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Dated:

AUDITOR'S REPORT

To

The Members of
Ritesh Properties and Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Ritesh Properties & Industries Limited (the "Company") which comprise the Balance Sheet as at 31st March 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 Standards notified under the Companies Act, 1956 ('the act') read with the general circular 15/2013 dated 13th 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



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Opinion

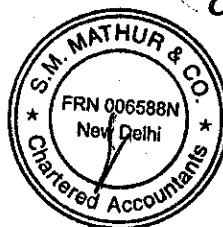
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 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 give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 2) As required by section 227(3) of the Companies Act, 1956, 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement with the Accounting Standards notified under the Companies Act, 1956 ('the act') read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - (e) on the basis of written representations received from the directors, as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

for **S. M. Mathur & Co.,**
Chartered Accountants
(FRNo.006588N)




(S. M. Mathur)
Proprietor

Place: New Delhi
Dated: 30.05.2014



Ref.....

Dated:

ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph (1) of our Report of even date)

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management in phased periodical manner which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets. No material discrepancies were noticed on such verification.
- c) As per the information and explanations given to us, the company has not disposed off any substantial part of its fixed assets during the year.
2. a) Inventories have been physically verified by the management at reasonable intervals during the year/at the year end.
- b) As explained to us, the procedure of physical verification of the stocks referred to in (a) above followed by the management, in our opinion are reasonable and adequate in relation to the size of the company and the nature of its business.
- d) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of its inventories and there were no material discrepancies noticed on physical verification of inventories as compared to the books of accounts.
3. a) The Company during the year under audit has taken loan from one Company (Previous Year One Company) in the register maintained under Section 301 of the Companies Act, 1956. The year-end aggregate balance of such loans taken from such parties was Rs.947.95 lacs (Previous Year Rs.2202.61 lacs). There are three (previous year four) Companies covered in the register maintained under Section 301 of the Companies Act, 1956, to which the company has granted loans. The year-end aggregate balance of loans granted to such parties was Rs. 265.38 lacs (Previous Year Rs. 525.20 lacs).
- b) The company has given loans to two wholly owned subsidiaries of the Company. In respect of the said loans, the maximum amount outstanding at any time during the year and by year end is Rs.2011.78 lacs (Previous year Rs. 1962.09 lacs).
- c) In our opinion and according to the information and explanations given to us, the rate of interest, where applicable, and other terms and conditions of loans given by the company are not prima facie prejudicial to the interest of the company.
- d) In respect of the said loans, the same payable / receivable on demand and there is no repayment schedule. The interest, where applicable, is payable/receivable on demand. In respect of interest, there are no overdue amounts.
- e) In respect of said loans, there are no overdue amounts.

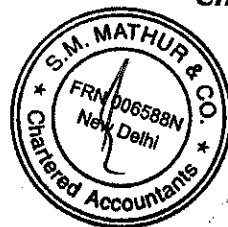


4. In our opinion and according to the information given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and also for the sale of goods and service.
5. (a) In our opinion and according to the information and explanations provided to us by the management, the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) The company has no transaction exceeding to Rs.5,00,000/- or more with the parties to be entered into the register maintained u/s 301 of the Companies Act, 1956.
6. 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 Order are not applicable to the Company.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size of the company and nature of its business.
8. Maintenance of cost records has not been prescribed by the Central Government under Clause (d) of subsection (1) of Section 209 of the Companies Act, 1956 for the type of industry carried on by the company.
9. a) According to the records of the Company, the Company is generally regular in depositing with the appropriate authorities the undisputed statutory dues including Income Tax, Sales tax, Wealth Tax, Custom Duty, Excise duty and other Statutory dues.
b) According to the information and explanations given to us, no undisputed amounts are payable in respect of such statutory dues were outstanding as at 31st March, 2014 for a period of more than six months from the date they become payable.
c) According to the information and explanations given to us and on the basis of our examination of the books of accounts, as on this date, there are no dues payable in respect of Income tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and any other statutory dues which are in dispute and have not been deposited with appropriate authorities.
10. The company has issued subscribed and fully paid up Share Capital of Rs.1159.10 lacs and credit balance of Rs.1129.06 lacs (Previous year Rs. 927.63 lacs) in Reserve & Surplus by the year ended on 31st March, 2014 after adjusting the accumulated losses of Rs.1403.88 lacs (Previous Year Rs. 1605.30 lacs). During the year ended under audit, it has earned cash profit (after tax) of Rs.228.99 lacs (Previous year Rs.105.79 lacs).
11. Based on our Audit procedure and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks.



12. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provision of Clause (xiii) of paragraph 4 of the Order is not applicable to the Company.
14. According to information and explanations given to us, the company has maintained proper records of investments. All investments are being held by the company in its own name.
15. According to information and explanations given to us, the company has not given guarantees for loans taken by others from the bank or financial institutions.
16. The company has not taken any term loan during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that there are no funds raised on short term basis which have been used for long term investment.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the company has not made any preferential allotment of shares/debentures to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. During the year under audit the company has no outstanding liability towards debentures.
20. The Company has not raised any money by public issue during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

Place: New Delhi
Dated: 30.05.2014



for **S. M. Mathur & Co.,**
Chartered Accountants
(FRNo.006588N)

(S. M. Mathur)
Proprietor
M.No.013066.

RITESH PROPERTIES AND INDUSTRIES LIMITED

BALANCE SHEET AS AT 31.03.2014

(Amount in Rupees)

PARTICULARS	Notes	31.03.2014	31.03.2013
I EQUITY AND LIABILITIES			
(A) Shareholder's Fund			
(a) Share Capital	2	115,909,580.00	115,909,580.00
(b) Reserve & Surplus	3	112,905,927.95	92,763,427.76
		228,815,507.95	208,673,007.76
(B) Non Current Liabilities			
(a) Long term Borrowings	4	1,921,688.78	1,726,927.68
(b) Other Long term Liabilities	5	140,807,971.30	237,622,751.30
		142,729,660.08	239,349,678.98
(C) Current Liabilities			
(a) Short term Borrowings	6	-	4,549,710.50
(b) Trade Payable	7	195,306,565.28	211,889,721.34
(c) Other Current Liabilities	8	37,163,995.50	64,258,063.82
(d) Short term provisions	9	4,752,333.08	4,599,643.08
		237,222,893.86	285,297,138.74
		608,768,061.89	733,319,825.48
II ASSETS			
(A) Non-Current Assets			
(a) Fixed Assets			
i) Tangible Assets	10	20,626,982.92	20,286,021.17
(b) Non Current Investments	11	15,164,000.00	15,164,000.00
(c) Long term Loans & Advances	12	235,987,326.43	244,007,842.03
		271,778,309.35	279,457,863.20
(B) Current assets			
(a) Current Investments	13	103,310.00	103,310.00
(b) Inventories	14	180,044,597.13	194,744,017.22
(c) Trade Receivables	15	24,735,151.77	24,735,151.77
(d) Cash and cash equivalents	16	24,324,048.86	12,359,431.92
(e) Short-term loans and advances	17	107,782,644.77	221,920,051.37
		336,989,752.53	453,861,962.28
		608,768,061.89	733,319,825.48

**Significant Accounting Policies and
Notes to Accounts**

1 to 39

The accompanying notes are an integral part of the financials statements

As per our report of even date

For S M Mathur & Co.

(FRNo.006588N)

Chartered Accountants

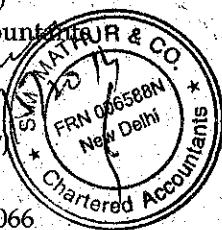
(S M Mathur)

Prop.

M.No.013066

Place: New Delhi.

Date : 30.05.2014



For and on behalf of the Board

(Sanjeev Arora)

Chairman cum

Mg. Director

(Kavita Arora)

Director

(Roop Kishore Fathepuria)

Executive Director

(Courav Kapoor)

Company Secretary

RITESH PROPERTIES AND INDUSTRIES LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31.03.2014

(Amount in Rupees)

PARTICULARS	Notes	31.03.2014	31.03.2013
INCOME			
Revenue from Operations	18	100,174,099.70	74,714,631.60
Other Income	19	11,799,983.53	5,318,131.17
Total Revenue		111,974,083.23	80,032,762.77
EXPENSES			
Cost of material consumed	20	58,622,120.46	30,423,472.94
Changes in Inventories of finished goods	21	282,720.00	179,292.31
Employee benefit expenses	22	7,996,283.06	7,026,381.60
Finance costs	23	1,219,427.37	3,410,969.45
Depreciation and amortization expenses	24 & 10	2,129,074.68	2,692,109.64
Other Expenses	25	30,857,761.57	26,721,862.86
Total Expenses		101,107,387.13	70,454,088.80
PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS & TAX		10,866,696.10	9,578,673.97
Exceptional Items	26	-	-
PROFIT BEFORE EXTRAORDINARY ITEMS & TAX		10,866,696.10	9,578,673.97
Extraordinary Items	27	12,053,164.83	8,000.00
Profit before Tax		22,919,860.93	9,586,673.97
Tax Expenses			
a) Current Tax		2,150,000.00	1,700,000.00
b) Tax for earlier years		-	-
PROFIT FOR THE YEAR		20,769,860.93	7,886,673.97
Earning per Share (of Rs. 10/- each)			
(1) Basic & Diluted	28	1.79	0.68
Significant Accounting Policies and Notes to Accounts	1 to 39		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S M Mathur & Co.

