

Sri Chaturbhuj Properties Limited

FINANCIAL STATEMENTS
for Financial Year ended 31st March, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of Sri Chaturbhuj Properties Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Sri Chaturbhuj Properties Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the statements 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 referred to in Sub-Section (3C) of the Section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' 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.

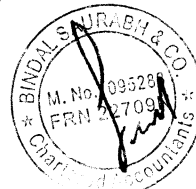
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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 an opinion on the effectiveness of the companies internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit 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.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the 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 paragraph 4 and 5 of the said Order.
2. As required by Section 227(3) of the Act, we report that:
 - i) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - ii) 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;
 - iii) the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) in our opinion the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 notified under the Companies Act read with the General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - v) on the basis of written representations received from the directors and taken on record by the Board of Directors, we report that none of the Directors of the Company is disqualified as on 31st March, 2014, from being appointed as a Director under Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.

Dated: 29th May, 2014
Place: New Delhi



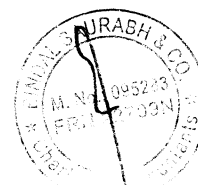
For BINDAL SAURABH & Co.
Chartered Accountants
FRNo. 022709N

(CA. SAURABH BINDAL)
Proprietor
Membership No.095283

ANNEXURE TO THE AUDITORS' REPORT

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

- i) The Company does not own any Fixed Assets hence the provisions of Clause 4(i) (a) to (c) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- ii) In respect of its inventories:
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- iii) Since the Company has not granted / accepted any loan, secured or unsecured to any parties covered in the register maintained under section 301 of the Companies Act, 1956 during the year hence the provisions of sub clause (a) to (g) of Clause 4(iii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- iv) Having regard to the nature of the company's business and based on our scrutiny of records of the company and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business. During the course of our audit no major weakness has been noticed in the internal control systems.
- v) In our opinion and according to the information and explanations given to us, there are no contracts or arrangements, the particulars of which need to be entered into the register maintained under Section 301 of the Company Act, 1956 hence the provisions of Clause 4(v) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- vi) The company has not accepted any deposits from the public accordingly Clause 4(vi) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- vii) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- viii) Looking to the nature of business carried by the Company, the provisions of Clause 4(viii) of the Companies (Auditor's Report) Order 2003 regarding maintenance of cost records are not applicable to the Company.
- ix) There are no statutory dues applicable to the company hence the provisions of the Clause 4(ix) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- x) In our opinion, the accumulated losses of the company are not more than 50% of its net worth. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not borrowed any monies from banks or financial institution or issued any debentures till 31st March 2014. Hence the question of reporting on defaults in repayment of dues to banks or financial institution or debentures does not arise.



- xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, the provisions of Clause 4(xii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) As per records of the Company and the information and explanations given to us by the management, Company is not dealing or trading in shares, securities, however the company has made certain investments in Mutual Fund units. In our opinion, the Company has maintained proper records of transaction and contracts of investments and has made timely entries therein. The aforesaid investments have been held by the Company in its own name.
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) According to the records of the company and the information and explanations given to us, the company has not obtained any term loans. Hence, comments under the clause are not called for.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds have been raised on short-term basis.
- xviii) The Company has not made any preferential allotment of shares during the year hence the provisions of Clause 4(xviii) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xix) The Company has not issued any debentures during the year hence the provisions of Clause 4(xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xx) The Company has not raised any money by way of public issue during the year, hence the provisions of Clause 4(xx) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Dated: 29th May, 2014
Place: New Delhi



For BINDAL SAURABH & Co.
Chartered Accountants
FIRNo. 022709N

(CA. SAURABH BINDAL)
Proprietor
Membership No.095283

BALANCE SHEET AS AT 31ST MARCH, 2014

	NOTE NO.	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
<u>EQUITY AND LIABILITIES</u>			
1. SHAREHOLDERS' FUNDS			
a) Share Capital	2	25,000,000	25,000,000
b) Reserves and Surplus	3	(287,858)	(499,546)
2. CURRENT LIABILITIES			
a) Other Current Liabilities	4	17,753	14,045
b) Short-Term Provisions	5	53,000	90,000
Total		24,782,895	24,604,499
<u>ASSETS</u>			
1) NON CURRENT ASSETS			
Other Non Current Assets	6	56,100	75,400
2) CURRENT ASSETS			
a) Current Investments	7	2,000,000	1,416,069
b) Inventories	8	22,377,162	22,377,162
c) Cash and Cash Equivalents	9	349,633	731,868
d) Other Current Assets	10	-	4,000
Total		24,782,895	24,604,499
Significant Accounting Policies and Notes on Financial Statements.	1 to 22		

As per our report of even date annexed.

