



Properties & Industries Ltd.
(Formerly Ritesh Industries Ltd.)

25th

Annual Report

2011-2012

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RITESH PROPERTIES & INDUSTRIES LIMITED

MANAGEMENT

BOARD OF DIRECTORS

**Chairman-Cum-Managing Director
Executive Director
Directors**

Sh. Sanjeev Arora
Sh. Roop Kishore Fatehpuria
Sh. Surinder K. Sood
Sh. Rajiv Arora
Sh. Kavya Arora

Auditors

M/s. S. M. Mathur & Co.
Chartered Accountants
162, Arya Samaj Road,
Karol Bagh, New Delhi-110005

Bankers

Allahabad Bank
Clock Tower, Ludhiana

Head Office Cum Project Office

Focal Point, Phase-VIII
Chandigarh Road, Ludhiana -141011

Registered Office

11/5B, 1st Floor, Param Tower,
Pusa Road, New Delhi-110005

Registrar & Share Transfer Agent

Sky line Financial Services(P) Ltd
D-153-A, First Floor
Okhla Industrial Area
Phase-I, New Delhi- 110020
Phones: 011-30857575 (10 Lines)
Fax: 011-30857562
e-mail: grievances@skylinerta.com

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| Day : Friday | Notice | 2 |
| Date: 28 th September, 2012 | Directors' Report | 7 |
| Time: 11.00 A.M | Management Discussion & Analysis Report | 10 |
| Place: M.L. Bhartia Auditorium, Alliance Francaise de Delhi, Indo French Cultural Centre, 72, Lodi Estate, New Delhi – 110003. | Corporate Governance Report | 11 |
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NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of Ritesh Properties and Industries Limited will be held on Friday, 28th day of September, 2012 at 11:00 A.M. at M.L. Bhartia Auditorium, Alliance Francaise de Delhi, Indo-French Cultural Centre, 72, Lodi Estate, New Delhi-110003 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2012 and Profit & Loss Statement for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Rajiv Arora, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors for the year 2012-13 and to fix their remuneration.
M/s. S.M. Mathur & Co. Chartered Accountants, New Delhi, the retiring auditors being eligible offer themselves for re-appointment.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"Resolved that Sh. Kavya Arora, in respect of whom the Company has received a notice pursuant to the provisions of Section 257 of the Companies Act, 1956 proposing his candidature to the office of director, be and is hereby appointed as director of the Company liable to retire by rotation."

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies

Act, 1956 and subject to Schedule XIII of the Companies Act, 1956 and subject to such sanctions, approvals as may be necessary, the Company hereby approves the increase in remuneration of Sh. Sanjeev Arora, Chairman-cum- Managing Director of the Company from Rs. 1,00,000/- per month to Rs. 2,50,000/- per month w.e.f. 1st April, 2012 for the remaining tenure of his appointment with liberty to the Board of Directors (herein after referred to as "Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the said remuneration in such form and manner or with such modifications as the Board may deem fit and agreed to by Sh. Sanjeev Arora."

"RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay Sh. Sanjeev Arora the above mentioned remuneration as minimum remuneration."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary/ alter at any time the remuneration, terms and conditions of the said appointment in such manner as may be approved by the Board of Directors of the Company and acceptable to the Chairman-cum-Managing Director as permissible under Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution and also to make such alternations and modifications, as may be required within the limits of Schedule XIII of the Companies Act, 1956."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and subject to Schedule XIII of the Companies Act, 1956 and subject to such sanctions, approvals as may be necessary, the Company hereby approves the increase in remuneration of Sh. Roop Kishore Fatehpuria, Executive Director of the Company from Rs. 80,500/- per month to Rs. 92,575/- per month w.e.f. 1st May, 2012 for the remaining tenure of his appointment with liberty to the Board of Directors (herein after referred to as "Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) to alter and vary the said remuneration in such form and manner or with such modifications as the Board may deem fit and agreed to by Sh. Roop Kishore Fatehpuria."

"RESOLVED FURTHER THAT notwithstanding anything herein above stated where in any financial year, the Company incurs a loss or its profits are inadequate, the Company shall pay Sh. Roop Kishore Fatehpuria the above mentioned remuneration as minimum remuneration."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary/alter at any time the remuneration, terms and conditions of the said appointment in such manner as may be approved by the Board of Directors of the Company and acceptable to the Executive Director as permissible under Companies Act, 1956."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution and also

to make such alternations and modifications, as may be required within the limits of Schedule XIII of the Companies Act, 1956."

By Order of the Board
For Ritesh Properties and Industries Limited

Place : New Delhi sd/-
Dated : 27.08.2012 (Sanjeev Arora)
Chairman-Cum-Managing Director

NOTES:

- i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and such proxy need not be a member of the Company. The Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting. The blank proxy form is enclosed herewith.
- ii) The register of members and the share transfer books of the company will remain closed from 26th September, 2012 to 28th September, 2012 (both days inclusive).
- iii) Any member of the Company on demand shall be entitled to be furnished free of cost, a copy of the Balance Sheet of the company and of every document required by the law to be annexed thereto including the Profit & Loss Statement and the Auditor's Report. Copies of these documents will also be kept open for 21 days before the date of the meeting.
- iv) Members are requested to bring their copies of Annual Reports along with them, as copies of the report will not be distributed at the meeting.
- v) Members/proxies are requested to bring their attendance slips sent herewith duly filled in for attending the meeting.

- v) Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No.4

Sh. Kavya Arora was appointed as an Additional Director, by the Board of Directors, under the provisions of the Articles of Association of the Company, with effect from 31st October, 2011.

Sh. Kavya Arora, being an Additional Director, holds office up to the date of the ensuing Annual General Meeting. The Company has received a notice, u/s 257 of the Companies Act, 1956, from a Member, proposing the name of Sh. Kavya Arora, as Director of the Company. The Directors recommend appointment of Sh. Kavya Arora as Director of the Company.

None of the Directors is concerned or interested in the proposed resolution except Sh. Kavya Arora.

Item No. 5

The Board of Directors & the Remuneration Committee of the Board of Directors in their meeting held on 27.08.2012 has approved increase in remuneration of Sh. Sanjeev Arora, Chairman-cum-Managing Director of the Company from Rs. 1,00,000/- per month to Rs. 2,50,000/- per month with effect from 1st April, 2012 for the remaining tenure of his appointment, subject to the approval of shareholders of the Company. The proposed remuneration will be within overall limit of Schedule XIII of the Companies Act, 1956. Therefore, the necessary resolutions have been included in the notice convening the Annual General Meeting for your approval.

The information as required under Schedule XIII to the Companies Act, 1956 is as under:-

I. GENERAL INFORMATION:

1. Nature of Industry

Real Estate Business

2. Date of Commencement of Commercial Operations

The Company started its real estate activities from September, 2006 onwards.

3. Financial Performance

During the year under review the income of the company has been at Rs. 1080.22 lacs. The company has earned profit of Rs. 42.20 lacs. The net worth of the company has increased by Rs. 55.26 lacs, the secured loans have decreased by Rs. 2.94 lacs.

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details

Sh. Sanjeev Arora is the promoter director of the Company. He is aged about 49 years. He is a commerce graduate and having more than 25 years of experience in various fields such as Oils & Fats, Agro Products, Knitted Fabrics, Garments and Real Estate etc. He has been associated with Ritesh Properties and Industries Limited since its incorporation and presently, he is the Chairman-cum-Managing Director of the Company.

2. Past remuneration

During the year ended 31st March, 2012 Sh. Sanjeev Arora, Chairman-cum-Managing Director has been paid a remuneration of Rs. 3,60,000. However, keeping in view his current performance if is proposed to enhance his remuneration to Rs. 2,50,000 p.m.

3. Job profile and his suitability

Subject to the superintendence, direction and control of the Board, the management and decision making of the Company is vested in the Chairman-cum-Managing Director.

4. Remuneration proposed

It is proposed to pay a remuneration of Rs. 2,50,000/- per month.

5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)

Taking into consideration the size of the Company, the profile of Sh. Sanjeev Arora, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

6. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any

Besides, the remuneration proposed, Sh. Sanjeev Arora does not have any other pecuniary relationship with the Company.

III. Other Information

1. Reasons of loss or inadequate profits

The Company started its real estate activities in September, 2006 and the Hampton Court Business Park Project at Ludhiana is under implementation. There is no loss or inadequate profit in the company, but for the purpose of calculation of managerial remuneration, there may be inadequacy of profits due to setting up of new business plans of the company which will reap good dividends in the years to come with the able guidance of Sh. Sanjeev Arora, Chairman-cum-Managing Director of the Company.

2. Steps taken or proposed to be taken for improvement

The company is expanding its business in various products and markets being in the business of real estate, where manpower is the main driving force behind the success of the company and under the leadership of the proposed appointee the company will achieve higher turnover and profits.

3. Expected increase in productivity and profits in measurable terms

It is expected that the company will achieve very good turnover and profits during the year 2012-13, which will be sufficient to pay remuneration to the managerial person.

IV. Disclosures

The remuneration package is already disclosed in the resolution mentioned in item No. 5 of the notice and necessary disclosures shall be given in the Annual Report of the Company.

The above may be treated as an abstract pursuant to the provisions of Section 302 of the Companies Act, 1956.

None of the Directors is concerned or interested in the proposed resolution except Sh. Sanjeev Arora.

Item No. 6

The Board of Directors & the Remuneration Committee of the Board of Directors in their meeting held on 27.08.2012 has approved increase in remuneration of Sh. Roop Kishore Fatehpuria, Executive Director of the Company from Rs. 80,500/- per month to Rs. 92,575/- per month with effect from 1st May, 2012 for the remaining tenure of his appointment, subject to the approval of shareholders of the Company. The proposed remuneration will be within overall limit of Schedule XIII of the Companies Act, 1956. Therefore, the necessary resolutions have been included in the notice convening the Annual General Meeting for your approval.

None of the Directors is concerned or interested in the proposed resolution except Sh. Roop Kishore Fatehpuria.

By Order of the Board

For Ritesh Properties and Industries Limited

Place : New Delhi

sd/-

Dated : 27.08.2012

(Sanjeev Arora)

Chairman-Cum-Managing Director

Information pursuant to Corporate Governance Clause of the Listing Agreement regarding Directors seeking appointment/re-appointment.

As required under the listing agreement, the particulars of Directors who are proposed to be appointed/reappointed is given below:-

| | | |
|---|---|--|
| Name of Director | Rajiv Arora | Kavya Arora |
| Date of Birth | 23-04-1959 | 15-09-1987 |
| Date of Appointment | 19-02-1987 | 31-10-2011 |
| Expertise | He has more than 30 years of experience in diversified field of activities such as oils and fats agro products, knitted fabrics, garments | He has more than 5 years of experience in the field of Business Management. |
| Qualification | Graduate | Graduate |
| Directorships of other Companies as on date | 1. Ritesh International Ltd. (RIL) 2. Ritesh Spinning Mills Ltd. 3. Ritesh Impex Private Ltd. 4. Kishan Chand and Co Oil Industries Ltd. | 1. Femella Fashions Private Ltd. 2. Ritesh Spinning Mills Ltd. 3. Ritesh Impex Private Ltd. 4. K P Advisors (Realty) Private Ltd. |
| Chairmanships/Memberships of Committees of other Companies as on date | Member- Audit Committee (RIL) Member- Share Transfer & Shareholder Investor Grievance Committee (RIL) Chairman- Board of Director Committee (RIL) Member- Remuneration Committee (RIL) | NII |
| No. of shares held as on date | 406401 | 734875 |
| Relationship with other Directors | Sh. Sanjeev Arora (Brother) Sh. Kavya Arora (Nephew) | Sh. Sanjeev Arora (Father) Sh. Rajiv Arora (Uncle) |

By Order of the Board
For **Ritesh Properties and Industries Limited**

Place : New Delhi

Dated : 27.08.2012

sd/-
(Sanjeev Arora)
Chairman-cum-Managing Director

Directors' Report

To the Members,

Your Directors have pleasure in presenting the 25th Annual Report together with the Audited Statements of Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS

| Particulars | Amount (Rs. In Lacs) | |
|---------------------------------------|----------------------|-----------|
| | 2011-2012 | 2010-2011 |
| Operating income | 1080.22 | 903.37 |
| Profit/(Loss) before Depreciation | 131.27 | 637.17 |
| Less: Depreciation | 89.07 | 91.86 |
| Profit/(Loss) for the year before Tax | 42.20 | 545.31 |
| Provision for taxation | (7.81) | 14.00 |
| Profit/(Loss) after Tax | 34.39 | 531.31 |

OPERATIONAL REVIEW

During the year under review your company's operating income was of Rs. 1080.22 lacs as compared to Rs. 903.37 lacs during the previous year. The company has earned a profit of Rs. 34.39 lacs as compared to Rs. 531.31 lacs during the previous year. The company had entered into an agreement dated 14.07.2006 alongwith addendum dated 11.01.2010 with Ansal Properties & Infrastructure Ltd (APIL) for joint development of Hampton Court Business Park at Ludhiana. Now, as per agreement dated 11.04.2012 read with the memorandum of understanding dated 28.01.2012 entered into between the company and APIL, the entire project with effect from 01.02.2012, Viz "Cut-off date" has been taken over by the company for agreed consideration. The company will be benefited with this development to the extent that all revenue of the project will be retained by the company.