(FRNo.006588N)

Chartered Accountants

(S M Mathur)

Prop.
M.No.013066



For and on behalf of the Board

(Sanjeev Arora)
Chairman cum
Mg. Director

(Kavita Arora)
Director

(Roop Kishore Fathepuria)
Executive Director

(Gourav Kapoor)
Company Secretary

Place: New Delhi

Date: 30.05.2014

RITESH PROPERTIES & INDUSTRIES LIMITED, DELHI
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

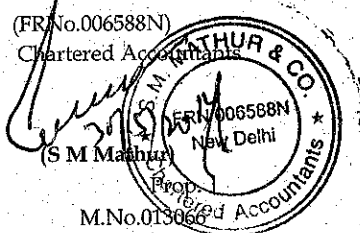
PARTICULARS	For the Year Ended 31.03.2014 (Rs.)	For the Year Ended 31.03.2013 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax & Extra Ordinary items	22,919,860.93	9,586,673.97
Adjustments for		
- Depreciation	2,129,074.68	2,692,109.64
- Interest paid on borrowing	773,786.50	3,171,528.00
- Profit/Loss on sale of Assets	(12,053,164.83)	(8,000.00)
- Dividend/interest received	(9,713,186.00)	(4,360,350.79)
Operating profit before working capital charges	<u>4,056,371.27</u>	<u>11,081,960.82</u>
Adjustments for		
- Inventory	14,699,420.08	17,600,796.75
- Receivable		227,861.00
- Payable	(48,074,244.88)	(14,771,748.50)
- Short Term Loans & Advances	114,137,406.60	(3,618,172.77)
- Current Investments	80,762,581.80	20,000.00
Cash Generated from operations	<u>84,818,953.08</u>	<u>10,540,697.30</u>
Interest paid	(773,786.50)	(3,171,528.00)
	<u>84,045,166.58</u>	<u>7,369,169.30</u>
Taxes Paid	2,777,360.74	2,132,650.00
Net Cash from operating activities (A)	<u>81,267,805.84</u>	<u>5,236,519.30</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(12,111,513.60)	(4,000,342.00)
Sale of Fixed Assets	21,694,642.00	8,000.00
Loans & Advances (Long Term)	8,020,515.60	(6,400,699.10)
Interest/Dividend Received	9,713,186.00	4,360,350.79
Net cash used in investing activities (B)	<u>27,316,830.00</u>	<u>(6,032,690.31)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Deferred Revenue Expenditure	(96,620,018.90)	4,017,409.93
Borrowing (Net)	(96,620,018.90)	4,017,409.93
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>11,964,616.94</u>	<u>3,221,238.92</u>
Cash equivalents (A+B+C)	12,359,431.92	9,138,193.00
Cash and Cash equivalents(Opening Balance)	24,324,048.86	12,359,431.92
Cash and Cash equivalents(Closing Balance)	<u>24,324,048.86</u>	<u>12,359,431.92</u>

AUDITOR'S REPORT

As per our report of even date
For S M Mathur & Co.

(FR No.006588N)

Chartered Accountants



Place: New Delhi
Dated : 30.05.2014

For and on behalf of the Board

(Santeev Arora)
Chairman cum
Mg. Director

(Kavya Arora)
Director

(Roop Kishore Fathepuria)
Executive Director

(Gourav Kapoor)
Company Secretary

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

1. Significant Accounting Policies:

a) Accounting Convention

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

b) Fixed Assets

All fixed assets are stated at cost less accumulated depreciation. Cost of the acquisition of new assets are inclusive of taxes and other incidental expenses.

c) Inventories

The inventories have been determined on the basis of FIFO method and the basis of determining cost for various categories of inventories are as follows:-

- | | |
|---------------------------------|--|
| 1) Finished Goods (Factories) | At Estimated realizable Value |
| 2) Stock (Real Estate) | At Cost |
| 3) Project Development Expenses | On the basis of actual expenses incurred |

