

MULTIFACED IMPEX LIMITED

DIRECTORS' REPORT

Your Directors are pleased to present the Seventeenth Annual Report and the Audited Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS:

Particulars	Amount in Rs.	
	Year Ended 31-03-2012	Year Ended 31-03-2011
Total Income	-	4,420
Total Expenditure including Depreciation	27,193	20,837
Loss before tax	27,193	16,417
Less: Provision for tax	Nil	Nil
Loss after tax	27,193	16,417

OPERATIONS:

Your Company has further received Rs. 1,35,697 as unsecured interest free loans from 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. Venugopal Nair, 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 period ended 31st March, 2012, 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, 2012 and of the profit 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 period ended 31st March, 2012 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 and other institutions, government authorities and shareholders during the period under review.

For and on behalf of the Board of Directors

**Sd/-
Director**

Date: 21.05.2012

Place: Mumbai

AUDITORS' REPORT

To
The Members of
Multifaced Impex Limited

1. We have audited the attached Balance Sheet of '**MULTIFACED IMPEX LIMITED**' ("**the Company**"), as at 31st March, 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. As required by the Companies (Auditor's Report) Order, 2003 issued by Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e. On the basis of the written representations received from the Directors as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - ii) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

For PATHAK H.D. & ASSOCIATES
Chartered Accountants
(Firm Registration Number - 107783W)

Place: Mumbai
Date: 21st May, 2012

ANUJ BHATIA
Partner
Membership No. 122179

ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 3 of our report of even date)

- (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.

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- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, 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) According to the information and explanations given to us, the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company, hence the provisions of Clause (viii) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (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 31st March, 2012 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.

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- (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. Therefore, 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, hence the provisions of Clause (xvi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

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- (xvii) On review of utilization of funds based on an overall examination of the Balance Sheet of the Company as at 31st March, 2012, 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: 21st May, 2012

ANUJ BHATIA
Partner
Membership No. 122179

MULTIFACED IMPEX LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2012

(Amount in Rs.)

Particulars	Note	As At	
		31st March, 2012	As At 31st March, 2011
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share Capital	2	504,500	504,500
(b) Reserves and Surplus	3	<u>(416,497)</u>	<u>(389,304)</u> 115,196
2 Non-current Liabilities			
Long-term Borrowings	4	9,644,595	9,508,898
3 Current Liabilities			
(a) Trade Payables	5	9,827	7,644
(b) Other Current Liabilities	6	<u>47,725</u>	<u>30,682</u> 38,326
TOTAL		<u><u>9,790,150</u></u>	<u><u>9,662,420</u></u>
II ASSETS			
1 Current Assets			
(a) Inventories	7	9,748,161	9,618,915
(b) Cash and Bank Balances	8	6,989	8,505
(c) Short-term Loans and Advances	9	<u>35,000</u>	<u>35,000</u> 9,662,420
TOTAL		<u><u>9,790,150</u></u>	<u><u>9,662,420</u></u>
Significant Accounting Policies	1		
Notes to the Financial Statements	1 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

A.Datta
Director

L.M.Dhanda
Director

Place : Mumbai
Date : 21st May, 2012

MULTIFACED IMPEX LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012****(Amount in Rs.)**

Particulars	Note	Year Ended 31st March, 2012	Year Ended 31st March, 2011
I Income			
Other Income	10	-	4,420
II Total Revenue		<u>-</u>	<u>4,420</u>
III Expenses:			
Land Development Expenses	11	129,246	109,392
Changes in Inventories of Work in Progress	12	(129,246)	(109,392)
Other Expenses	13	27,193	20,837
Total Expenses		<u>27,193</u>	<u>20,837</u>
IV Loss Before Tax (II- III)		(27,193)	(16,417)
V Tax Expense:		-	-
VI Loss for the Year (IV - V)		<u>(27,193)</u>	<u>(16,417)</u>
VII Earnings per Equity Share of Rs.10 each (Basic and Diluted) (in Rs.)	14	(0.54)	(0.33)
Significant Accounting Policies	1		
Notes to the Financial Statements	1 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

A.Datta
Director

L.M.Dhanda
Director

Place : Mumbai

Date : 21st May, 2012

MULTIFACED IMPEX LIMITED**Cash Flow Statement for the year ended 31st March, 2012****(Amount in Rs.)**

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
A. Cash Flow from Operating Activities		
Net Loss before tax as per Statement of Profit and Loss	(27,193)	(16,417)
Operating (Loss) before Working Capital Changes	(27,193)	(16,417)
Adjusted for		
Inventories	(129,246)	(109,392)
Trade Payables	19,226	9,820
Cash (used in) Operations	(137,213)	(115,989)
Net Cash (used in) Operating Activities	(137,213)	(115,989)
B. Cash Flow from Investing Activities		
Net Cash from / (used in) From Investing Activities	-	-
C. Cash Flow from Financing Activities		
Proceeds from Long Term Loan	135,697	102,424
Net Cash from Financing Activities	135,697	102,424
Net (Decrease) in Cash and Cash Equivalents (A+B+C)	(1,516)	(13,565)
Opening Balance of Cash and Cash Equivalents	8,505	22,071
Closing Balance of Cash and Cash Equivalents	6,989	8,505

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, 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

A. Datta
Director

L.M.Dhanda
Director

Place : Mumbai

Date : 21st May, 2012

MULTIFACED IMPEX LIMITED

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

Note 1 Significant Accounting Policies

(A) 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 provisions of the Companies Act, 1956 as adopted consistently by the Company.

