

## AUDITORS' REPORT

To  
The Members of  
Yug Developers Limited

1. We have audited the attached Balance Sheet of '**YUG DEVELOPERS LIMITED**' ("**the Company**"), as at 31<sup>st</sup> 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 31<sup>st</sup> March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> 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. Without qualify our report, we drawn attention to the note 9.1 of the financial statement, in respect of balance of advances against purchase of land, for which balance confirmations not received.
- g. 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 31<sup>st</sup> March, 2012;
  - ii) in the case of the Statement of Profit and Loss, of the profit 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: 22<sup>nd</sup> 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 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. Therefore, the provisions of Clause (vi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.

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- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (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 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating to Rs. 37,58,585/- 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	15,47,136*	2007-08	Commissioner of Income Tax (Appeal)
		12,11,163#	2008-09	
		10,00,286\$	2009-10	
<b>Total</b>		<b>37,58,585</b>		

(\*) Net of amount Rs.4,10,000 deposited under protest.

(#) Net of amount Rs.4,10,000 deposited under protest.

(\$) Net of amount Rs.3,20,000 deposited under protest.

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- (x) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the current financial year; however, it had incurred cash losses 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 31<sup>st</sup> 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: 22<sup>nd</sup> May, 2012

**ANUJ BHATIA**  
Partner  
Membership No. 122179

**YUG DEVELOPERS LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012**

**(Amount in Rs.)**

Particulars	Note	As At 31st March, 2012		As At 31st March, 2011
<b>I EQUITY AND LIABILITIES</b>				
<b>1 Shareholders' funds</b>				
(a) Share Capital	2	550,000		550,000
(b) Reserves and Surplus	3	<u>6,656,366</u>	7,206,366	<u>4,747,905</u> 5,297,905
<b>2 Non-current Liabilities</b>				
Long-term Borrowings	4		21,877,646	57,595,625
<b>3 Current Liabilities</b>				
(a) Trade Payables	5	-		783,238
(b) Other Current Liabilities	6	<u>14,045</u>	14,045	<u>13,788</u> 797,026
<b>TOTAL</b>			<u><u>29,098,057</u></u>	<u><u>63,690,556</u></u>
<b>II ASSETS</b>				
<b>Current Assets</b>				
(a) Inventories	7	17,194,377		53,033,988
(b) Cash and Bank Balances	8	25,161		11,103
(c) Short-term Loans and Advances	9	<u>11,878,519</u>	29,098,057	<u>10,645,465</u> 63,690,556
<b>TOTAL</b>			<u><u>29,098,057</u></u>	<u><u>63,690,556</u></u>
<b>Significant Accounting Policies</b>	1			
<b>Notes to the Financial Statements</b>	1 to 19			

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

**Subodh Agarwal**  
Director

**Place :** Mumbai  
**Date :** 22<sup>nd</sup> May, 2012

**YUG DEVELOPERS LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

**(Amount in Rs.)**

Particulars	Note	Year Ended 31st March, 2012	Year Ended 31st March, 2011
<b>I Income</b>			
Revenue From Operations	10	<u>38,601,519</u>	-
<b>II Total Revenue</b>		<u>38,601,519</u>	-
<b>III Expenses:</b>			
Land Development Expenses	11	11,760	-
Changes in Inventories of Work in Progress	12	35,839,611	-
Other Expenses	13	<u>28,053</u>	22,476
<b>Total Expenses</b>		<u>35,879,424</u>	22,476
<b>IV Profit /(Loss) Before Tax (II- III)</b>		2,722,095	(22,476)
<b>V Tax Expense:</b>			
Current Tax		813,634	-
<b>VI Profit / (Loss) for the Year (IV - V)</b>		<u>1,908,461</u>	<u>(22,476)</u>
<b>VII Earnings per Equity Share of Rs.10 each (Basic and Diluted) (in Rs.)</b>	14	38.17	(0.45)
<b>Significant Accounting Policies</b>	1		
<b>Notes to the Financial Statements</b>	1 to 19		

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

**Subodh Agarwal**  
 Director

**Place :** Mumbai

**Date :** 22<sup>nd</sup> May, 2012



## **YUG DEVELOPERS LIMITED**

### **Notes to the Financial statements for the year ended 31<sup>st</sup> 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) 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.

**(D) Preliminary And Share Issue Expenses**

Preliminary and Share issue expenses are charged to the Profit and Loss account.

**(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.

**(G) Equity Index / Stock Futures**

- i) Gains are recognized only on settlements/ expiry of the derivative instruments.
- ii) 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.
- iii) Debit/ Credit balances on open positions are shown as other assets/ other liabilities, as the case may be.