SUBSIDIARIES

The company has following subsidiary companies the details of which are given below:

Femella Fashions Private Limited, a wholly owned subsidiary was incorporated on 29th day of June, 2007 to venture in Retailing of garments & accessories. The company's operating income was Rs. 97.51 lacs during the year under review.

Catalina Bay USA The Company holds 100 % shareholding in Catalina Bay USA Inc., a company established in USA in the business of marketing garments. This helps the company in marketing its garments.

DIRECTORS

Sh. Pran Arora, Director of the Company is ceased from the directorship of the Company due to his death w.e.f. 09.10.2011.

The Board places on record the valuable services rendered by Sh. Pran Arora, during his tenure as Chairman of the Company and expresses its deep sense of appreciation and gratitude for the same.


Sh. Rajiv Arora, Director of your company, retires by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Sh. Kavya Arora has been appointed as an additional director of the company w.e.f. 31.10.2011.

DIVIDEND

In the absence of adequate profits during the year under review your directors do not recommended any dividend to the shareholders.

RITESH PUBLIC DEPOSITS

The Company has not accepted any deposits during the year under review.

AUDITORS

The Auditor, M/s S.M. Mathur & Co. Chartered Accountants, New Delhi, retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for reappointment. They have furnished a certificate to the effect that the re-appointment if made shall be in accordance with Section 224(1B) of the Companies Act, 1956. As regards Auditor's observation, the relevant notes on the accounts are self- explanatory and therefore do not call for any further comments.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 the Directors confirm:

- That in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

RITESH PROPERTIES AND INDUSTRIES LIMITED

- ii. That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and other Statements of Accounts of the Company for the year ended 31st March, 2012.
- iii. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 in safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors had prepared the annual accounts on a going concern basis.

COMPOSITION OF AUDIT COMMITTEE

The composition of the Audit committee as on date is as under.

- Sh. Surinder K. Sood (Chairman)
- Sh. Roop Kishore Fatehpuria (Member)
- Sh. Kavya Arora (Member)

COMPOSITION OF REMUNERATION COMMITTEE

The composition of the Remuneration committee as on date is as under.

- Sh. Surinder K. Sood (Chairman)
- Sh. Roop Kishore Fatehpuria (Member)
- Sh. Kavya Arora (Member)

COMPOSITION OF SHARE TRANSFER AND SHAREHOLDERS'/ INVESTORS GRIEVANCE COMMITTEE

The composition of the Share Transfer and Shareholders'/ Investors Grievance Committee as on date is as under.

- Sh. Surinder K. Sood - Chairman
- Sh. Roop Kishore Fatehpuria - Member
- Sh. Kavya Arora - Member

PAYMENT OF LISTING FEE:

The company has paid listing fees to Bombay Stock Exchange & Delhi Stock Exchange.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information as per Section 217(1) (e), read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 are given in the Annexure forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as per Clause 49 of the listing agreement are given in the Annexure forming part of this Report.

CORPORATE GOVERNANCE REPORT

Corporate Governance Report as per Clause 49 of the listing agreement is given in the Annexure forming part of this Report.

PERSONNEL

The Management-Employees relations remained very cordial throughout the year. Your Directors wish to place on record their appreciation of sincere and devoted services rendered by all the workers and staff at all levels.

PARTICULARS OF EMPLOYEES U/S 217(2A) OF THE COMPANIES ACT, 1956

There was no employee who falls under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) (Amendment) Rules, 2002.

ACKNOWLEDGEMENTS

Your Directors acknowledge with gratitude, the continuing co-operation and assistance rendered by Financial Institutions, Banks, Government Agencies, Suppliers and other organization in the working of the Company.

For and on behalf of the Board

For Ritesh Properties and Industries Limited

Place : New Delhi

sd/-

Dated : 27.08.2012

(Sanjeev Arora)

Chairman-Cum-Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2012.

I. CONSERVATION OF ENERGY

The Company has undertaken the development of Hampton Court Business Park at its existing Manufacturing Unit. Therefore, the information regarding energy conservation is not applicable as the Company has already closed its manufacturing units and now is into Real Estate Sector.

II. TECHNOLOGY ABSORPTION

Since the company is not carrying out any manufacturing activities, therefore this clause is not applicable on the company.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiatives taken to increase export markets for products and services and export plans. The Company is carrying on real estate activities; hence this clause is not applicable.
- b) Total Foreign Exchange used and earned:

| | (Rs. in Lacs) | |
|-------------|---------------|-----------|
| Particulars | 2011-2012 | 2010-2011 |
| Used | 5.72 | 2.97 |
| Earned | - | - |

For and on behalf of the Board
For Ritesh Properties and Industries Limited

Place : New Delhi sd/-
Dated : 27.08.2012 (Sanjeev Arora)
Chairman-Cum-Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure, Developments, Opportunities and Threats:

The real estate sector continues to grow at a scorching pace. With the entering of new global property developers into Indian market during the past few years, India offers good opportunities in the real estate sector.

Future of real estate sector is very bright as the economy is at a fast pace of growth and lot of investment in this sector is needed. Moreover, with the increase in income level of people and standard of living the demand of housing as well as industrial/commercial sector has increased manifold giving rise in prices.

Due to Increase in competition from other players in the market the margins of the company may be under pressure.

Financial Performance of the Company

Revenue of the Company is generated from only one segment namely Development of Real Estate.

Income of the company has been at Rs. 1080.22 lacs. The company has earned profit of Rs. 42.20 lacs. The net worth of the company has increased by Rs. 55.26 lacs, the secured loans have decreased by Rs. 2.94 lacs.

Outlook

The real estate sector in India has provided ample opportunity with the liberalization of the economy. With the increased demand of commercial and residential property, the company is confident that the ever-expanding market for real estate shall provide a good business opportunity to the Company to gain its share in the market.

Risk and Concerns

The Indian Real estate market is still largely unorganized and dominated by a large number of small

players. The operations of your company are subject to general business risks and competition in the industry, which can effect the growth of the company.

Internal control and their adequacy

The company has adequate internal control systems and procedures commensurate with the size and nature of business. The Company has proper system of disposal of assets of the company. Significant financial, managerial and operating information is accurate, reliable and is provided timely. All internal policies and statutory guidelines are complied with.

Material development in Human Resources and Industrial Relation front, including no. of people employed

Industrial relations remained cordial and harmonious during the year under review and there was no working day loss due to any adverse activities. The company had employed 11 persons as on 31st March, 2012.

Cautionary statement

Statement in the management discussion and analysis describing the company's objectives, estimates, projections and expectation may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially due to economic conditions effecting demand, supply, prices, change in government policies, tax laws and other incidental factors.

For and on behalf of the Board
For Ritesh Properties and Industries Limited

Place : New Delhi

Dated : 27.08.2012

sd/-

(Sanjeev Arora)

Chairman-Cum-Managing Director

CORPORATE GOVERNANCE REPORT

1. A brief statement on company's Philosophy on code of corporate Governance.

This Report on Corporate Governance forms part of the Annual Report. Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensure that a company meets its obligations to optimize shareholders' value and fulfill its responsibilities to the community, customers, employees, Government and other segments of society.

The Principles of Corporate Governance and Code of Business Principles are the cornerstones of your Company. Your Company believes these principles distinguish a well managed company from a not so well managed company. These principles ensure transparency, integrity and accountability which are vital for the long and sustained growth of your Company.

Your Company has been practicing these principles long before these were made mandatory for listed Companies.

Your Company's endeavor has always been to engage persons of eminence as independent directors who can contribute to the corporate strategy, provide an external perspective and be a source of challenge and evaluation wherever appropriate. Your Company has the good fortune of having independent directors.

2. Board of Directors

a) Size and composition of the Board

The Company has a strong and broad-based Board consisting of Five Directors with adequate blend of professionals, executive, non-executive and independent Directors. The Composition of the Board of Directors comprises of eminent and distinguished personalities, two of which are executive directors and three non-executive directors. The Company is having a non executive Chairman. The details of the composition of the Board, number of Directorships & Committee positions held by each of the Directors are given hereunder:

| Name | Designation | Category | Number of Directorships held # | Number of Board Committee Membership held @ | Number of Board Committee Chairmanships held @ |
|--------------------------------|------------------------------------|-------------|--------------------------------|---|--|
| Sh. Pran Arora* | Ex-Chairman | Promoter | 6 | 6 | 1 |
| Sh. Sanjeev Arora | Chairman-Cum- Managing Director | Promoter | 5 | - | - |
| Sh. Rajiv Arora | Director | Promoter | 5 | 3 | - |
| Sh. Roop Kishore Fatehpuria | Executive Director | Independent | 2 | 3 | - |
| Sh. Surinder K. Sood | Director | Independent | 1 | 3 | 3 |
| Sh. Kavya Arora ** | Additional Director | Promoter | 5 | 3 | - |

* ceased w.e.f. 09.10.2011 due to death

** appointed w.e.f. 31.10.2011

including Ritesh Properties and Industries Limited

@ Board Committee for this purpose includes Audit Committee, Remuneration Committee and Share Transfer & Shareholder' Grievance Committee (including Board Committees of Ritesh International Limited)

Independent Director means a non-executive Director who apart from receiving Director's remuneration does not have any other material pecuniary relationships or transactions with the Company, its promoters, its management or its subsidiaries, which may affect independence of the Directors.

None of the Directors is a member of more than 10 Board level Committees or a Chairman of more than 5 such Committees as required under Clause 49 of the Listing Agreement.

b) Number of Board Meetings

During the year under review, Nine Board Meetings were held on the following dates:

| Date of Board Meeting | Board Strength | Number of Directors present |
|-----------------------|----------------|-----------------------------|
| April 12, 2011 | 5 | 4 |
| May 14, 2011 | 5 | 4 |
| August 12, 2011 | 5 | 4 |
| September 02, 2011 | 5 | 4 |
| October 31, 2011 | 5 | 5 |
| November 15, 2011 | 5 | 5 |
| January 27, 2012 | 5 | 5 |
| February 10, 2012 | 5 | 5 |
| February 20, 2012 | 5 | 5 |

c) Directors' Attendance Record and directorships held

The following table gives details of the Directors' Attendance Record at the Board Meetings:

| Name of the Director | Number of Board Meetings | |
|---------------------------|--------------------------|----------|
| | Held | Attended |
| Sh. Pran Arora* | 4 | - |
| Sh Rajiv Arora | 9 | 9 |
| Sh Sanjeev Arora | 9 | 9 |
| Sh Surinder K. Sood | 9 | 9 |
| Sh Roop Kishor FatehPuria | 9 | 9 |
| Sh Kavya Arora | 5 | 5 |

Sh. Sanjeev Arora, Chairman-Cum-Managing Director and Sh. Roop Kishore Fatehpuria, Executive Director were present at the Annual General Meeting of the Company held on Wednesday 28th September, 2011 at Lok Kala Manch, 20, Institutional Area, Lodi Road, New Delhi.

d) Materially significant related party transactions

Related Parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished under paragraph no. 35 of the Notes to the Accounts attached with the financial statements for the year ended March 31st, 2012.

The transactions with the related parties are neither materially significant nor they have any potential conflict with the interests of the Company at large. Also there has not been any non-compliance by the Company in respect of which penalties or strictures were imposed by Stock Exchange, SEBI or by any other statutory authority during the period under review.

e) Board Committees

The Board has constituted the Audit Committee, the Shareholders'/Investors' Grievance Committee and Remuneration Committee. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for the committees. Recommendations/decisions of the committee are submitted to the Board for approval. The quorum for meetings is either two members or one third of the members of the committees, whichever is higher.