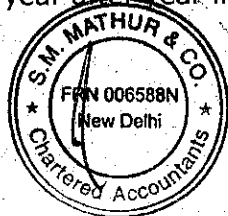
d) Revenue Recognition

- 1) Sales are recognized to the extent of project completion basis. During the year, the management has certified that the development of Project has been completed to the extent of 90% till 31.03.2014 (Previous Year 80%) on mercantile basis. Accordingly the revenue has been recognized.
- 2) Foreign currency fluctuations during the year are NIL (Previous year NIL).
- 3) Vat tax liability is accounted for on the basis of sales/Vat tax returns filed and tax deposited by the Company. Additional liability, if any, arises at the time of assessment, will be accounted for in the year of finalization of assessment.

e) Foreign Exchange Transaction - NIL (Previous year NIL)

f) Depreciation

Depreciation on Fixed Assets have not been calculated at the rates as per Schedule XIV, of the Companies Act, 1956, however, it had been calculated and provided as per the rates prescribed in Income Tax Act, 1961 as consistently been provided year after year in the past.



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

g) Retirement benefits

Gratuity liability has been accounted for on accrual basis.

Contribution to Provident Fund, Family Pension Scheme and E.S.I. are accounted for on accrual basis and charged to Profit & Loss Account accordingly.

h) Investment

Investments are valued at cost.

i) Accounting of Taxes on Income

Provision for current tax is made on the basis of estimated taxable income for the current accounting year, in accordance with the provision of Income Tax Act, 1961.

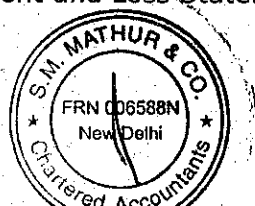
The deferred tax for timing difference between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the Balance Sheet date. Deferred tax asset arising from timing difference are recognized to the extent there is reasonable certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying value at each Balance Sheet date.

j) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting policies in India requires management to make estimates and assumption that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision of accounting estimates will be recognized prospectively in future periods.

k) IMPAIRMENT OF ASSETS

The Company assesses at each balance sheet whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Profit and Loss Statement. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the Profit and Loss Statement.



RITESH PROPERTIES AND INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Amount in Rupees)

Note	Particulars	31.03.2014	31.03.2013
2	SHARE CAPITAL ACCOUNT		
	Authorized		
	15,000,000 Equity Shares of Rs. 10/- each	150,000,000.00	150,000,000.00
	Issued		
	11,758,508 Equity Shares of Rs. 10/- each	117,585,080.00	117,585,080.00
	Subscribed & Paid up		
	11,590,958 Equity Shares of Rs. 10/- each	115,909,580.00	115,909,580.00
	TOTAL	115,909,580.00	115,909,580.00

Notes i) The company has one class of Equity Shares having a par value of Rs.10/- each. Each holder is eligible for one vote per share held.

ii) Detail of shares held by each shareholder holding more than 5% Shares

Sr. No.	Name of the Shareholder	No. of Shares holding	%	No. of Shares holding	%
1.	Sh. Sanjev Arora	2590346	22.35	2353346	20.30
2.	Bhaghyanagar India Ltd	1050002	9.06	1250000	10.78
3.	Bennett Coleman and Company Ltd	847458	7.31	847458	7.31
4.	Sh. Kavya Arora	1016334	8.77	797465	6.88

3 **RESERVE & SURPLUS**

a) Capital Reserve

Opening Balance	92,198,920.52	92,198,920.52
Additions during the year	-	-
Closing Balance	92,198,920.52	92,198,920.52

b) Capital Subsidy

Opening Balance	3,000,000.00	3,000,000.00
Additions during the year	-	-
Closing Balance	3,000,000.00	3,000,000.00

c) Forfeited Share Reserve

Opening Balance	1,049,750.00	1,049,750.00
Additions during the year	-	-
Closing Balance	1,049,750.00	1,049,750.00

d) Securities Premium Reserve

Opening Balance	156,057,942.00	156,057,942.00
Additions during the year	-	-
Closing Balance	156,057,942.00	156,057,942.00

e) Investment Allowance Reserve (Utilised)

Opening Balance	987,000.00	987,000.00
Additions during the year	-	-
Closing Balance	987,000.00	987,000.00

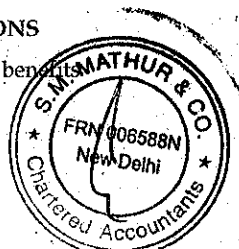


RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Amount in Rupees)