For BINDAL SAURABH & Co.

Chartered Accountants

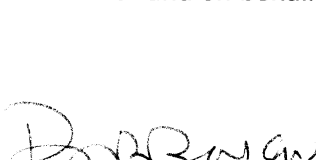
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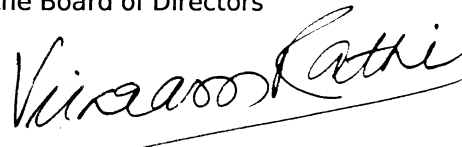
(CA. SAURABH BINDAL)

Proprietor

Membership no. 95283

For and on behalf of the Board of Directors


 (BRIJ RATTAN BAGRI)
 Director


 (VIKRAM RATHI)
 Director

Place: New Delhi

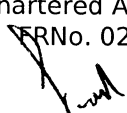
Date: 29/05/2014

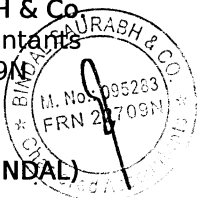
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH, 2014

	NOTE NO.	2013-14 ₹	2012 -13 ₹
INCOME			
Revenue from Operations	11	-	400,000
Other Income	12	313,658	16,069
Total Income		313,658	416,069
EXPENSES			
Changes in inventories of Stock-in-trade	13	-	-
Financial Costs	14	573	1,685
Amortization Expenses	15	4,800	158,240
Other Expenses	16	41,187	117,718
Total Expenses		46,560	277,643
PROFIT BEFORE TAX		267,098	138,426
Less : Tax Expense			
- Current Tax		53,000	90,000
- Tax relating to earlier year		2,410	-
PROFIT FOR THE PERIOD		211,688	48,426
EARNING PER SHARE (₹)			
Basic	20	0.08	0.02
Diluted	20	0.08	0.02

Significant Accounting Policies and Notes on Financial Statements. 1 to 22

As per our report of even date annexed.

For BINDAL SAURABH & Co.
Chartered Accountants
FRN No. 022709M

(CA. SAURABH BINDAL)
Proprietor
Membership no. 95283



For and on behalf of the Board of Directors


(BRIJ RATTAN BAGRI)
Director


(VIKRAM RATHI)
Director

Place: New Delhi
Date: 29/05/2014

CASH FLOW STATEMENT FOR THE PERIOD FROM 1st APRIL, 2013 TO 31st MARCH, 2014

	NOTE NO.	2013-14 ₹	2012 -13 ₹
A) CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit before Tax		267,098	138,426
Adjustment for:			
Preliminary & Share expenses Written Off		4,800	158,240
Gain on Sale of Investments		(311,928)	(16,069)
Operating profit before working Capital changes		(40,030)	280,597
Adjustment for:			
Changes in Current Liabilities		3,708	5,978
Changes in Current Assets		4,000	(3,883)
Net Cash from Operations		(32,322)	282,692
Direct Taxes Paid		(77,910)	(40,000)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		(110,232)	242,692
B) CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Investments		(2,300,000)	(300,000)
Sale of Investments		2,027,997	300,000
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(272,003)	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B)		(382,235)	242,692
Cash And Cash Equivalents - Opening Balance	9	731,868	489,176
Cash And Cash Equivalents - Closing Balance	9	349,633	731,868

As per our report of even date annexed.

For BINDAL SAURABH & Co.

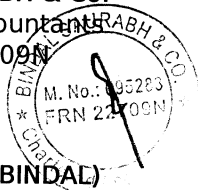
Chartered Accountants

FRNo. 022709M

(CA. SAURABH BINDAL)

Proprietor

Membership no. 95283



For and on behalf of the Board of Directors

Brij Rattan Bagri
(BRIJ RATTAN BAGRI)
Director

Vikram Rathi
(VIKRAM RATHI)
Director

Place: New Delhi

Date: 29/05/2014

1) SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A) Background:

Sri Chaturbhuj Properties Limited was incorporated under the Companies Act, 1956 on 01st June, 2007 with the main object of doing business of real estate. It is a wholly owned subsidiary of BLB Limited.