(B) Use Of Estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based upon managements' best knowledge of current events and actions, actual results could differ from this estimates. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

(C) 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.

(D) 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.

(E) 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.

(F) 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.

MULTIFACED IMPEX LIMITEDNotes to the Financial statements for the year ended 31st March, 2012**Note 3 - Reserves and Surplus**

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
Securities Premium Reserve		
As per Last Balance Sheet	445,500	445,500
Deficit - Opening Balance	(834,804)	(818,387)
Add: Net Loss for the Year	(27,193)	(16,417)
Deficit - Closing Balance	(861,997)	(834,804)
Total	(416,497)	(389,304)

Note 4 - Long - Term Borrowings

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
Unsecured Loans		
Loan from Related Party (Refer Note 16)	9,644,595	9,508,898
Total	9,644,595	9,508,898

4.1 The above interest free loan from Jai Realty Ventures Limited, holding company, is repayable on or before 30th June, 2014.

Note 5 - Trade Payables

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
Micro, Small and Medium Enterprises*	-	-
Others	9,827	7,644
Total	9,827	7,644

5.1 * The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosures as required by notification dated 16.11.2007 issued by the Ministry of Company Affairs have not been given.

Note 6 - Other Current Liabilities

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
Statutory Dues	33,680	16,894
Other Expenses Payable	14,045	13,788
Total	47,725	30,682

Note 7 - Inventories

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
(As certified and valued by Management)		
Work-in-Progress - Land and Development Expenses	9,748,161	9,618,915
Total	9,748,161	9,618,915

7.1 Refer Note No.1 (D) for mode of valuation of inventories

MULTIFACED IMPEX LIMITED

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

Note 8 - Cash and Bank Balances

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
Cash and Cash Equivalents		
Balances with Banks in Current Accounts	6,989	8,505
Total	<u>6,989</u>	<u>8,505</u>

Note 9 - Short - Term Loans and Advances

Particulars	(Amount in Rs.)	
	As at 31st March, 2012	As at 31st March, 2011
(Unsecured, Considered Good)		
Other Loans and Advances		
Advance towards Purchase of Land #	35,000	35,000
	<u>35,000</u>	<u>35,000</u>
9.1 # Subject to Confirmation		

Note 10 - Other Income

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Sundry Credit Balance Written Back	-	4,420
Total	<u>-</u>	<u>4,420</u>

Note 11 - Land Development Expenses

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Land Assessment Tax	16,740	16,740
Security Charges	112,506	92,652
Total	<u>129,246</u>	<u>109,392</u>

Note 12 - Changes in Inventories of Work in Progress

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
At the end of the Year		
Work-in-Progress	9,748,161	9,618,915
At the beginning of the Year		
Work-in-Progress	9,618,915	9,509,523
Total	<u>(129,246)</u>	<u>(109,392)</u>

Note 13 - Other Expenses

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Administrative and General Expenses		
Rent		-
Other Repairs		-
Bank Charges	360	1,935
Other Expenses		
Payment to Auditors		
Audit Fees	14,045	13,788
Total	<u>27,193</u>	<u>20,837</u>

MULTIFACED IMPEX LIMITEDNotes to the Financial statements for the year ended 31st March, 2012**Note 14 - Earnings Per Equity Share**

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Net Loss for the Year Attributable for Equity Shareholders for Basic and Diluted EPS (In Rs.)	(27,193)	(16,417)
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.)	(0.54)	(0.33)
Face Value per Equity Share (in Rs.)	10.00	10.00
The effects of 1% Optionally Convertible Non-Cumulative Redeemable Preference Shares on the earning per share are anti dilutive and hence, the same is ignored for the purpose of calculation of dilutive earning per share.		

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	2011-12	(Amount in Rs.) 2010-11
Jai Realty Ventures Limited	(a) Unsecured loan		
	-- Opening Balance	9,508,898	9,406,474
	-- Received During the year	135,697	102,424
	-- Refund/Adjusted During the year	-	-
	-- Closing Balance	9,644,595	9,508,898

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

L.M.Dhanda
Director

Place : Mumbai
Date : 19th May, 2012