AUDIT COMMITTEE

The Audit Committee consists of three members Sh. Roop Kishore Fatehpuria (Member), Sh. Kavya Arora (Member) and Sh. Surinder K. Sood (present Chairman of Committee).

The committee met five times during the last year on 14th May 2011, 12th August 2011, 2nd September 2011,

15th November 2011 and 10th February 2012 the details of which are as under:

| Name of the Director | No. of Meetings | |
|---------------------------|-----------------|----------|
| | Held | Attended |
| Sh. Pran Arora* | 3 | - |
| Sh Rajiv Arora | 3 | 3 |
| Sh Kavya Arora | 2 | 2 |
| Sh Surinder K. Sood | 5 | 5 |
| Sh Roop Kishor Fatehpuria | 2 | 2 |

*upto 09.10.2011

No sitting fee was paid during the year for attending meetings of Audit Committee.

SHARE TRANSFER AND SHAREHOLDERS'/ INVESTORS GRIEVANCE COMMITTEE

The Share Transfer and Shareholders'/ Investors Grievance Committee consists of three members Sh. Roop Kishore Fatehpuria (Member), Sh. Kavya Arora (Member) and Sh. Surinder K. Sood (present Chairman of Committee).

The details of the meetings are as under:

| Name of the Director | No. of Meetings | |
|-----------------------------|-----------------|----------|
| | Held | Attended |
| Sh. Surinder K.Sood | 18 | 18 |
| Sh. Sanjeev Arora | 13 | 13 |
| Sh. Pran Arora* | 13 | 13 |
| Sh. Roop Kishore Fatehpuria | 5 | 5 |
| Sh. Kavya Arora | 5 | 5 |

* upto 09/10/2011

During the financial year 2011-2012, the company has received 18 complaints. The Complaints are related to transfer, dematerialisation, dividend etc. and all the complaints have been duly resolved by the company. Further there is no pendency in respect of shares received for transfer during the financial year 2011-2012.

No investor grievance was pending on March 31, 2012.

3. Management

The Management Discussion and Analysis Report have been included in this Annual Report and include discussion on the matters specified in the Clause 49 of the Listing Agreement.

4. Code of Conduct

The Board has laid down a code of conduct for all Board members and Senior Management of the Company. All Board members and Senior Management Personnel have complied with the Code of Conduct. Declaration to this effect signed by the Managing Director is enclosed with the Annual Report.

5. Shareholders

a) Disclosures regarding appointment or re-appointment of Directors

According to the Articles of Association of the Company, one third of such of the Directors for the time being are liable to retire by rotation shall retire and, if eligible, offer themselves for re-election at the Annual General Meeting. Accordingly, Sh. Rajiv Arora retires by rotation in the ensuing Annual General Meeting. The Board has recommended the re-election of Sh. Rajiv Arora to the shareholders. Sh. Kavya Arora who was appointed as Additional Director during the year under review, retire at ensuing Annual General Meeting and has been recommended for re-election.

b) Communication to Shareholders

The quarterly, half yearly and annual results are generally published in The Business Standard and The Business Standard.

c) Compliance Officer

Sh. Roop Kishore Fatehpuria is the Compliance Officer of the Company. He can be contacted for any investors' related matter relating to the Company. His contact nos. are 91-161-2678803, 804, fax no. is 91-161-2678806 and e-mail ID is info@riteshindustries.us.

d) General Body Meetings

I. The details of last three Annual General Meetings were held as per the details given below:

| Year | Venue | Time |
|-----------|--|---|
| 2010-2011 | Lok Kala Manch, 20, Institutional Area, Lodhi Road, New Delhi-110003 | 28 th September, 2011 at 11.00 A.M |
| 2009-2010 | Gayatri Hall, Lok Kala Manch, 20, Institutional Area, Lodhi Road, New Delhi-110015 | 28 th September, 2010 at 11.00 A.M |
| 2008-2009 | Gayatri Hall, Lok Kala Manch, 20, Institutional Area, Lodhi Road, New Delhi-110003 | 24 th December, 2009 at 10.00 A.M |

e) Postal Ballot:

The shareholders of the company have not approved any resolution by means of Postal Ballot.

6. General Shareholders Information

The following information would be useful to our shareholders:

a) Annual General Meeting

Date & Time: 28th day of September, 2012 at 11.00 A.M.

Venue: M.L. Bhartia Auditorium, Alliance Francaise, de Delhi, Indo-French Cultural Centre, 72, Lodi Estate, New Delhi-110003 to transact the following business:

Financial Year: 1st April 2011 to 31st March 2012.

b) Financial Calendar 2012-13 (Tentative)

First Quarter Results August, 2012
Second Quarter Results November, 2012
Third Quarter Results February, 2013
Annual Results May, 2013

c) Date of Book Closure:

26th day of September, 2012 to 28th day of September, 2012 (both days inclusive)

d) The shares of the Company are listed on the following stock exchanges:

Name and Address of Stock Exchanges

The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
The Delhi Stock Exchange Association Limited
DSE House, 3/1 Asaf Ali Road, New Delhi-110002

There are no pending dues with Bombay Stock Exchange and Delhi Stock Exchange.

e) Registrar & Transfer Agent

Skyline Financial Services Private Limited
D-153-A, First Floor
Okhla Industrial Area, Phase-I
New Delhi- 110020
Phones: 011-30857575 (10 lines)
Fax: 011-30857562
E-mail: grievances@skylinerta.com

f) Market price data

Monthly high and low prices of equity shares of Ritesh Properties and Industries Limited at the Stock Exchange, Mumbai (BSE) in comparison to sensex are given hereunder:

| Month | BSE | | | | |
|-----------------|--------------|------|--------|----------|----------|
| | Share Prices | | Volume | Sensx | |
| | High | Low | | High | Low |
| April, 2011 | 11.89 | 9.48 | 42719 | 19811.14 | 18976.19 |
| May, 2011 | 10.50 | 7.73 | 50516 | 19253.87 | 17786.13 |
| June, 2011 | 9.25 | 6.80 | 72065 | 18873.39 | 17314.38 |
| July, 2011 | 9.20 | 6.50 | 109297 | 19131.70 | 18131.86 |
| August, 2011 | 8.45 | 6.03 | 45515 | 18440.07 | 15765.53 |
| September, 2011 | 7.46 | 5.15 | 26882 | 17211.80 | 15801.01 |
| October, 2011 | 7.29 | 5.51 | 19547 | 17908.13 | 15745.43 |
| November, 2011 | 6.95 | 5.08 | 18650 | 17702.26 | 15478.69 |
| December, 2011 | 6.10 | 4.75 | 26426 | 17003.71 | 15135.86 |
| January, 2012 | 7.89 | 4.70 | 23342 | 17258.97 | 15358.02 |
| February, 2012 | 7.68 | 5.92 | 38658 | 18523.78 | 17061.55 |
| March, 2012 | 8.37 | 5.25 | 610306 | 18040.69 | 16920.61 |

Source: www.bseindia.com

g) Share transfers

Share transfers are done by the Company's Registrar and Share Transfer agents Skyline Financial Services Private limited, New Delhi. Share transfers are registered and returned within a period of 15 days from the date of receipt. Share Transfer Committee met 18 times and 5800 shares were transferred and 18100 shares were dematerialised during the year under review.

h) Dematerialisation of Shares

82.83% of Equity Shares of the Company are in dematerialized form as on 31st March, 2012. The shares of the company are available for dematerialization with both the depositories i.e. NSDL and CDSL vide ISIN No. INE 299D01014.

i) Outstanding Convertible Instruments

The Company has no outstanding convertible instruments.

j) Shareholding Pattern:

Shareholding pattern in Ritesh Properties and Industries Limited as on March 31, 2012 and March 31, 2011 for the purpose of reporting in the Annual Report of the Company for the year 2011-12 is given as under:

| Category | As On 31.03.2012 | | As On 31.03.2011 | |
|---------------------------------|----------------------|-------|----------------------|-------|
| | No. of Equity Shares | % | No. Of Equity Shares | % |
| Promoter & Promoter Group | 34,61,666 | 29.27 | 2,882,082 | 24.86 |
| Mutual Funds/ UTI | 200 | 0.00 | 200 | 0.00 |
| Body Corporate | 44,41,424 | 38.32 | 41,50,276 | 35.81 |
| NRIs | 1,28,070 | 1.10 | 1,27,110 | 1.10 |
| Others | 35,59,598 | 30.71 | 44,30,690 | 38.22 |
| Foreign Institutional Investors | - | - | 600 | 0.01 |

k) Distribution of Shareholding

As on March 31st, 2012 the distribution of shareholding was as follows:

| Share holding of Nominal value of Rs. | Shareholders | | No. of Share held | |
|---------------------------------------|--------------|---------------|-------------------|---------------|
| | Number | % | Number | % |
| Upto 5000 | 16865 | 94.52 | 2550727 | 22.01 |
| 5001 to 10000 | 495 | 2.77 | 413590 | 3.57 |
| 10001 to 20000 | 232 | 1.30 | 355909 | 3.07 |
| 20001 to 30000 | 75 | 0.42 | 191753 | 1.65 |
| 30001 to 40000 | 33 | 0.18 | 116365 | 1.00 |
| 40001 to 50000 | 28 | 0.16 | 133302 | 1.15 |
| 50001 to 100000 | 48 | 0.27 | 330677 | 2.85 |
| 100001 And Above | 66 | 0.37 | 7498635 | 64.69 |
| Total | 17842 | 100.00 | 11590958 | 100.00 |

l) Address for Correspondence

Ritesh Properties and Industries Limited,
11/5B, 1st Floor, Pusa Road, New Delhi
Phone Nos. 011-25862110
Fax No. 011-25862111



STATUTORY AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To

The Members of

Ritesh Properties & Industries Limited

We have examined the compliance of the conditions of the Corporate Governance by Ritesh Properties & Industries Limited for the year ended 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors and Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period of exceeding one month against the Company as per the records maintained by the Shareholders'/ Investor's Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S M Mathur & Co.
Chartered Accountants

sd/-

(S M Mathur)
Partner

Membership No. 013066

Place : New Delhi
Dated : 27.08.2012

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

I, Sanjeev Arora, Chairman-cum-Managing Director of Ritesh Properties & Industries Limited, certify that:

1. I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2012 and that to the best of my knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
3. I accept responsibility for establishment and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or purpose to take to rectify these deficiencies:
4. I have indicated to the auditors and the Audit Committee
 - a) Significant changes in internal controls during the year.
 - b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements, and
 - c) Instances of significant fraud of which we have become aware and involvement therein, if any of the management or other employees who have a significant role in the company's internal controls systems.
5. I further declare that all board members and senior managerial personal have affirmed compliance with the code of conduct for the financial year 31st March, 2012.

For Ritesh Properties and Industries Limited

sd/-

Sanjeev Arora
(Chairman-cum-Managing Director)

Place : New Delhi
Dated : 27.08.2012

RITESH PROPERTIES AND INDUSTRIES LIMITED

AUDITORS' REPORT

To
The Members of
Ritesh Properties and Industries Limited,
New Delhi

- I. We have audited the attached Balance Sheet of Ritesh Properties and Industries Limited as at 31st March 2012 and also the Statement of Profit & Loss Account for the year ended on that date Annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express opinion on these financial statements based on our audit.
- II. We have 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 mis-statement. An audit 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.
- III. We report that:-
1. As required by Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said Order.
 2. Further to our comments in the Annexure referred to in paragraph (1) above, we report as under:
 - (a) 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;
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books;
 - (c) The Balance Sheet, Statement of Profit & Loss Account and Cash Flow Statement, referred to in this report, are in agreement with the books of accounts;
- (d) On the basis of written representations received from the Directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March 2012 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - (e) In our opinion the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956; and
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said statement of accounts, read with notes thereon as given in the Notes on Accounts
 1. Depreciation :- Depreciation on Fixed Assets have not been calculated on 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 past.
- 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 Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
 - ii. In the case of the Statement of Profit & Loss Account, of the Profit for the year ended on that date; and
 - iii. In the case of Cash Flow Statement, of the Cash flow for the year ended on that date.