B) Significant Accounting Policies:

a) Basis of preparation of financial statements

The financial statements are prepared on accrual basis under the historical cost convention in accordance with the applicable accounting standards referred to in section 211(3C) and other relevant provisions of the Companies Act, 1956.

b) Use of Estimates

The preparations of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c) Inventories

- i) Inventories are value at cost or market value, whichever is lower.
- ii) Cost of inventory represent cost of purchases, lease rent and expenses incurred on registrations & other allied expenses.

d) Cash & Cash Equivalents

Cash & Cash Equivalents comprise of cash-in-hand and balances with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

f) Revenue Recognition

Revenue is primarily derived from operational activities are recognized on accrual basis.

Other Income

Gain on sale of Investment is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment. Revenue from Other heads of income is recognized on accrual basis.

g) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

h) Borrowing Costs

Borrowing costs are capitalized as part of the cost of qualifying asset when it is possible that will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

i) Earning per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

j) Income Tax

- i) Tax expense for the year, comprising current tax and deferred tax are provided in the accounts for determination of net profit for the year.
- ii) Current tax is calculated on the basis of applicable provisions of the Income tax Act, 1961.
- iii) Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- iv) MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period .In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI ,the said asset is created by way of credit to the statement of profit & loss and shown as MAT credit entitlement .The company reviews the same at each Balance sheet date and writes down the carrying amount of MAT credit Entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal Income tax during the specified period.

k) Provisions and Contingent liabilities

- i) The company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources.
- iii) When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote no provision or disclosure is made.
- iv) Contingent assets are neither recognized nor disclosed in the financial statements.

l) Miscellaneous Expenditure

Preliminary expenses and Share issue expenses are amortized over a period of five years.

Particular	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
2) SHARE CAPITAL		
a) <u>Authorised</u>		
Equity :		
10,000,000 Equity Shares of ₹ 10/- each (Previous Year: 10,000,000 Equity Shares of ₹ 10/- each)	100,000,000	100,000,000
	<u>100,000,000</u>	<u>100,000,000</u>
b) <u>Issued, Subscribed & Paid up</u>		
Equity :		
2,500,000 Equity Shares of ₹ 10/- each fully paid up) (Previous Year: 2,500,000 Equity Shares of ₹ 10/- each)	25,000,000	25,000,000
	<u>25,000,000</u>	<u>25,000,000</u>
c) The Company has only one class of shares referred to as equity a share having a par value of ₹ 10/- Each holder of equity shares is entitled to one vote per share.		
d) <u>Disclosure pursuant to Note No. 6(A)(d) of Part I of Schedule VI to the Companies Act, 1956 for Equity Shares</u>		
Shares Outstanding at the beginning of the year	2,500,000	2,500,000
Shares Issued during the year	Nil	Nil
Shares bought back during the year	Nil	Nil
Shares Outstanding at the end of the year	<u>2,500,000</u>	<u>2,500,000</u>
e) <u>Disclosure pursuant to Note No. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956</u>		
2,500,000 Equity Shares (Previous Year: 2,500,000 Equity Shares) are held by BLB Limited, the holding Company alongwith its nominee shareholders.		
f) <u>Disclosure pursuant to Note No. 6(A)(g) of Part I of Schedule VI to the Companies Act, 1956</u>		
Name of Shareholder	AS AT 31.03.2014	AS AT 31.03.2013
	No. of Shares Held	No. of Shares Held
	% of Holding	% of Holding
BLB Limited, Holding company (alongwith its nominee shareholders)	2,500,000	2,500,000
	100	100
3) RESERVES & SURPLUS		
Surplus in the Statement of Profit & Loss A/c		
Opening Balance	(499,546)	(547,972)
Net Profit For the Current Year	<u>211,688</u>	<u>48,426</u>
	<u>(287,858)</u>	<u>(499,546)</u>
4) OTHER CURRENT LIABILITIES		
Other payables	17,753	14,045
	<u>17,753</u>	<u>14,045</u>