## Note 2 - Share Capital

Particulars	(Amount in Rs.)	
	As at 31st March 2012	As at 31st March 2011
<b>Authorised</b>		
<b>3,00,000</b> Equity Shares of Rs. 10 each (300,000)	<b>3,000,000</b>	3,000,000
<b>2,00,000</b> 1% Optionally Convertible Non-Cumulative, Redeemable (200,000) Preference Shares of Rs. 10 each	<b>2,000,000</b>	2,000,000
<b>Total</b>	<b>5,000,000</b>	5,000,000
<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>5,000</b> 1% Optionally Convertible Non-Cumulative, Redeemable (5,000) Preference Shares of Rs. 10 each	<b>50,000</b>	50,000
<b>Total</b>	<b>550,000</b>	550,000

## 2.1 (i) Reconciliation of number of Equity Shares outstanding.

Particulars	As at 31st March 2012	As at 31st March 2011
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

## (ii) Reconciliation of number of Preference Shares outstanding.

Particulars	As at 31st March 2012	As at 31st March 2011
Number of Shares outstanding at the beginning of the year	5,000	5,000
Number of Shares outstanding at the end of the year	5,000	5,000

## 2.2 (i) 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. The distribution will be in proportion to the number of equity shares held by shareholders.

## 2.3 (ii) The Terms of conversion / redemption of Preference Shares

1% Optionally Convertible, Non - cumulative, Redeemable Preference Shares (OCPS) of Rs.10/- each fully paid-up were allotted on 31st January, 2008. The OCPS are redeemable at any time from the date of allotment i.e. 31.01.2008 at the option of the Company or at the end of 20 years from the date of allotment at a premium of Rs. 990 each share. The holder has the option to seek conversion each OCPS at any time prior to redemption into One Equity Share of Rs. 10 each fully paid up. The OCPS will in respect to the right to liquidation, dissolution or winding up rank prior to all classes or series of equity shares and carry non-cumulative dividend of 1% per annum on the par value. The holder of the OCPS shall not have any voting rights except as provided under any law for the time being in force.

## 2.3 Redemption Premium on preference shares as mentioned above will be paid out of the Securities Premium Reserve and hence no provision has been considered necessary.

## 2.4 Details of shares in the Company held by Holding Company

Particulars	As at 31st March 2012	As at 31st March 2011
<b>Jai Realty Ventures Limited, Holding Company</b>		
Equity Shares (in Nos.) ( Including Equity Shares held jointly with nominees)	50,000	50,000
1% Optionally Convertible Non-Cumulative, Redeemable Preference Shares (in Nos.)	5,000	5,000

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

Name of Shareholder	As at 31st March 2012		As at 31st March 2011	
	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)	50,000	100	50,000	100
1% Optionally Convertible Non-Cumulative, Redeemable Preference Shares	5,000	100	5,000	100

Figures in bracket represent previous year figures.

**YUG DEVELOPERS LIMITED**

Notes to the Financial statements for the year ended 31<sup>st</sup> March, 2012

**Note 3 - Reserves and Surplus**

Particulars	(Amount in Rs.)	
	As at 31st March 2012	As at 31st March 2011
<b>Securities Premium Account</b>		
As per Last Balance Sheet	4,950,000	4,950,000
<b>Deficit - Opening Balance</b>	<b>(202,095)</b>	<b>(179,619)</b>
Add: Net Profit/(Loss) for the Year	<u>1,908,461</u>	<u>(22,476)</u>
<b>Deficit - Closing Balance</b>	<b>1,706,366</b>	<b>(202,095)</b>
<b>Total</b>	<b><u>6,656,366</u></b>	<b><u>4,747,905</u></b>

**Note 4 - Long - Term Borrowings**

Particulars	(Amount in Rs.)	
	As at 31st March 2012	As at 31st March 2011
<b>Unsecured Loans</b>		
Loan from Related Party (Refer Note 18)	21,877,646	57,595,625
<b>Total</b>	<b><u>21,877,646</u></b>	<b><u>57,595,625</u></b>

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	-	783,238
<b>Total</b>	<b><u>-</u></b>	<b><u>783,238</u></b>

\* 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
Other Expenses Payable	14,045	13,788
<b>Total</b>	<b><u>14,045</u></b>	<b><u>13,788</u></b>

**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	17,194,377	53,033,988
<b>Total</b>	<b><u>17,194,377</u></b>	<b><u>53,033,988</u></b>

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

7.2 Conveyance Deed is yet to be executed.

**YUG DEVELOPERS LIMITED**

 Notes to the Financial statements for the year ended 31<sup>st</sup> March, 2012

**Note 8 - Cash and Bank Balances**

Particulars	(Amount in Rs.)	
	As at 31st March 2012	As at 31st March 2011
<b>Cash and Cash Equivalents</b>		
Balance with Bank in Current Account	25,161	11,103
<b>Total</b>	<u>25,161</u>	<u>11,103</u>

**Note 9 - Short-term Loans and Advances**

Particulars	(Amount in Rs.)	
	As at 31st March 2012	As at 31st March 2011
Advance towards purchase of Land #	10,724,573	9,942,885
Income Tax (Net)	1,153,946	702,580
<b>Total</b>	<u>11,878,519</u>	<u>10,645,465</u>

9.1 Advance towards Purchase of Land aggregating to Rs. 10,724,573/- are subject to confirmation, though management is confident of recovery.