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

sd/-

Place: New Delhi
Dated: 27.08.2012

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

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 refer 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 as compared to two companies in previous year which are duly recorded as compared to the books of accounts.
3. a) The Company during the year under audit has taken loan from one Company and one individual 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.2017.58 Lacs (Previous Year Rs.975.37 Lacs). There are four (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.691.83 Lacs (Previous Year Rs. 787.10 Lacs).
- b) The company has given loans to 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.1755.07 Lacs (Previous year Rs. 1460.09 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 amount.
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 informations and explanations provided to us by the management, the transactions that need to be entered in to the register maintained under section 301 of 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 in to 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 sub section (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, 2012 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.853.09 lacs in Reserve & Surplus by the year ended on 31st March, 2012 after adjusting the accumulated losses of Rs.1679.84 lacs. During the year ended under audit, it has earned cash profit (after tax) of Rs.123.46 lacs (Previous year Rs.623.17 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 bank.
 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 informations and explanation given to us, no informations fraud on or by the Company has been noticed or reported during the year.

For **S. M. Mathur & Co.**

Chartered Accountants

(Firm Registration No. 006588N)

sd/-

Place: New Delhi

(S. M. Mathur)

Dated: 27.08.2012

Prop.

M. No.013066

BALANCE SHEET AS AT 31ST MARCH, 2012

(Amount in Rs.)

| PARTICULARS | NOTES | 31.03.2012 | 31.03.2011 |
|------------------------------------|-------|-----------------------|-----------------------|
| I EQUITY AND LIABILITIES | | | |
| (A) Shareholder"s Fund | | | |
| (a) Share Capital | 2 | 115,909,580.00 | 115,909,580.00 |
| (b) Reserve & Surplus | 3 | 85,309,403.79 | 79,783,575.85 |
| | | <u>201,218,983.79</u> | <u>195,693,155.85</u> |
| (B) Non Current Liabilities | | | |
| (a) Long term Borrowings | 4 | 944,115.75 | 1,238,112.00 |
| (b) Other Long term Liabilities | 5 | 234,388,153.30 | 137,737,019.30 |
| | | <u>235,332,269.05</u> | <u>138,975,131.30</u> |
| (C) Current Liabilities | | | |
| (a) Short term Borrowings | 6 | 4,419,963.50 | 4,498,103.50 |
| (b) Trade Payable | 7 | 235,426,425.15 | 60,294,389.29 |
| (c) Other Current Liabilities | 8 | 56,263,177.51 | 82,209,894.07 |
| (d) Short term provisions | 9 | 3,959,321.08 | 4,727,282.08 |
| | | <u>300,068,887.24</u> | <u>151,729,668.94</u> |
| | | <u>736,620,140.08</u> | <u>486,397,956.09</u> |
| II ASSETS | | | |
| (A) Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| i) Tangible Assets | 10 | 18,977,788.81 | 21,411,712.11 |
| (b) Non Current Investments | 11 | 15,164,000.00 | 15,164,000.00 |
| (c) Other Non Current Assets | 12 | - | 6,494,815.00 |
| (d) Long term Loans & Advances | 13 | 452,902,264.30 | 363,723,354.91 |
| | | <u>487,044,053.11</u> | <u>406,793,882.02</u> |
| (B) Current Assets | | | |
| (a) Current Investments | 14 | 123,310.00 | 223,310.00 |
| (b) Inventories | 15 | 212,344,813.97 | 26,670,861.41 |
| (c) Trade Receivables | 16 | 24,963,012.77 | 27,036,979.24 |
| (d) Cash and cash equivalents | 17 | 9,138,193.00 | 4,667,009.31 |
| (e) Short-term loans and advances | 18 | 3,006,757.23 | 21,005,914.11 |
| | | <u>249,576,086.97</u> | <u>79,604,074.07</u> |
| | | <u>736,620,140.08</u> | <u>486,397,956.09</u> |

Significant Accounting Policies and 1 to 42
Notes to Accounts

The accompanying notes are an integral part of the financials statements

For and on behalf of the Board

As per our report of even date

For **S.M. Mathur & Co.**

Chartered Accountants

(Firm Registration No. 006588N)

sd/-

(S.M. Mathur)

Prop.

M. No. 013066

Place : New Delhi

Dated : 27.08.2012

sd/-

(Sanjeev Arora)

Chairman-Cum-Managing Director

sd/-

(Kavya Arora)

Director

sd/-

(Roop Kishore Fathepuria)

Executive Director

RITESH PROPERTIES AND INDUSTRIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012 (Amount in Rs.)

| PARTICULARS | NOTES | 31.03.2012 | 31.03.2011 |
|---|---------|-----------------------|----------------------|
| INCOME | | | |
| Revenue from Operations | 19 | 98,576,173.16 | 82,145,147.34 |
| Other Income | 20 | 9,445,975.67 | 8,192,353.46 |
| Total Revenue | | 108,022,148.83 | 90,337,500.80 |
| EXPENSES | | | |
| Cost of material consumed | 21 | 52,443,381.86 | 3,078,674.04 |
| Changes in Inventories of finished goods | 22 | 331,127.82 | 240,648.47 |
| Employee benefit expenses | 23 | 5,493,689.50 | 3,522,575.74 |
| Finance costs | 24 | 3,203,148.27 | 3,064,281.90 |
| Depreciation and amortization expenses | 10 | 8,907,181.30 | 9,186,246.09 |
| Other Expenses | 25 | 33,308,785.14 | 16,679,649.83 |
| Total Expenses | | 103,687,313.89 | 35,772,076.07 |
| PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS & TAX | | 4,334,834.94 | 54,565,424.73 |
| Exceptional Items | 26 | (80,000.00) | (34,547.38) |
| PROFIT BEFORE EXTRAORDINARY ITEMS & TAX | | 4,254,834.94 | 54,530,877.35 |
| Extraordinary Items | 27 | (34,957.00) | - |
| Profit before Tax | | 4,219,877.94 | 54,530,877.35 |
| Tax Expenses | | | |
| a) Current Tax | | (781,000.00) | (1,400,000.00) |
| PROFIT FOR THE YEAR | | 3,438,877.94 | 53,130,877.35 |
| Earning per Share (of Rs. 10/- each) | | | |
| (1) Basic & Diluted | 28 | 0.30 | 4.58 |
| Significant Accounting Policies and Notes to Accounts | 1 to 42 | | |

The accompanying notes are an integral part of the financials statements

For and on behalf of the Board

As per our report of even date

For **S.M. Mathur & Co.**

Chartered Accountants

(Firm Registration No. 006588N)

sd/-

(S.M. Mathur)

Prop.

M. No. 013066

Place : New Delhi

Dated : 27.08.2012

sd/-

(Sanjeev Arora)

Chairman-Cum-Managing Director

sd/-

(Kavya Arora)

Director

sd/-

(Roop Kishore Fathepuria)

Executive Director

RITESH PROPERTIES AND INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

| | | (Amount in Rs.) | |
|--|------------------------|-----------------|-----------------|
| PARTICULARS | 31.03.2012 | 31.03.2011 | |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Profit/(Loss) before tax & Extra Ordinary items | 4,219,877.94 | | 54,530,877.35 |
| Adjustments for | | | |
| - Depreciation | 8,907,181.30 | 2,691,431.09 | |
| - Interest paid on borrowing | 2,963,386.00 | 2,835,974.00 | |
| - Profit/Loss on Sale of Assets | 34,957.00 | 34,547.38 | |
| - Dividend/interest received | (9,155,024.67) | (7,884,009.46) | (2,322,056.99) |
| Operating Profit before working capital charges | 6,970,377.57 | | 52,208,820.36 |
| Adjustments for | | | |
| - Inventory | (185,673,952.56) | 1,092,023.72 | |
| - Receivable | 2,073,966.47 | 191,293.88 | |
| - Payable | 148,339,218.30 | 72,651,053.00 | |
| - Loans & Advances (Short Term) | 17,999,156.88 | (73,334,143.07) | 600,227.53 |
| Cash Generated from Operations | (10,291,233.34) | | 52,809,047.89 |
| Interest paid | (2,963,386.00) | | (2,835,974.00) |
| | (13,254,619.34) | | 49,973,073.89 |
| Taxes Paid | (1,305,950.00) | | 1,400,000.00 |
| Net Cash from Operating Activities (A) | (11,948,669.34) | | 48,573,073.89 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of Fixed Assets | (16,400.00) | (739,142.00) | |
| Sale of Fixed Assets | 3,000.00 | 245,000.00 | |
| Purchase/Sale of Investment | 100,000.00 | - | |
| Loans & Advances (Long Term) | (89,178,909.39) | - | |
| Interest/Dividend Received | 9,155,024.67 | 7,884,009.46 | 7,389,867.46 |
| Net cash used in Investing Activities (B) | (79,937,284.72) | | 7,389,867.46 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Increase in Deferred Revenue Expenditure | | 6,494,815.00 | |
| Borrowing (Net) | 96,357,137.75 | (65,740,202.00) | (59,245,387.00) |
| Net cash from financing activities (C) | 96,357,137.75 | | (59,245,387.00) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | | | |
| Cash equivalents (A+B+C) | 4,471,183.69 | | (3,282,445.65) |
| Cash and Cash equivalents(Opening Balance) | 4,667,009.31 | | 7,949,454.95 |
| Cash and Cash equivalents(Closing Balance) | 9,138,193.00 | | 4,667,009.30 |

Auditor's Report

As per our report of even date
For **S. M. Mathur & Co.**
Chartered Accountants
(Firm Registration No. 006588N)
sd/-
(S. M. Mathur)
Prop.
M. No. 013066
Place : New Delhi
Dated : 27.08.2012

For and on behalf of the Board

sd/-
(Sanjeev Arora)
Chairman-cum-Managing Director

sd/-
(Kavya Arora)
Director

sd/-
(Roop Kishore Fathepuria)
Executive Director

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

1. Significant Accounting Policies followed by the Company

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 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 on the basis of project completion basis. During the year, the management has certified that development of project has been completed to the extent of

55% till 31.03.2012 on mercantile basis. Accordingly the revenue has been recognized. During the year the company has undertaken the development work of the project from Ansal API. The development expenses & other expenses incurred on project by Ansal API have been taken as Project Development expenses in the cost of material.

During the year the company has changed the method of accounting for the recognition of revenue on the sale of plots. Previously the company had recognized the revenue for their own share of 62.50% on the basis of project completion basis as per the Development Agreement with Ansal API, but during the year the company has recognized the sale of plots as its own sale instead of share of revenue.

2. Foreign currency fluctuations during the year are 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 time of assessment, will be accounted for in the year of finalization of assessment.

e) Foreign Exchange Transaction

NIL

f) Depreciation

Depreciation on Fixed Assets have not been calculated on 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 past.