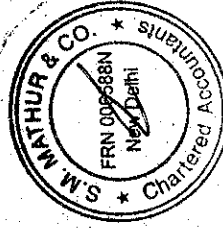
Note Particulars	31.03.2014	31.03.2013
h) Profit & Loss Account		
Opening Balance	(160,530,184.76)	(167,984,208.73)
Tax of earlier years	(627,360.74)	(432,650.00)
Additions during the year	20,769,860.93	7,886,673.97
Closing Balance	<u>(140,387,684.57)</u>	<u>(160,530,184.76)</u>
TOTAL	112,905,927.95	92,763,427.76
4 LONG TERM BORROWINGS		
Secured#		
a) From Bank	16,409.67	199,220.66
b) From Others	1,905,279.11	1,527,707.02
TOTAL	1,921,688.78	1,726,927.68
# Secured against the Hypthocation of the vehicles		
5 OTHER LONG TERM LIABILITIES		
(a) From Related Parties	94,795,219.30	220,260,929.30
(b) From Others	45,242,222.00	16,942,222.00
(c) Security Received	770,530.00	419,600.00
TOTAL	140,807,971.30	237,622,751.30
6 SHORT TERM BORROWINGS		
(a) Loans Repayable on Demand- Secured		
From Banks	-	4,549,710.50
TOTAL	-	4,549,710.50
The Working Capital facility was secured against E M of Company's Land & Building situated at 356, Industrial Area A, Ludhiana and also guaranteed by the Chairman & Managing Director of the Company.		
7 TARDE PAYABLE		
a) Trade Payable	195,306,565.28	211,889,721.34
TOTAL	195,306,565.28	211,889,721.34
Trade Payable includes Rs. NIL (Previous year Rs. NIL) due to creditors registered with Micro, Small and Medium Enterprises Development Act, 2006(MSME)		
No interest is paid/payable during the year to Micro, Small and Medium Enterprises:		
The above information has been determined to the extent such parties could be identified on the basis of information available with the Company regarding the status of suppliers under the MSME.		
8 OTHER CURRENT LIABILITIES		
Advances from Customers	30,519,722.90	57,346,153.60
Statutory Dues	4,537,756.00	4,757,624.51
Other Liabilities	1,805,121.60	1,981,485.71
Cheque Issued but presented later on	301,395.00	172,800.00
TOTAL	37,163,995.50	64,258,063.82
9 SHORT TERM PROVISIONS		
(a) Provision for employee benefits	1,821,333.08	2,118,643.08
(b) Others	2,931,000.00	2,481,000.00
TOTAL	4,752,333.08	4,599,643.08



RITESH PROPERTIES & INDUSTRIES LIMITED, DELHI

10. TANGIBLE ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.04.2013	Additions	Sale/ Deductions	As at 31.03.2014	Upto 1.04.2013	For the Year	Adjustment/ Deductions	Upto 31.03.2014	As At 31.03.2014	As At 31.03.2013
Land	457,100.00	-	457,100.00	-	-	-	-	-	-	457,100.00
Freehold	457,100.00	-	457,100.00	-	-	-	-	-	-	457,100.00
Building	38,301,712.23	7,523,331.00	33,732,290.09	12,092,753.14	28,823,591.16	559,813.17	26,078,969.71	3,304,434.62	8,788,318.52	9,478,121.07
Plant & Machinery	3,067,784.60	305,100.00	276,973.00	3,095,911.60	2,314,156.67	137,514.60	150,309.03	2,301,362.24	794,549.36	753,627.93
Furniture & Fixture	4,667,411.61	2,081,849.60	1,600,355.92	5,148,905.29	2,955,379.48	190,483.50	752,233.92	2,393,629.06	2,755,276.23	1,712,032.13
Office Equipment	1,863,940.37	-	78,600.00	1,785,340.37	1,210,737.42	61,168.97	37,086.58	1,234,819.81	550,520.56	653,202.95
Vehicles	15,331,507.99	2,201,233.00	1,641,918.00	15,890,822.99	8,099,570.90	1,180,094.44	1,127,160.60	8,152,504.74	7,738,318.25	7,231,937.09
TOTAL	63,689,456.80	12,111,513.60	37,787,237.01	38,013,733.39	43,403,435.63	2,129,074.68	28,145,759.84	17,386,750.47	20,626,982.92	20,286,021.16
Previous Year	59,689,114.80	4,000,342.00	-	63,689,456.80	40,711,325.99	2,692,109.64	-	43,403,435.64	20,286,021.16	-