**Note 10 - Revenue from Operations**

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Sale of Product - Land	38,601,519	-
<b>Total</b>	<u>38,601,519</u>	<u>-</u>

**Note 11 - Land Development Expenses**

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Survey and Other Charges	11,760	-
<b>Total</b>	<u>11,760</u>	<u>-</u>

**Note 12 - Changes in Inventories of Work in Progress**

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
<b>At the end of the Year</b>		
Work-in-Progress	17,194,377	53,033,988
<b>At the beginning of the Year</b>		
Work-in-Progress	53,033,988	53,033,988
<b>Total</b>	<u>35,839,611</u>	<u>-</u>

**Note 13 - Other Expenses**

Particulars	(Amount in Rs.)	
	Year Ended 31st March, 2012	Year Ended 31st March, 2011
<b>Administrative and General Expenses</b>		
Rates and Taxes	3,520	4,000
Legal, Professional and Consultancy Charges	9,876	-
Bank Charges	112	165
Other Expenses	500	4,523
<b>Payment to Auditors</b>		
Audit Fees	14,045	13,788
<b>Total</b>	<u>28,053</u>	<u>22,476</u>

**YUG DEVELOPERS LIMITED**Notes to the Financial statements for the year ended 31<sup>st</sup> March, 2012**Note 14 - Earnings Per Equity Share**

Particulars	Year Ended 31st March, 2012	Year Ended 31st March, 2011
Net Profit /(Loss) for the Year Attributable for Equity Shareholders for Basic and Diluted EPS (In Rs.)	1,908,461	(22,476)
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.)	38.17	(0.45)
Face Value per Equity Share (in Rs.)	10.00	10.00

14.1 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 - Deferred Tax Assets (Net)**

The Deferred Tax Assets comprises of the following:

Particular	(Amount in Rs)	
	As at 31st March, 2012	As at 31st March 2011
<b>Deferred Tax Assets</b>		
Disallowance under the Income Tax Act, 1961	-	464
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	-	-
<b>Total</b>	<u>-</u>	<u>464</u>

As at 31st March, 2012, the Company has Net Deferred Tax Assets of Rs. Nil (Previous Year Rs. 464). However, in absence of virtual certainty that sufficient future taxable income will be available against such deferred tax assets can be realised, the same had not been recognised in the books of accounts in line with Accounting Standard 22 dealing with "Accounting for Taxes on Income".

**Note 16 - Contingent Liabilities**

Particulars	(Amount in Rs.)	
	As at 31st March 2012	As at 31st March 2011
<b>Contingent Liabilities</b>		
<b>Claims against the Company not acknowledged as debts</b>		
<b>Disputed Liabilities in Appeal (No Cash outflow is expected in the near future)</b>		
- Income Tax*	4,898,585	4,898,585
<b>Total</b>	<u>4,898,585</u>	<u>4,898,585</u>

\* During 2009-10 Income tax department has 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 has received demand of under section 156 of the Act. The Company has disputed the same and paid Rs.11,40,000 till 31st March, 2012 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 17 - 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.

**YUG DEVELOPERS LIMITED**

Notes to the Financial statements for the year ended 31<sup>st</sup> March, 2012

**Note 18 - Related Party Disclosure**

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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  
Jai Corp Limited

Holding Company  
Ultimate Holding Company

**(B) Transactions with Related Parties :**

<b>Name of the Party</b>	<b>Nature of Transaction</b>	<b>2011-12</b>	<b>(Amount in Rs.) 2010-11</b>
Jai Realty Ventures Limited	<b>(a) Unsecured loan</b>		
	-- Opening Balance	<b>57,595,625</b>	57,620,625
	-- Received During the year	<b>1,298,021</b>	700,000
	-- Refund/Adjusted During the year	<b>37,016,000</b>	725,000
	-- Closing Balance	<b>21,877,646</b>	57,595,625

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**Note 19**

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

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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

**Subodh Agarwal**  
Director

**Place :** Mumbai  
**Date :** 22<sup>nd</sup> May, 2012