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 Account. 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 Account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 | | | |
|----------|---|----------------------------------|----------------------|------------------|----------------------|------------------|
| 2 | SHARE CAPITAL ACCOUNT | | | | | |
| | <u>Authorized</u> | | | | | |
| | 15,000,000 Equity Shares of Rs. 10/- each Issued | 150,000,000.00 | 150,000,000.00 | | | |
| | <u>Issued</u> | | | | | |
| | 11,758,508 Equity Shares of Rs. 10/- each | 117,585,080.00 | 117,585,080.00 | | | |
| | <u>Subscribed & Paid up</u> | | | | | |
| | 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. Sanjeev Arora | 2243346 | 19.35 | 2012837 | 17.37 |
| | 2. | Bhagyanagar India Ltd. | 1250000 | 10.78 | 1250000 | 10.78 |
| | 3. | Bennett Coleman and Company Ltd. | 847458 | 7.31 | 847458 | 7.31 |
| 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 31ST MARCH, 2012

(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|----------|---|-----------------------|-----------------------|
| | f) Profit & Loss Account | | |
| | Opening Balance | (173,510,036.67) | (226,640,914.02) |
| | Tax of earlier years written back | 2,086,950.00 | - |
| | Additions during the year | 3,438,877.94 | 53,130,877.35 |
| | Closing Balance | (167,984,208.73) | (173,510,036.67) |
| | TOTAL | 85,309,403.79 | 79,783,575.85 |
| 4 | LONG TERM BORROWINGS | | |
| | Secured# | | |
| | a) From Bank | 552,402.75 | 738,261.00 |
| | b) From Others | 391,713.00 | 499,851.00 |
| | TOTAL | 944,115.75 | 1,238,112.00 |
| | # Secured against the Hypothecation of the Vehicles | | |
| 5 | OTHER LONG TERM LIABILITIES | | |
| | (a) From Related Parties | 201,757,929.30 | 97,537,019.30 |
| | (b) From Others | 32,630,224.00 | 40,200,000.00 |
| | TOTAL | 234,388,153.30 | 137,737,019.30 |
| 6 | SHORT TERM BORROWINGS | | |
| | (a) Loans Repayable on Demand | | |
| | - Secured From Banks | 4,419,963.50 | 4,498,103.50 |
| | TOTAL | 4,419,963.50 | 4,498,103.50 |
| | The Working Capital facility secured against Equitable mortgage of Company's Land & Building situated at 356, Industrial Area A, Ludhiana and also guaranteed by the promoter directors of the company. | | |
| 7 | TARDE PAYABLE | | |
| | a) Trade Payable | 235,426,425.15 | 60,294,389.29 |
| | TOTAL | 235,426,425.15 | 60,294,389.29 |
| | 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 that 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 | 51,571,243.00 | 77,621,845.66 |
| | Statutory Dues | 3,698,698.51 | 3,705,944.51 |
| | Other Liabilities | 554,306.00 | 761,249.00 |
| | Cheque Issued but presented later on | 438,930.00 | 120,854.90 |
| | TOTAL | 56,263,177.51 | 82,209,894.07 |
| 9 | SHORT TERM PROVISIONS | | |
| | (a) Provision for employee benefits | 1,778,321.08 | 1,456,019.08 |
| | (b) Others | 2,181,000.00 | 3,271,263.00 |
| | TOTAL | 3,959,321.08 | 4,727,282.08 |

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012
(Amount in Rs.)

NOTES PARTICULARS 31.03.2012 31.03.2011

10 TANGIBLE ASSETS

| PARTICULARS | GROSS BLOCK | | | | DEPREICATION | | | | NET BLOCK | |
|--------------------------------|-----------------|------------|------------------|------------------|----------------|--------------|------------------------|-----------------|------------------|------------------|
| | As at 1.04.2011 | Additions | Sale/ Deductions | As at 31.03.2012 | Upto 1.04.2011 | For the Year | Adjustment/ Deductions | Upto 31.03.2012 | As At 31.03.2012 | As At 31.03.2011 |
| Land | | | | | | | | | | |
| - Freehold | 457,100.00 | - | - | 457,100.00 | - | - | - | - | 457,100.00 | 457,100.00 |
| Building | 38,301,712.23 | - | - | 38,301,712.23 | 26,600,328.17 | 1,170,138.41 | - | 27,770,466.58 | 10,531,245.65 | 11,701,384.06 |
| Plant & Machinery | 2,695,089.60 | 4,950.00 | 66,800.00 | 2,633,239.60 | 2,166,122.29 | 70,067.59 | 28,843.00 | 2,207,346.88 | 425,892.72 | 528,967.31 |
| Furniture & Fixture | 4,607,049.61 | 11,450.00 | - | 4,618,499.61 | 2,562,076.80 | 205,069.77 | - | 2,767,146.57 | 1,851,353.04 | 2,044,972.81 |
| Office Equipment | 1,765,440.37 | - | - | 1,765,440.37 | 1,069,387.32 | 69,605.32 | - | 1,138,992.65 | 626,447.72 | 696,053.05 |
| Vehicles | 11,913,122.99 | - | - | 11,913,122.99 | 5,929,888.10 | 897,485.21 | - | 6,827,373.31 | 5,085,749.68 | 5,983,234.89 |
| TOTAL | 59,739,514.80 | 16,400.00 | 66,800.00 | 59,689,114.80 | 38,327,802.68 | 2,412,366.30 | 28,843.00 | 40,711,325.99 | 18,977,788.81 | 21,411,712.11 |
| Previous Year | 60,439,208.80 | 739,142.00 | 1,438,836.00 | 59,739,514.80 | 36,795,660.22 | 2,691,431.08 | 1,159,288.62 | 38,327,802.69 | 21,411,712.11 | 23,643,548.57 |

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 OTHER NON CURRENT ASSETS Defferred Revenue Expenditure

| | | |
|-----------------------------------|---------------------|---------------|
| Opening Balance | 6,494,815.00 | 12,989,630.00 |
| Less: Written off during the year | 6,494,815.00 | 6,494,815.00 |
| TOTAL | - | 6,494,815.00 |

13 LONG TERM LOANS & ADVANCES

| | | |
|---|-----------------------|----------------|
| Security Depsoits | 1,041,855.87 | 1,101,466.87 |
| Loans & Advances to Subsidiaries | 175,507,255.59 | 146,009,490.20 |
| Other Loans & Advances, Considered Good | 276,353,152.84 | 216,612,397.84 |
| TOTAL | 452,902,264.30 | 363,723,354.91 |

14 CURRENT INVESTMENTS

Trade Investments

Quoted

| | | |
|--|-------------------|------------|
| 1100 Equity Shares of Master Trust Ltd. | 11,000.00 | 11,000.00 |
| 2000 Equity Shares of Rs.10/- each of Vallabh Knits Ltd. | 20,000.00 | 20,000.00 |
| 400 Equity Shares of Rs.10/- each of Nahar Industrial Ent. Ltd. | 10,000.00 | 10,000.00 |
| NIL(PY 10000) Equity Shares of Rs.10/- each of Kansal Fibre Ltd. | - | 100,000.00 |
| 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 |
| TOTAL | 123,310.00 | 223,310.00 |
| Market Value of Quoted Investments | 163,102.50 | 273,402.50 |

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|-----------|---|-----------------------|----------------------|
| 15 | INVENTORIES | | |
| | (As taken, valued & certify by the management) | | |
| | Real Estate | 211,882,801.66 | 25,877,721.28 |
| | Finished Goods | 462,012.31 | 793,140.13 |
| | TOTAL | 212,344,813.97 | 26,670,861.41 |
| 16 | TRADE RECEIVABLES (UNSECURED) CONSIDERED GOOD | | |
| | Outstanding for a period exceeding 6 months | 24,846,301.77 | 26,925,829.24 |
| | Others | 116,711.00 | 111,150.00 |
| | TOTAL | 24,963,012.77 | 27,036,979.24 |
| 17 | CASH & CASH EQUIVALENT | | |
| | Cash Balance in Hand | 265,559.55 | 1,079,079.05 |
| | Balance with Bank in Current Account | 7,486,060.45 | 2,042,987.83 |
| | Balance with Bank in FDR Account | 1,386,573.00 | 1,544,942.43 |
| | TOTAL | 9,138,193.00 | 4,667,009.31 |
| 18 | SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD) | | |
| | Taxes paid in advance | 2,246,501.66 | 6,546,387.66 |
| | Advances to suppliers | 465,244.00 | 12,613,849.90 |
| | Advances to Staff | 144,676.73 | 217,674.73 |
| | Other Loans & Advances | 150,334.84 | 1,628,001.82 |
| | TOTAL | 3,006,757.23 | 21,005,914.11 |
| 19 | REVENUE FROM OPERATIONS | | |
| | i) Sale of Real Estate | | |
| | -Sale of Industrial Plots | 97,964,799.66 | 81,882,032.34 |
| | ii) Other Operating Income | | |
| | -Sale of Garments etc. | 611,373.50 | 263,115.00 |
| | TOTAL | 98,576,173.16 | 82,145,147.34 |
| 20 | OTHER INCOME | | |
| | Interest Income | 9,154,217.67 | 7,882,267.46 |
| | Dividend Income | 807.00 | 1,742.00 |
| | Rent | 290,951.00 | 283,148.00 |
| | Misc. Income | - | 25,196.00 |
| | TOTAL | 9,445,975.67 | 8,192,353.46 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|-----------|--|-----------------------|---------------|
| 21 | COST OF MATERIAL CONSUMED | | |
| | Opening Stock | | |
| | - Real Estate | 25,877,721.28 | 26,729,096.53 |
| | Add: Purchases | | |
| | i) Project & Pre-operative Expenses | 238,058,451.24 | 2,000,000.00 |
| | ii) Others | 390,011.00 | 227,298.79 |
| | | 264,326,183.52 | 28,956,395.32 |
| | Less : Closing Stock | | |
| | - Real Estate | 211,882,801.66 | 25,877,721.28 |
| | Net Consumption | 52,443,381.86 | 3,078,674.04 |
| 22 | CHANGE IN INVENTORIES | | |
| | Opening Stock of | | |
| | - Finished Goods | 793,140.13 | 1,033,788.60 |
| | Less : Closing Stock of | | |
| | - Finished Goods | 462,012.31 | 793,140.13 |
| | (Increase)/Decrease in Inventories | 331,127.82 | 240,648.47 |
| 23 | EMPLOYEE BENEFITS EXPENSES | | |
| | Salaries & Wages# | 2,902,767.00 | 2,599,200.00 |
| | Contribution to Provident & Other Funds | 110,479.00 | 106,530.00 |
| | Other Benefits to Staff & Workers ## | 2,388,693.00 | 715,103.74 |
| | Staff Welfare Expenses | 91,750.50 | 101,742.00 |
| | TOTAL | 5,493,689.50 | 3,522,575.74 |
| | # Includes Directors Remuneration Rs. 12,95,400.00 Previous Year Rs. 11,40,400.00 | | |
| | ## Includes Directors Sitting Fee Rs. 10,000.00 (Previous Year Rs. 29,750.00), | | |
| | Director's Medical Expenses Rs.19,92,591.00 (Previous year Rs. 3,23,112.74) and Director's | | |
| | Conveyance Allowance Rs.9,600.00 (Previous year Rs.9,600.00) | | |
| 24 | FINANCE CHARGES | | |
| | Interest | 2,963,386.00 | 2,835,974.00 |
| | Hire Purchase Charges | 192,983.75 | 132,595.00 |
| | Bank Charges | 46,778.52 | 95,712.90 |
| | TOTAL | 3,203,148.27 | 3,064,281.90 |
| 25 | OTHER EXPENSES | | |
| | Advertisement | 1,128,085.00 | 246,772.00 |
| | Electric Expenses | 287,729.00 | 767,558.00 |
| | Fees & Taxes | 317,966.00 | 301,849.00 |
| | Freight Expenses | 5,340.00 | 5,130.00 |
| | Insurance Expenses | 154,417.22 | 227,330.65 |
| | Legal & Professional Charges | 2,086,289.00 | 1,951,616.50 |

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|-----------|--|----------------------|----------------------|
| | Vehicle Expenses | 419,556.00 | 467,597.00 |
| | Postage & Telephone Expenses | 284,750.37 | 258,578.55 |
| | Rent & House Tax | 395,850.00 | 2,858,404.00 |
| | Balances Written off | 9,750.00 | 262,354.65 |
| | Bad Debts Written off | 19175474.55 | – |
| | Travelling and Conveyance Expenses # | 4,417,365.00 | 4,391,782.71 |
| | Charity & Donation | 379,000.00 | 580,000.00 |
| | Repair & Maintenance ## | 146,367.00 | 74,993.41 |
| | Sales Promotion Expenses | 3,297,632.00 | 2,348,284.20 |
| | Other Expenses | 803,214.00 | 1,937,399.16 |
| | TOTAL | 33,308,785.14 | 16,679,649.83 |
| | # Includes Directors Travelling and Conveyance Expenses Rs. 2,688,268.52 Previous Year Rs. 37,23,291.78 | | |
| | ## Repair and maintenance includes | | |
| | Machinery Repair | – | 300.00 |
| | Electric Repair | 30,493.00 | 7,467.00 |
| | Building Repair | 66,899.00 | 41,106.00 |
| | General Repair | 48,975.00 | 26,120.41 |
| | TOTAL | 33,308,785.14 | 16,679,649.83 |
| 26 | EXCEPTIONAL ITEMS | | |
| | Loss on Investments | (80,000.00) | (34,547.38) |
| | TOTAL | (80,000.00) | (34,547.38) |
| 27 | EXTRAORDINARY ITEMS | | |
| | Loss on Sale of Fixed Assets | (34,957.00) | – |
| | TOTAL | (34,957.00) | – |
| 28 | EARNING PER SHARE | | |
| | a) Net profit after tax | 3,438,877.94 | 53,130,877.35 |
| | b) Total weighted Average Number of Shares for | | |
| | Basic and Diluted Earning | 11,590,958.00 | 11,590,958.00 |
| | c) Basic and Diluted Earning per Share | 0.30 | 4.58 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

29. CONTINGENT LIABILITIES

- Bank Gurantee Rs.181.66 Lacs (Previous year Rs.181.66 Lacs)
30. Debit & Credit balances of the parties are subject to confirmation & reconciliation.
31. Insurance claims of NIL (Previous Year Rs.24,998/-) are being accounted for on receipt basis.
32. During the year, the company had written off Rs. 6,494,815/- as "expenses amortization" being the deferred revenue expenditure as carried over from previous year.
33. The payment of remuneration made to the Mg. Director, Executive Director and Other Directors are as under:-

| Particulars | 2011-12 | 2010-11 |
|--|----------------|----------------|
| Salary to Mg. Director - Sh. Sanjeev Arora | Rs. 3,60,000/- | Rs. 3,60,000/- |
| Salary to Director - Sh. Roop Kishore Fathepuria. | Rs. 9,35,400/- | Rs. 7,80,400/- |
| Perks-Conveyance Allowance Director - Sh. Roop Kishore Fathepuria. | Rs.9,600/- | Rs.9,600/- |
| Sitting Fee to Director | Rs.10,000/- | Rs.29,750/- |
| Reimbursement of Medical Expenses- Directors | Rs.19,92,591/- | Rs.3,23,113/- |

34. 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 and its associate companies. 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.