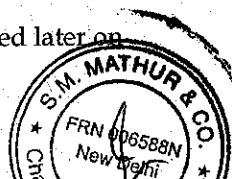


RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Amount in Rupees)

Note	Particulars	31.03.2014	31.03.2013
11	NON CURRENT INVESTMENTS		
	UN QUOTED		
	1500000 Equity Shares of Rs.10/- of Femella Fashions (P) Ltd	15,000,000.00	15,000,000.00
	4000 Common Stock of \$ 1/- each of Catalina Bay USA Inc	164,000.00	164,000.00
	TOTAL	15,164,000.00	15,164,000.00
12	LONG TERM LOANS & ADVANCES		
	Security Depsoits, considered Good	1,552,193.87	1,552,193.87
	Loans & Advances to subsidiaries	201,178,079.09	196,208,594.69
	Other Loans & Advances, Considered Good	33,257,053.47	46,247,053.47
	TOTAL	235,987,326.43	244,007,842.03
13	CURRENT INVESTMENTS		
	Trade Investments		
	Quoted		
	1100 Equity Shares of Rs. 10/- each of Master Trust Ltd.	11,000.00	11,000.00
	400 Equity Shares of Rs.10/- each of Nahar Industrial Ent. Ltd	10,000.00	10,000.00
	420 Equity Shares of Rs.10/- each of Nahar Ploy Films Ltd	40,521.60	40,521.60
	330 Equity Shares of Rs.10/- each of Nahar Spinning Mills Ltd	31,838.40	31,838.40
	500 Equity Shares of Rs.10/- each of R.S.Petro Products Ltd	9,950.00	9,950.00
		103,310.00	103,310.00
	Market Value of Quoted Investments	72,023.00	77,343.00
14	Inventories		
	(As taken, valued & certify by the management)		
	Real Estate	180,044,597.13	194,461,297.22
	Finished Goods	-	282,720.00
	TOTAL	180,044,597.13	194,744,017.22
15	Trade Receivables		
	(Unsecured, Considered Good)		
	Outstanding for a period exceeding 6 months	24,735,151.77	24,735,151.77
	Others- Considered good	-	-
	TOTAL	24,735,151.77	24,735,151.77
16	Cash & Cash Equivalent		
	Cash Balance in Hand	1,297,695.33	840,729.33
	Balance with Banks in Current Account	11,275,470.82	6,754,350.88
	Balance with Banks in FDR Account	11,450,882.71	4,745,942.71
	Cheque Deposited but presented later on	300,000.00	18,409.00
	TOTAL	24,324,048.86	12,359,431.92



RTTESH PROPERTIES & INDUSTRIES LIMITED, DELHI

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Amount in Rupees)

Note	Particulars	31.03.2014	31.03.2013
17	Short-Term Loans and Advances (Unsecured, considered good)		
	Taxes paid in advance	781,421.00	593,426.74
	Advances to suppliers	2,805,366.00	2,084,000.00
	Advances to Staff	134,500.00	16,387.00
	Other Loans & Advances	104,061,357.77	219,226,237.63
	TOTAL	107,782,644.77	221,920,051.37
18	Revenue from Operations		
	i) Sale of Real Estate	93,424,245.70	74,161,516.40
	Resale of Plots	6,500,000.00	-
	Sale of Industrial Plots		
	ii) Other Operating Income	249,854.00	553,115.20
	Sale of Garments		
	TOTAL	100,174,099.70	74,714,631.60
19	Other Income		
	Interest Income	9,713,186.00	4,360,350.79
	Balances Written Back	1,896,354.53	87,279.38
	Rent	93,238.00	296,788.00
	Misc Income	97,205.00	573,713.00
	TOTAL	11,799,983.53	5,318,131.17
20	Cost of Material Consumed		
	Opening Stock		
	- Real Estate	194,461,297.22	211,882,801.66
	Add: Purchases		
	i) Project Development Expenses	32,455,420.37	12,740,191.00
	Purchase of Plots	11,750,000.00	-
	ii) Others	-	261,777.50
		238,666,717.59	224,884,770.16
	Closing Stock		
	- Real Estate	180,044,597.13	194,461,297.22
	Net Consumption	58,622,120.46	30,423,472.94
21	Change in Inventories		
	a) Opening Stock of		
	- Finished Goods	282,720.00	462,012.31
	b) Closing Stock of		
	- Finished Goods	-	282,720.00
	(Increase)/Decrease in Inventories	282,720.00	179,292.31