Particular	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
5) SHORT TERM PROVISIONS		
Provision for current tax	53,000	90,000
	<u>53,000</u>	<u>90,000</u>
6) OTHER NON CURRENT ASSETS		
Share Issue Expenses	6100	10,900
Taxes Paid (Net of Provisions of earlier year)	50,000	64,500
	<u>56,100</u>	<u>75,400</u>
7) CURRENT INVESTMENT (AT COST)		
Current Investment (Non Trade)		
Un-quoted (Fully Paid-up Mutual Fund Units)		
- Reliance Liquid Fund		
[Par Value ₹ 1000/-]		
(Units: 644.359 previous year: 835.947)	2,000,000	1,416,069
Aggregate cost of unquoted Investments	<u>2,000,000</u>	<u>1,416,069</u>
NAV as on last date of the year	2,013,609	1,580,867
8) INVENTORIES		
Stock-in-trade	22,377,162	22,377,162
	<u>22,377,162</u>	<u>22,377,162</u>
9) CASH AND CASH EQUIVALENTS		
Balances with Banks in current accounts	70,714	452,289
Cash on Hand	278,919	279,579
	<u>349,633</u>	<u>731,868</u>
10) OTHER CURRENT ASSETS		
Advance recoverable in cash or kind or for value to be received.	-	4,000
	<u>-</u>	<u>4,000</u>
11) REVENUE FROM OPERATIONS		
Brokerage Income	-	400,000
	<u>-</u>	<u>400,000</u>
12) OTHER INCOME		
Gain on sale of Investments	311,928	16,069
Interest on Income Tax refund	1,730	-
	<u>313,658</u>	<u>16,069</u>

Particular	2013-14	2012-13
	₹	₹
13) CHANGE IN INVENTORY		
Opening Stock-in-Trade	22,377,162	22,377,162
Less: Closing Stock-in-Trade	<u>22,377,162</u>	<u>22,377,162</u>
	<u>-</u>	<u>-</u>
14) FINANCE COST		
Bank Charges	573	1,685
	<u>573</u>	<u>1,685</u>
15) AMORTISATION EXPENSES		
Preliminary Expenses written off	-	153,440
Share Issue Expenses written off	4,800	4,800
	<u>4,800</u>	<u>158,240</u>
16) OTHER EXPENSES		
Advertisement Expenses	-	59,617
Auditors Remuneration [Refer Note No. 22]	2,809	2,809
Filing Fees	1,500	2,032
Legal & Professional Charges	35,572	51,533
Sundry Expenses	1,306	1,727
	<u>41,187</u>	<u>117,718</u>

17) The Company has not received any intimation from 'Suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. However there are no dues outstanding to any suppliers as on Balance Sheet date.

18) Segment Accounting

The Company has no other reportable segment as specified by Accounting Standard 17 issued by The Institute of Chartered Accountants of India.

19) Related Party Disclosure

I) List of Related Party

a) Key Management Personnel & Relative

Sh.Brij Rattan Bagri (Chairman)*

b) Holding Enterprise BLB Limited*

** During the year and previous year the Company has not entered into any transaction With its related parties.*

20) Earning Per Share

Computation of Basic and Diluted Earnings Per Share.

Particulars	2013-14	2012-13
	₹	₹
a) Net Profit as per Statement of Profit & Loss available for Equity Shareholders.	211,688	48,426
b) Weighted average number of equity shares for Earnings Per Share computation. (In nos.)		
i) For Basic Earnings per Share.	2,500,000	2,500,000
ii) For Diluted Earnings per Share.	2,500,000	2,500,000
iii) Earnings Per Share		
Basic	0.08	0.02
Diluted	0.08	0.02

21) Previous year's figures have been regrouped and/ or rearranged wherever necessary to conform to this year's classification.

22) Contingent liabilities

Service tax payable on fees paid to Advocates stayed by Delhi High Court ₹ 927/- (Previous year: ₹ 927/-).

As per our report of even date annexed.

For BINDAL SAURABH & Co.

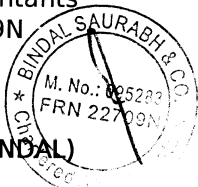
Chartered Accountants

ERN No. 022709N

(CA. SAURABH BINDAL)

Proprietor

Membership no. 95283



For and on behalf of the Board of Directors

(Signature)
(BRIJ RATTAN BAGRI)
Director

(Signature)
(VIKRAM RATHI)
Director

Place: New Delhi

Date: 29/05/2014