35. RELATED PARTIES DISCLOSURE

- A) Related parties where control exists or with whom transactions have taken place during the year.

SUBSIDIARIES COMPANIES

- Femella Fashions Private Ltd.
- Catalina Bay USA Inc.

ASSOCIATED/ALLIED COMPANIES

- o Ritesh International Ltd.
- o Ritesh Spinning Mills Ltd.
- o Kishan Chand & Co Oil Industries Ltd.
- o Ritesh Impex Private Ltd.
- o H.B. Fibres Ltd.

KEY MANAGERIAL PERSONNEL REPRESENTED ON THE BOARD

- o Sh. Pran Arora Ex.-Chairman*
- o Sh. Sanjeev Arora Chairman-Cum- Managing Director
- o Sh. Rajiv Arora Director
- o Sh. Roop Kishor Fathepuria Executive Director
- o Sh. Surinder K Sood Director
- o Sh. Kavya Arora Director

* Up to 09.10.2011

OTHERS

- o Anita Arora Maximum Prop.-Mrs. Anita Discount Retail Arora, Wife of Medical Store Sh. Rajiv Arora, Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

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

| Sr. No. | Name of Company/Firm/Individual | Nature of Transaction | 2011-12 (Rs.) | DR/CR | 2010-11 (Rs.) | DR/CR |
|---------|--|--|--|----------------------------------|--|----------------------------|
| 1. | Ritesh International Ltd, Associated/ Allied Company | - Cheques Recd. - Sales - Expense Reimbursement | 525000.00 - 1950.00 | Cr Dr Dr | 300000.00 34125.00 11432.00 | Cr Dr Cr |
| 2. | Ritesh Spinning Mills Ltd, Associated/ Allied Company | - Loan Repaid - Loan Received - Expenses Incurred | 9569000.00 113700000.00 90.00 | Dr Cr Dr | 78804000.00 11373000.00 - | Dr Cr Cr |
| 3. | H.B. Fibres Ltd, Associated/Allied Company | - Loan Repaid - Loan Received | - 9000000.00 | Dr Cr | 52500000.00 5000000.00 | Dr Cr |
| 4. | Femella Fashions (P) Ltd, Associated/ Allied Company | - Loan Repaid - Loan Received - Sales - Purchase - Expenses incurred on Company behalf - Expenses Reimbursement | 9500000.00 495000.00 609124.24 - 4686.50 548000.00 | Dr Cr Dr Dr Dr Cr | 14700000.00 - 270011.00 1141.59 1082124.75 950.00 | Dr Cr Dr Cr Cr |
| 5. | Anita Arora Max. Discount Retail Medical Store, Others | Rent Received | 116711.00 | Dr | 111150.00 | Dr |
| 6. | Sh. Pran Arora, KMP | - Loan Received - Amount Transfer to Sh. Sanjeev Arora | 90000.00 590000.00 | Cr Dr | 200000.00 - | Cr Cr |
| 7. | Sh. Sanjeev Arora, KMP | - Cheque Paid - Amt Transfer from Sh. Pran Arora's - Salary | - 590000.00 360000.00 | Dr Cr Cr | 82000.00 - 360000.00 | Dr Cr Cr |
| 8. | Sh. Roop Kishore Fathepuria, KMP | - Salary - Conveyance Allowance | 935400.00 9600.00 | Dr Dr | 780400.00 9600.00 | Dr Dr |
| 9. | Sh. Surinder K. Sood, KMP | - Sitting Fee | 10000.00 | Dr | 29750.00 | Dr |

C) Amount due From/To Related Parties :

| Particulars | As on 31.03.2012 (Rs. in Lacs) | As on 31.03.2011 (Rs. in Lacs) |
|--|--------------------------------|--------------------------------|
| i) Due from Related Parties (included in Loans & Advances & Sundry Debtors) | | |
| -Subsidiary Companies | 1999.52 | 1704.54 |
| - Associate/Allied Concern | 691.83 | 787.10 |
| - Others | 2.28 | 1.11 |
| ii) Due to Related Parties (included in Current Liabilities & Unsecured Loans) | | |
| - Associate/Allied Concern | 2011.68 | 970.37 |
| -Due to Key Managerial Personnel | 5.90 | 5.00 |

36. LEASES (AS-19):

| S. No. | Particulars | 31.03.2012 | 31.03.2011 |
|--------|---|-----------------------|-----------------------|
| 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 | NIL NIL NIL | NIL NIL NIL |
| b. | The total of future minimum sub-leases payment expected to be received under non-cancelable sub-leases at the balance sheet: | 11,33,034.00 | 11,55,619.00 |
| c. | Leases payments recognized in the statement of profit and loss for the period, with separate amounts for minimum leases payments. | 3,75,000.00 | 28,58,404.00 |
| d. | Sub-leases payments received (or receivable) recognized in the statement of profit and loss for the period: | 2,90,951.00 | 2,83,148.00 |
| 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 |

37. SEGMENT REPORTING

Segment reporting is not given as the company deals mainly in one segment and the disclosure requirements of Accounting Standards (AS)-17 on "Segment Reporting", issued by The Institute of Chartered Accountants of India are not applicable.

38. As per collaboration agreement dated 14.07.2006 read along with the addendum dated 11.01.2010 entered into with Ansal Properties & Infrastructure Ltd (herein after referred to as APIL for joint development of land on Chandigarh Ludhiana Road. The company in lieu of various obligations under agreement entitled to agreed share of the built up area and of the plotted area. Under the agreement, the entire development

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

and marketing expenses of the project was the responsibility of APIL. Accordingly, expenses incurred in discharge of the obligation under the agreement and agreed share of revenue was, hitherto, recognized as expense/income. As per agreement dated 11.04.2012 read with the memorandum of understanding dated 28.01.2012 entered into between the company and APIL, the entire project with effect from 01.02.2012, Viz "Cut-off date" has been taken over by the company for agreed consideration comprising of reimbursement of expenses incurred by APIL on the development of project and the compensation amount. Accordingly from the "Cut-off date" entire revenue/ expenses from the project, including amount paid to APIL has been recognized in the books of accounts by the company as per percentage completion method.

39. In the opinion of the Board, all the Current Assets, Loans & Advances have a value on realization in the ordinary course of business equivalent to the amount at which they are stated except as expressly stated other wise.
40. Expenditure in Foreign Currency on Traveling is Rs.4,31,775/- (Previous Year Rs.297140/-).
41. Corresponding figures of previous year have been regrouped / rearranged wherever deemed necessary.
42. Till the year ended 31.03.2011, the company was using pre-revised Schedule VI to the Companies Act, 1956 for the preparation and presentation of its financial statements. During the year ended 31.03.2012, the revised Schedule

VI notified under Companies Act, 1956, has become applicable to Company. The company has reclassified previous year figures to confirm to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed by preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance Sheet.

Signature to Notes 1 to 42
for **S. M. Mathur & Co.**,
Chartered Accountants
(Firm Registration No. 006588N)

On behalf of the Board

For Ritesh Properties and Industries Ltd.

sd/-
(S. M. Mathur)
Prop.
M. No. 013066

sd/-
(Sanjeev Arora)
Chairman-cum-Managing Director

sd/-
(Kavya Arora)
Director

Place: New Delhi
Dated: 27.08.2012

sd/-
(Roop Kishore Fathepuria)
Executive Director

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Members of
Ritesh Properties and Industries Limited,
New Delhi

- I. We have audited the attached consolidated Balance Sheet of Ritesh Properties and Industries Limited ("the Company") and its Subsidiaries as at 31st March 2012, and also the Consolidated Statement of Profit & Loss Account and the Consolidated Cash Flow Statements for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements regarding subsidiaries. Our responsibility is to express opinion on these financial statements based on our audit.
- II. 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 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.

We report that:

1. We did not audit the Financial Statements of subsidiary viz Catalina Bay USA Inc, which reflect total assets of Rs. 295.26 Lacs (Previous Year Rs. 291.33 Lacs) as at 31st March, 2012, total revenue of Rs. NIL Lacs (Previous year Rs. NIL) and cash inflows amounting to Rs. 13.66 Lacs (Previous Year cash outflow of Rs. 0.54 Lacs) for the year ended thereon. These financial statements and other financial information have been compiled by the Company's management and our opinion is based solely on the information given by the Company.
2. We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements issued by The Institute of Chartered Accountants of India and notified by Companies (Accounting Standards) Rules, 2006, and on the basis of the separate audited financial statement of the company and its Indian subsidiary

and unaudited financial statement of its foreign subsidiary, included in the consolidated Financial Statements.

3. Based on our audit as aforesaid and on consideration of the financial statements and on the other financial information of the components and accounts approved by the Board of Directors and to the best of information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements read with notes thereon subject to the following Notes as given in the Notes on Accounts

1. Depreciation:- Depreciation on Fixed Assets in the case of Company have not been calculated on 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, 1931 as consistently been provided year after year in past.

Give a true and fair view in conformity with the accounting principles generally accepted in India;

- i. in the case of Consolidated Balance Sheet, of the state of affairs of the company and its subsidiaries as 31st March, 2012 and
- ii. in the case of the Consolidated Statement of Profit & Loss Account, of the Profit of the company and loss of its subsidiaries for the year ended on that date.
- iii. in the case of Consolidated Cash Flow Statement, of the Cash flows of the company and its subsidiaries for the year ended on that date.

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

sd/-

Place: New Delhi
Dated: 27.08.2012

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

ANNEXURE TO AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

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

- | | |
|---|--|
| <p>1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.</p> <p>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.</p> <p>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.</p> | <p>respect of the said loans, the maximum amount outstanding at any time during the year and by year end is Rs.1460.09 Lacs (Previous year Rs. 1294.52 Lacs)</p> <p>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.</p> <p>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 amount.</p> <p>e) In respect of said loans, there are no overdue amount.</p> |
| <p>2. a) Inventories have been physically verified by the management at reasonable intervals during the year/at the year end.</p> <p>b) As explained to us, the procedure of physical verification of the stocks refer to in (a) above followed by the management, in our opinion reasonable and adequate in relation to the size of the company and the nature of its business.</p> <p>c) 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 as compared to two companies in previous year which are duly recorded as compared to the books of accounts.</p> | <p>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.</p> <p>5. (a) In our opinion and according to the informations and explanations provided to us by the management, the transactions that need to be entered in to the register maintained under section 301 of Companies Act, 1956 have been so entered.</p> <p>(b) The company has no transaction exceeding to Rs.5,00,000/- or more with the parties to be entered in to the register maintained u/s 301 of the Companies Act, 1956.</p> |
| <p>3. a) The Company during the year under audit has taken loan from one Company and one individual 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.975.37 Lacs (Previous Year Rs.1680.88 Lacs). There are four (previous year three) 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.787.10 Lacs (Previous Year Rs. 284.87 Lacs).</p> <p>b) The company has given loans to wholly owned subsidiaries of the Company. In</p> | <p>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</p> <p>7. In our opinion, the Company has an adequate internal audit system commensurate with the size of the company and nature of its business.</p> <p>8. Maintenance of cost records has not been prescribed by the Central Government under Clause (d) of sub section (1) of Section 209 of the Companies Act, 1956 for the type of industry carried on by the company.</p> |

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, 2012 for a period of more than six months from the date they become payable except for Tax (Fringe Benefit) of Rs.18.71 lacs (Previous year Tax (Fringe Benefit) of Rs.18.71 lacs)
- 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 except to the demand/claims disputed by the company in respect of ESI demand of Rs.1.03 lacs (Previous year Rs.0.74 lac).
10. The company has issued subscribed and fully paid up Share Capital of Rs.1159.10 lacs and credit balance of Rs.2532.94 lacs in Reserve & Surplus by the year ended on 31st March, 2011 but simultaneously, it has accumulated losses of Rs.1735.10 lacs by 31st March, 2011 and during the year ended under audit, it has earned cash profit (after tax) of Rs.558.22 lacs (Previous year Rs.40.98 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 bank.
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 informations and explanation given to us, no informations fraud on or by the Company has been noticed or reported during the year.