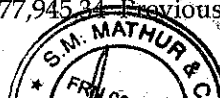
RITESH PROPERTIES AND INDUSTRIES LIMITED, DELHI

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

(Amount in Rupees)

Note	Particulars	31.03.2014	31.03.2013
22	Employee Benefits Expense		
	Salaries & Wages#	7,015,529.00	6,077,305.00
	Contribution to Provident & Other Funds	119,511.00	110,837.00
	Other Benefits to Staff & Workers##	711,121.06	645,175.60
	Staff Welfare Expenses	150,122.00	193,064.00
	TOTAL	7,996,283.06	7,026,381.60
	# Includes Directors Remuneration Rs. 47,19,840.00 Previous Year Rs. 41,01,300.00		
	## Includes Directors Sitting Fee Rs. 65,000.00 (Previous Year Rs. 30,000.00) and Director's Allowances Rs.1,57,680.00 (Previous year Rs.9,600.00)		
23	Finance Charges		
	Interest	773,786.50	3,171,528.00
	Hire Purchase Charges	208,025.10	179,987.93
	Bank Charges	237,615.77	59,453.52
	TOTAL	1,219,427.37	3,410,969.45
24	Depreciation & Amortization Expenses		
	Depreciation	2,129,074.68	2,692,109.64
	TOTAL	2,129,074.68	2,692,109.64
25	Other Expenses		
	Advertisement	5,859,354.44	4,301,990.07
	Electric Expenses	1,803,522.00	1,362,104.00
	Fees & Taxes	469,153.00	197,083.00
	Freight Expenses	-	4,505.00
	Insurance Expenses	269,632.44	224,602.18
	Legal & Professional Charges	3,538,901.00	2,098,315.00
	Vehicle Expenses	1,731,059.68	2,733,332.49
	Postage & Telephone Expenses	443,091.92	640,670.69
	Rent & House Tax	3,450,000.00	2,518,954.00
	Travelling and Conveyance Expenses#	8,977,428.41	4,738,481.46
	Charity & Donation	30,000.00	722,000.00
	Repair & Maintenance##	263,019.00	181,317.00
	Sales Promotion Expenses	2,026,568.90	4,911,000.86
	Commission & Brokerage	303,727.00	285,559.00
	Other Expenses	1,692,303.78	1,801,948.11
	TOTAL	30,857,761.57	26,721,862.86

Includes Directors Travelling Rs. 45,77,945.24 Previous Year Rs. 25,75,676.88



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

B) The following is a summary of significant related party transactions:

Sr. No.	Name of Company/Firm/Individual	Nature of Transaction	2013-14 (Rs.)	DR/CR	2012-13 (Rs.)	DR/CR
1.	Ritesh International Ltd, Associated/ Allied Company	-Cheques Recd. -Cheques Paid -Expense Reimbursement - Fixed Assets Sale Purchase	16697785.00 104322.50 100000.00 515000.00 99000.00	Cr Dr Dr Cr	1751000.00 7069.00 NIL NIL	Cr
2.	Ritesh Spinning Mills Ltd, Associated/ Allied Company	- Loan Repaid - Loan Received	137905000.00 10212000.00	Dr Cr	2042700.00 39520000.00	Dr Cr
3.	H.B. Fibres Ltd, Associated/ Allied Company	- Loan Given - Loan Received back	NIL 6990000.00	Dr Cr	40000.00 15000000.00	Dr Cr
4.	Femella Fashions (P) Ltd, Subsidiary Company	- Loan Given - Cheques Recd - Sales - Purchase - Expenses incurred on Company behalf - Expenses Reimbursement - Sale of Fixed Assets - Other Payments On behalf	5940000.00 1400000.00 Nil NIL 492795.40 450000.00 23489.00 363200.00	Dr Cr Dr Cr Dr Cr Dr Dr	19380000.00 Nil 553114.70 4800.00 1579467.00 904800.00 8000.00 NIL	Dr Cr Dr Cr Dr Cr Dr Dr
5.	Ritesh Impex (P) Ltd, Associated/ Allied Company	Loan Given	NIL		55000.00	Dr
6.	Kishan Chand & Co Oil Industries Ltd, Associated/ Allied Company	Loan Given	Nil	Dr	5000.00	Dr
7.	Anita Arora Max. Discount Retail Medical Store, Others	Rent Received Cheque Received	NIL NIL	Dr Cr	122548.00 350409.00	Dr Cr
8.	Guneet Arora, Others	Professional Charges	300000.00	CR	Nil	
9.	Sh. Kavya Arora, KMP	Salary	600000.00		Nil	
10.	Sh. Sanjeev Arora, KMP	Cheques Recd Cheques Paid Salary Rent Recovered	2150000.00 2150000.00 3000000.00 450000.00	Cr Dr Dr	Nil 590000.00 3000000.00 Nil	 DR Dr
11.	Sh. Roop Kishor Fathepuria, KMP	Salary Perks	1119840.00 157680.00		1101300.00 9600.00	
12.	Sh. Surinder K Sood KMP	Sitting Fees	65000.00		30000.00	



