates cash outflow.
- 3 The Previous year's figures have been regrouped, rearranged, restated 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
Place : Mumbai
Date: 20th May 2011

Subodh Agarwal
Director

L.M.Dhanda
Director

Hind Agri Properties Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

SCHEDULE "H"

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under historical Cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as consistently adopted by the Company.

2 USE OF ESTIMATES

The presentation of financial statements in conformity with the generally accepted accounting principles 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 revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

3 INVENTORIES

Inventories comprise of cost of project activities under development (W.I.P.). 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 or net realisable value. Inventories of land are taken on the Agreement to sell.

4 INVESTMENTS

Current investments are carried at lower of cost and market value/NAV, computed individually. Long Term Investments are stated at cost. Provision for diminution in the value of long Term investments is made only if such decline is other than temporary in the opinion of the management.

5 PRELIMINARY AND SHARE ISSUE EXPENSES

Preliminary and Share Issue expenses are charged to the Profit & Loss account in the year in which they are incurred.

6 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 certainty that the assets will be realized in future.

7 PROVISION ,CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes on Accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

8 EQUITY INDEX / STOCK FUTURES

- Gains are recognized only on settlements/ expiry of the derivative instruments.
- All open positions are marked and unrealized gains/loss are netted on a scrip wise basis. Mark to market gains, if any, are not recognised
- Debit/ Credit balances on open positions are shown as other assets/ other liabilities, as the case may be.

B. NOTES ON ACCOUNTS

1 In the opinion of the Management, the Current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business.

2 Auditor's Remuneration

	Amount in (Rs.)	
	2010-11	2009-10
Audit Fees	13,788	13,788
	<u>13,788</u>	<u>13,788</u>

3 Basic and Diluted Earnings per Share

	2010-11	2009-10
(a) Net Loss available for equity Share Holder (Amount used as numerator)	(1,952,820)	(91,832,363)
(b) Weighted Average Number of equity shares used as denominator	50,000	50,000
(c) Basic and Diluted Earning Per Share	(39.06)	(1,836.65)

4 The deferred tax assets comprises of the following:

	As on 31.03.2011	As on 31.03.2010
(i) <u>Deferred Tax Liability</u>	-	-
(ii) <u>Deferred Tax Assets</u>	-	-
Disallowance under the Income Tax Act, 1961	309	618
	<u>309</u>	<u>618</u>
Deferred tax Assets (net)	<u>309</u>	<u>618</u>

Note: As at 31st March 2011 the Company has net Deferred Tax Assets of Rs.309. However in absence of virtual certainty that sufficient future taxable income will be available against which such Deferred tax Assets can be realised the same has not been recognised in the books of accounts in line with Accounting Standard 22 dealing with "Accounting For Taxes on Income"

5 As per Accounting Standard 18,"Related Party Disclosures " the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties and relationship.

(i)	Holding Companies:-	Jai Realty Ventures Limited Jai Corp Limited
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(ii) Transactions during the year with related parties :

	2010-11	(Amount in Rs.) 2009-10
Nature of Transaction		
Jai Realty Ventures Limited		
(a) Unsecured Loan		
(i) Opening Balance	91,572,500	69,108,000
(ii) Received during the year	2,096,000	22,477,500
(iii) Refund/Adjusted during the year	140,000	13,000
(iv) Closing Balance	93,528,500	91,572,500

6 There is no other information which is required to be disclosed in accordance with Para 3 & 4 of Part II of Schedule VI of the Companies Act,1956.

7 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.

8 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
Place : Mumbai
Date: 20th May 2011

Subodh Agarwal
Director

L.M.Dhanda
Director

BALANCE SHEET ABSTRACT AND COMPANY'S GENEREAL BUSINESS PROFILE

Registration No .

1	6	5	9	6	7
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 State Code

1	1
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Balance Sheet Date

3	1	-	0	3	-	2	0	1	1
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CAPITAL RAISED DURING THE YEAR (Amount in Rs Thousands) :

Public Issue

N	I	L
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 Right Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Private Placement

N	I	L
---	---	---

Preference Issue

N	I	L
---	---	---

POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities

9	4	0	4	4
---	---	---	---	---

 Total Assets

9	4	0	4	4
---	---	---	---	---

Sources of Funds

Paid-up Capital

5	0	0
---	---	---

 Reserves and Surplus

N	I	L
---	---	---

Secured Loans

N	I	L
---	---	---

 Unsecured Loans

9	3	5	2	9
---	---	---	---	---

Application of Funds

Net Fixed Assets

N	I	L
---	---	---

 Investments

3	1
---	---

Net Current Assets

9	3	8	0	2
---	---	---	---	---

 Misc . Expenditure

N	I	L
---	---	---

Accumulated Losses

1	9	6
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PERFORMANCE OF COMPANY (Amount in Rs. Thousand)

Turnover (Net) & Other Income

N	I	L
---	---	---

 Total Expenditure

2	0
---	---

Profit before Tax

(2	0)
---	---	---	---

 Profit after Tax

(2	0)
---	---	---	---

Earning Per Share in Rs.
(Basic & Diluted)

(0	.	3	9)
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 Dividend rate %

NIL

GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF THE COMPANY (as per monetary terms) :

Not Applicable