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

sd/-

Place: New Delhi
Dated: 27.08.2012

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

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

(Amount in Rs.)

| PARTICULARS | NOTES | 31.03.2012 | 31.03.2011 |
|------------------------------------|-------|-----------------------|-----------------------|
| I EQUITY AND LIABILITIES | | | |
| (A) Shareholder"s Fund | | | |
| (a) Share Capital | 2 | 115,909,580.00 | 115,909,580.00 |
| (b) Reserve & Surplus | 3 | (14,851,651.04) | (10,040,438.09) |
| | | <u>101,057,928.96</u> | <u>105,869,141.91</u> |
| (B) Non Current Liabilities | | | |
| (a) Long term Borrowings | 4 | 944,115.75 | 1,238,112.00 |
| (b) Other Long term Liabilities | 5 | 234,407,253.30 | 137,766,484.30 |
| | | <u>235,351,369.05</u> | <u>139,004,596.30</u> |
| (C) Current Liabilities | | | |
| (a) Short term Borrowings | 6 | 4,419,963.50 | 4,498,103.50 |
| (b) Trade Payable | 7 | 254,814,790.92 | 75,424,951.37 |
| (c) Other Current Liabilities | 8 | 63,473,782.43 | 90,882,569.65 |
| (d) Short term provisions | 9 | 3,959,321.08 | 4,727,282.08 |
| | | <u>326,667,857.93</u> | <u>175,532,906.60</u> |
| | | <u>663,077,155.94</u> | <u>420,406,644.81</u> |
| II ASSETS | | | |
| (A) Non-Current Assets | | | |
| (a) Fixed Assets | | | |
| i) Tangible Assets | 10 | 58,603,830.65 | 60,725,882.10 |
| (b) Other non current Assets | 11 | 47,390,908.29 | 53,885,723.29 |
| (c) Long term Loans & Advances | 12 | 291,283,990.30 | 231,732,463.50 |
| | | <u>397,278,729.24</u> | <u>346,344,068.89</u> |
| (B) Current assets | | | |
| (a) Current Investments | 13 | 123,310.00 | 223,310.00 |
| (b) Inventories | 14 | 250,377,093.07 | 44,489,522.35 |
| (c) Trade Receivables | 15 | 2,376,645.34 | 3,043,803.52 |
| (d) Cash and cash equivalents | 16 | 9,811,088.24 | 5,184,669.04 |
| (e) Short-term loans and advances | 17 | 3,110,290.05 | 21,121,271.01 |
| | | <u>265,798,426.70</u> | <u>74,062,575.92</u> |
| | | <u>663,077,155.94</u> | <u>420,406,644.81</u> |

**Significant Accounting Policies and 1 to 42
Notes to Accounts**

The accompanying notes are an integral part of the financials statements

As per our report of even date

For **S.M. Mathur & Co.**

Chartered Accountants

(Firm Registration No. 006588N)

sd/-

(S.M. Mathur)

Prop.

M. No. 013066

Place : New Delhi

Dated : 27.08.2012

For and on behalf of the Board

sd/-

(Sanjeev Arora)

Chairman-Cum-Managing Director

sd/-

(Kavya Arora)

Director

sd/-

(Roop Kishore Fathepuria)

Executive Director

RITESH PROPERTIES AND INDUSTRIES LIMITED

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012
(Amount in Rs.)

| PARTICULARS | NOTES | 31.03.2012 | 31.03.2011 |
|---|---------|-----------------------|----------------------|
| INCOME | | | |
| Revenue from Operations | 18 | 107,673,282.23 | 89,054,441.34 |
| Other Income | 19 | 9,580,952.28 | 8,220,034.96 |
| Total Revenue | | 117,254,234.51 | 97,274,476.30 |
| EXPENSES | | | |
| Cost of material consumed | 20 | 54,889,254.61 | 6,411,267.25 |
| Changes in Inventories of finished goods | 21 | 365,548.66 | 2,353,354.17 |
| Employee benefit expenses | 22 | 10,147,476.50 | 8,894,382.74 |
| Finance costs | 23 | 3,315,055.88 | 3,224,961.14 |
| Depreciation and amortization expenses | 10 | 9,800,777.08 | 10,316,163.05 |
| Other Expenses | 24 | 43,764,767.96 | 29,193,913.84 |
| Total Expenses | | 122,282,880.69 | 60,394,042.19 |
| PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS & TAX | | (5,028,646.18) | 36,880,434.11 |
| Exceptional Items | 25 | (80,000.00) | (34,547.38) |
| PROFIT BEFORE EXTRAORDINARY ITEMS & TAX | | (5,108,646.18) | 36,845,886.73 |
| Extraordinary Items | 26 | (34,957.00) | (67,236.12) |
| Profit before Tax | | (5,143,603.18) | 36,778,650.61 |
| Tax Expenses | | | |
| a) Current Tax | | (781,000.00) | (1,400,000.00) |
| PROFIT FOR THE YEAR | | (5,924,603.18) | 35,378,650.61 |
| Earning per Share (of Rs. 10/- each) | | | |
| (1) Basic & Diluted | 27 | (0.51) | 3.05 |
| Significant Accounting Policies and Notes to Accounts | 1 to 42 | | |

The accompanying notes are an integral part of the financials statements

As per our report of even date

For **S.M. Mathur & Co.**

Chartered Accountants

(Firm Registration No. 006588N)

sd/-

(S.M. Mathur)

Prop.

M. No. 013066

Place : New Delhi

Dated : 27.08.2012

For and on behalf of the Board

sd/-

(Sanjeev Arora)

Chairman-Cum-Managing Director

sd/-

(Kavya Arora)

Director

sd/-

(Roop Kishore Fathepuria)

Executive Director

RITESH PROPERTIES AND INDUSTRIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

| PARTICULARS | 31.03.2012 | 31.03.2011 |
|--|------------------------|------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before tax & Extra Ordinary items | (5,143,603.18) | 36,778,650.62 |
| Adjustments for | | |
| - Depreciation | 9,800,777.08 | 10,316,163.05 |
| - Interest paid on borrowing | 2,963,386.00 | 2,835,974.00 |
| - Profit/Loss on sale of Assets | 34,957.00 | 101,784.20 |
| - Dividend/interest received | (9,169,619.67) | 3,629,500.41 |
| Operating profit before working capital charges | (1,514,102.77) | 42,135,010.41 |
| Adjustments for | | |
| - Inventory | (205,887,570.72) | 3,204,729.42 |
| - Receivable | 667,158.18 | (242,565.94) |
| - Payable | 151,134,951.33 | 73,149,757.32 |
| - Loans & Advances (Short Term) | 18,010,980.96 | (36,074,480.25) |
| Cash Generated from operations | (37,588,583.02) | 60,428,248.49 |
| Interest paid | (2,963,386.00) | (2,835,974.00) |
| | (40,551,969.02) | 57,592,274.49 |
| Taxes Paid | (1,305,950.00) | 1,400,000.00 |
| Net Cash from operating activities (A) | (39,246,019.02) | 56,192,274.49 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (1,223,769.25) | (1,473,988.00) |
| Sale of Fixed Assets | 4,901.62 | 340,000.00 |
| Purchase/Sale of Investment | 100,000.00 | - |
| Loans & Advances (Long Term) | (59,551,526.80) | - |
| Interest/Dividend Received | 9,169,619.67 | 7,897,561.46 |
| Net cash used in investing activities (B) | (51,500,774.76) | 6,763,573.46 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Foreign Currency Translation Reserve | (973,559.77) | 38,329.15 |
| Increase in Deferred Revenue Expenditure | - | (505,383.01) |
| Borrowing (Net) | 96,346,772.75 | 95,373,212.98 |
| Net cash from financing activities (C) | 95,373,212.98 | (66,207,255.86) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | | |
| Cash equivalents (A+B+C) | 4,626,419.20 | (3,251,407.91) |
| Cash and Cash equivalents(Opening Balance) | 5,184,669.04 | 8,436,076.95 |
| Cash and Cash equivalents(Closing Balance) | 9,811,088.24 | 5,184,669.04 |

Auditor's Report

As per our report of even date

For **S. M. Mathur & Co.**

Chartered Accountants

(Firm Registration No. 006588N)

sd/-

(S. M. Mathur)

Prop.

M. No. 013066

Place : New Delhi

Dated : 27.08.2012

For and on behalf of the Board

sd/-

(Sanjeev Arora)

Chairman-cum-Managing Director

sd/-

(Kavya Arora)

Director

sd/-

(Roop Kishore Fathepuria)

Executive Director

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

1. Significant Accounting Policies followed by the Company

a) Basis of presentation

The financial statements have been prepared to comply with the Accounting standards referred to in the Companies (Accounting Standards) Rules 2006 issued by the Central Government in exercise of the power conferred under sub section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 (the 'Act'). The financial statements have been prepared under the historical cost convention on accrual basis.

b) Principles of consolidation

The consolidated financial statements include the financial statements of the Ritesh Properties and Industries Limited ('the Company') and its subsidiaries.

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances/ transactions.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its separate financial statements.

c) Fixed Assets

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

d) 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 : | At Estimated Realizable Value |
| 2) Stock : (Real Estate) | At Cost |
| 3) Project Development Expenses | On the basis of actual expenses incurred |
| 4) Stock in Trade-Shares | At Cost |

e) Revenue Recognition

- 1) In the case of Company, sales are recognized on the basis of project completion basis. During the year, the management has certified that development of project has been completed to the extent of 55% till 31.03.2012 on mercantile basis. Accordingly the revenue has been recognized. During the year the

company has undertaken the development work of the project from Ansal API. The development expenses & other expenses incurred on project by Ansal API have been taken as Project Development expenses in the cost of material.

During the year the company has changed the method of accounting for the recognition of revenue on the sale of plots. Previously the company had recognized the revenue for their own share of 62.50% on the basis of project completion basis as per the Development Agreement with Ansal API, but during the year the company has recognized the sale of plots as its own sale instead of share of revenue.

- 2) In the case of Indian subsidiary sales are excluding VAT
- 3) Foreign currency fluctuations are recognized to revenue at time of realization.
- 3) Vat tax liability is accounted for on the basis of Vat tax returns filed and tax deposited by the Company. Additional liability, if any, arises at time of assessment, will be accounted for in the year of finalization of assessment.

f) Foreign Exchange Transaction

Indian Rupee is the reporting currency for the Company and its subsidiaries. However, the local currency of overseas subsidiary is different from the reporting

currency of the Company. The translation of local currencies into Indian Rupee is performed by using the exchange rate as at Balance Sheet date. Any exchange difference arising on consolidation is accumulated in the Foreign Currency Translation Reserve.

Transactions in foreign currencies are recorded by the reporting entities in their local currency at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rates prevailing on the balance sheet date.

g) Depreciation

In the case of the Company, Depreciation have not been calculated on 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 past.

In the case of Indian subsidiary, Depreciation has been provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956, except for Intangible assets which will be written off within a period of five years.

h) 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.

i) Investment

Investments are valued at cost. All investments are treated as Long-term investments.

j) Accounting of Taxes on Income

In the case of Company, 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.