RITESH PROPERTIES AND INDUSTRIES LIMITED

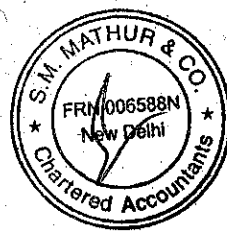
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

C) Amount due From/To Related Parties

Particulars		As on 31.03.2014 (Rs.in Lacs)	As on 31.03.2013 (Rs.in Lacs)
i)	Due from Related Parties (included in Loans & Advances & Sundry Debtors)		
	-Subsidiary Companies	2256.23	2206.53
	- Associate/Allied Concern	265.38	525.20
	- Others	NIL	NIL
ii)	Due to Related Parties (included in Current Liabilities & Unsecured Loans)		
	- Associate/Allied Concern	947.95	2202.61
	-Due to Key Managerial Personnel	NIL	NIL

36. **Leases (AS-19):**

S. No.	Particulars	31.03.2014	31.03.2013
a.	The total of future minimum lease payment under non-cancelable operating leases for each of the following periods: 1. not later than one year ; 2. later than one year and not later than five year; 3. later than five years;	24,00,000/- 8,00,000/- NIL	24,00,000/- 32,00,000/- NIL
b.	The total of future minimum sub-leases payment expected to be received under non-cancelable sub-leases at the balance sheet;	NIL	Rs.6,17,895/-
c.	Leases payments recognized in the statement of profit and loss for the period, with separate amounts for minimum leases payments.	Rs.34,50,000/-	Rs.25,00,000/-
d.	Sub-leases payments received (or receivable) recognized in the statement of profit and loss for the period;	Rs.93,238/-	Rs.2,96,788/-
e.	A general description of the lessee's significant leasing arrangements including the following; The existence and terms of renewal or purchase options and escalation clauses; and restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.	NIL	NIL



RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

37. The Udyog Shahik, Chandigarh has allotted 40 Acres of Land vide Letter No. US/337-U Dt. 22/04/94 in the name of the company. The sale deeds & possession of the above said land is with the company and its associate companies. However, there are pending cases against the company and its associate companies for increase in acquisition cost. If any payment has to be made by the company on this account, the same shall be accounted for on payment basis.

Collector Land Acquisition, Department of Industries and Commerce, Punjab, Chandigarh had issued various demand notices being the enhanced compensation to be paid to the Land Owners. The company had already made an appeal against this order and the matter has been decided by the arbitrator in favour of the company but the State Government has filed an appeal against the Arbitrator decision. However, if any liability arises on this account and payment has to be made by the company, the same will be accounted for on cash basis. However, the company has already given bank guarantee of Rs.181.66 Lacs (Previous year Rs.181.66 lacs) in favour of the Government of Punjab on this account.

The charges, if any for the conversion of land into mega project scheme will be accounted for on cash basis.

38. Expenditure in Foreign Currency on Travelling is Rs. 3,58,977/- (P.Y Rs. 4,89,751/-).

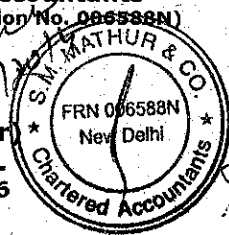
39. Corresponding figures of previous year have been regrouped / rearranged wherever deemed necessary.

Signature to Notes 1 to 39

for **S M Mathur & Co.,**
Chartered Accountants
(Firm Registration No. 006588N)

(S.M. Mathur)
Proprietor.
M. No. 013066

Place: New Delhi
Dated: 30.05.2014



On behalf of the Board

(Sanjeev Arora)
Chairman Cum
Mg. Director

(Kavya Arora)
Director

(Roop Kishor Fathepuria)
Executive Director

(Gourav Kapoor)
Company Secretary