In the case of Indian Subsidiary no provision for tax has been 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.

k) 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 is recognized prospectively in current and future periods.

l) 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 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 account. 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 account.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012
(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|----------|---|-----------------------|----------------|
| 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 | 2243346 | 19.35 | 2012837 | 17.37 |
| 2. | Bhagyanagar India Ltd | 1250000 | 10.78 | 1250000 | 10.78 |
| 3. | Bennett Coleman and Company Ltd | 847458 | 7.31 | 847458 | 7.31 |

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 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012
(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|----------|--|------------------------|------------------------|
| | f) Profit & Loss Account | | |
| | Opening Balance | (251,920,634.27) | (287,299,284.88) |
| | Tax of earlier years written back | 2,086,950.00 | - |
| | Additions during the year | (5,924,603.18) | 35,378,650.61 |
| | Closing Balance | (255,758,287.45) | (251,920,634.27) |
| | g) Foreign Currency Translation Reserve | | |
| | Opening Balance | (11,413,416.34) | (11,451,745.49) |
| | Additions during the year | (973,559.77) | 38,329.15 |
| | Closing Balance | (12,386,976.11) | (11,413,416.34) |
| | TOTAL | (14,851,651.04) | (10,040,438.09) |
| 4 | LONG TERM BORROWINGS | | |
| | Secured# | | |
| | a) From Bank | 552,402.75 | 738,261.00 |
| | b) From Others | 391,713.00 | 499,851.00 |
| | TOTAL | 944,115.75 | 1,238,112.00 |
| | # Secured against the Hypothecation of the Vehicles | | |
| 5 | OTHER LONG TERM LIABILITIES | | |
| | (a) From Related Parties | 201,771,929.30 | 97,562,019.30 |
| | (b) From Others | 32,635,324.00 | 40,204,465.00 |
| | TOTAL | 234,407,253.30 | 137,766,484.30 |
| 6 | SHORT TERM BORROWINGS | | |
| | (a) Loans Repayable on Demand- Secured | | |
| | From Banks | 4,419,963.50 | 4,498,103.50 |
| | TOTAL | 4,419,963.50 | 4,498,103.50 |
| | The Working Capital facility secured against Equitable mortgage of Company's Land & Building situated at 356, Industrial Area A, Ludhiana and also guaranteed by the promoter director of the company. | | |
| 7 | TARDE PAYABLE | | |
| | a) Trade Payable | 254,814,790.92 | 75,424,951.37 |
| | TOTAL | 254,814,790.92 | 75,424,951.37 |

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012
(Amount in Rs.)

| NOTES | PARTICULARS | | | 31.03.2012 | | | 31.03.2011 | | | |
|---------------------|--|---------------------|---------------------|-----------------------|----------------------|----------------------|---------------------------|----------------------|----------------------|----------------------|
| 10 | TANGIBLE ASSETS | | | | | | | | | |
| PARTICULARS | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | | | |
| | As at 1.04.2011 | Additions | Sale/ Deductions | As at 31.03.2012 | Upto 1.04.2011 | For the Year | Adjustment/ Deductions | Upto 31.03.2012 | As At 31.03.2012 | As At 31.03.2011 |
| Land | | | | | | | | | | |
| Freehold | 457,100.00 | - | - | 457,100.00 | - | - | - | - | 457,100.00 | 457,100.00 |
| Building | 38,301,712.23 | - | - | 38,301,712.23 | 26,600,328.17 | 1,170,138.41 | - | 27,770,466.58 | 10,531,245.65 | 11,701,384.06 |
| Plant & Machinery | 4,545,552.76 | 349,705.50 | 66,800.00 | 4,828,458.26 | 2,385,447.70 | 141,114.65 | 28,843.00 | 2,497,719.35 | 2,330,738.91 | 2,160,105.06 |
| Furniture & Fixture | 16,511,150.83 | 810,263.75 | - | 17,321,414.58 | 4,624,481.94 | 828,049.13 | - | 5,452,531.07 | 11,868,883.51 | 11,886,668.89 |
| Office Equipment | 3,506,370.37 | - | - | 3,506,370.37 | 1,306,829.88 | 141,020.97 | - | 1,447,850.86 | 2,058,519.51 | 2,199,540.49 |
| Vehicles | 11,963,354.99 | - | 2,420.00 | 11,960,934.99 | 5,938,943.21 | 901,216.36 | 518.38 | 6,839,641.19 | 5,121,293.80 | 6,024,411.78 |
| Computer | 875,522.00 | 63,800.00 | - | 939,322.00 | 423,348.90 | 75,142.01 | - | 498,490.91 | 440,831.09 | 452,173.10 |
| Intangible Asssets | 405,131.00 | - | - | 405,131.00 | 158,728.29 | 49,280.55 | - | 208,008.84 | 197,122.16 | 246,402.71 |
| Goodwill | 29,087,000.00 | - | - | 29,087,000.00 | 3,488,903.98 | - | - | 3,488,903.98 | 25,598,096.02 | 25,598,096.02 |
| TOTAL | 105,652,894.18 | 1,223,769.25 | 69,220.00 | 106,807,443.43 | 44,927,012.07 | 3,305,962.08 | 29,361.38 | 48,203,612.78 | 58,603,830.65 | 60,725,882.10 |
| Previous Year | 105,855,101.18 | 1,473,988.00 | 1,676,195.00 | 105,652,894.18 | 42,370,019.83 | 3,791,403.03 | 1,234,410.80 | 44,927,012.06 | 60,725,882.12 | 63,485,081.35 |
| 8 | OTHER CURRENT LIABILITIES | | | | | | | | | |
| | Advances from Customers | | | | | 51,571,243.00 | | | 77,621,845.66 | |
| | Statutory Dues | | | | | 5,549,432.43 | | | 5,221,100.57 | |
| | Other Liabilities | | | | | 5,738,933.00 | | | 7,498,612.52 | |
| | Cheque Issued but presented later on | | | | | 614,174.00 | | | 541,010.90 | |
| | TOTAL | | | | | 63,473,782.43 | | | 90,882,569.65 | |
| 9 | SHORT TERM PROVISIONS | | | | | | | | | |
| | (a) Provision for employee benefits | | | | | 1,778,321.08 | | | 1,456,019.08 | |
| | (b) Others | | | | | 2,181,000.00 | | | 3,271,263.00 | |
| | TOTAL | | | | | 3,959,321.08 | | | 4,727,282.08 | |
| 11 | OTHER NON CURRENT ASSETS | | | | | | | | | |
| | a) Deferred Revenue Expenditure | | | | | | | | | |
| | Opening Balance | | | | | 53,706,053.30 | | | 59,695,510.30 | |
| | Add: Additions during the year | | | | | - | | | 505,358.00 | |
| | Less: Written off during the year | | | | | 6,494,815.00 | | | 6,494,815.00 | |
| | TOTAL | | | | | 47,211,238.30 | | | 53,706,053.30 | |
| | b) Preliminary Expenses | | | | | | | | | |
| | (To the extent not writte off or adjusted) | | | | | | | | | |
| | Opening Balance | | | | | 179,669.99 | | | 209,615.00 | |
| | Less: Written off during the year | | | | | - | | | 29,945.01 | |
| | TOTAL | | | | | 179,669.99 | | | 179,669.99 | |
| | G. TOTAL | | | | | 47,390,908.29 | | | 53,885,723.29 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012
(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|-----------|---|-----------------------|----------------|
| 12 | LONG TERM LOANS & ADVANCES | | |
| | Security Deposits | 3,228,346.87 | 4,063,569.87 |
| | Other Loans & Advances, Considered Good | 288,055,643.43 | 227,668,893.63 |
| | TOTAL | 291,283,990.30 | 231,732,463.50 |
| 13 | CURRENT INVESTMENTS | | |
| | Trade Investments(Quoted) | | |
| | 1100 Equity Shares of Master Trust Ltd. 11,000.00 | 11,000.00 | |
| | 2000 Equity Shares of Rs.10/- each of Vallabh Knits Ltd. | 20,000.00 | 20,000.00 |
| | 400 Equity Shares of Rs.10/- each of Nahar Industrial Ent. | 10,000.00 | 10,000.00 |
| | NIL(P.Y 10000) Equity Shares of Rs.10/- each of Kansal Fibre Ltd. | - | 100,000.00 |
| | 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 |
| | TOTAL | 123,310.00 | 223,310.00 |
| | Market Value of Quoted Investments | 163,102.50 | 273,402.50 |
| 14 | INVENTORIES | | |
| | (As taken, valued & certify by the management) | | |
| | Real Estate | 211,882,801.66 | 25,877,721.28 |
| | Finished Goods | 18,234,698.41 | 18,600,247.07 |
| | Stock in Transit | 259,593.00 | 11,554.00 |
| | Stock in Trade- Shares | 20,000,000.00 | - |
| | TOTAL | 250,377,093.07 | 44,489,522.35 |
| 15 | TRADE RECEIVABLES(UNSECURED) | | |
| | CONSIDERED GOOD | | |
| | Outstanding for a period exceeding 6 months | 573,486.00 | 2,628,532.68 |
| | Others | 1,803,159.34 | 415,270.84 |
| | TOTAL | 2,376,645.34 | 3,043,803.52 |
| 16 | CASH & CASH EQUIVALENT | | |
| | Cash Balance on Hand | 349,443.92 | 1,257,235.42 |
| | Balance with Bank in Current Account | 7,884,749.32 | 2,206,764.19 |
| | Balance with Bank in FDR Account | 1,576,895.00 | 1,720,669.43 |
| | TOTAL | 9,811,088.24 | 5,184,669.04 |
| 17 | SHORT-TERM LOANS AND ADVANCES | | |
| | (UNSECURED, CONSIDERED GOOD) | | |
| | Taxes paid in advance | 2,246,501.66 | 6,546,387.66 |
| | Advances to suppliers | 465,244.00 | 12,613,849.90 |
| | Advances to Staff | 191,970.55 | 292,048.63 |
| | Other Loans & Advances | 206,573.84 | 1,668,984.82 |
| | TOTAL | 3,110,290.05 | 21,121,271.01 |

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012
(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|-----------|---|-----------------------|---------------|
| 18 | REVENUE FROM OPERATIONS | | |
| | i) Sale of Real Estate | | |
| | - Sale of Industrial Plots | 97,964,799.66 | 81,882,032.34 |
| | ii) Other Operating Income | | |
| | - Sale of Garments etc | 9,708,482.57 | 7,172,409.00 |
| | TOTAL | 107,673,282.23 | 89,054,441.34 |
| 19 | OTHER INCOME | | |
| | Interest Income | 9,168,812.67 | 7,895,819.46 |
| | Dividend Income | 807.00 | 1,742.00 |
| | Rent | 290,951.00 | 283,148.00 |
| | Misc Income | 120,381.61 | 39,325.50 |
| | TOTAL | 9,580,952.28 | 8,220,034.96 |
| 20 | COST OF MATERIAL CONSUMED | | |
| | Opening Stock | | |
| | - Real Estate | 25,877,721.28 | 26,729,096.53 |
| | Add: Purchases | | |
| | i) Project & Preoperative Expenses | 238,058,451.24 | 2,000,000.00 |
| | ii) Others | 2,835,883.75 | 3,559,892.00 |
| | iii) Shares | 20,000,000.00 | |
| | | 286,772,056.27 | 32,288,988.53 |
| | Less : Closing Stock | | |
| | - Real Estate | 211,882,801.66 | 25,877,721.28 |
| | - Shares | 20,000,000.00 | - |
| | Net Consumption | 54,889,254.61 | 6,411,267.25 |
| 21 | CHANGE IN INVENTORIES | | |
| | a) Opening Stock of | | |
| | - Finished Goods | 18,600,247.07 | 20,953,601.24 |
| | b) Closing Stock of | | |
| | - Finished Goods | 18,234,698.41 | 18,600,247.07 |
| | (Increase)/Decrease in Inventories | 365,548.66 | 2,353,354.17 |
| 22 | EMPLOYEE BENEFITS EXPENSE | | |
| | Salaries & Wages# | 7,278,752.00 | 7,698,967.00 |
| | Contribution to Provident & Other Funds | 110,479.00 | 106,530.00 |
| | Other Benefits to Staff & Workers ## | 2,467,091.00 | 808,428.74 |
| | Staff Welfare Expenses | 291,154.50 | 280,457.00 |
| | TOTAL | 10,147,476.50 | 8,894,382.74 |

Includes Directors Remuneration Rs. 15,95,400.00 Previous Year Rs. 13,40,400.00

Includes Directors Sitting Fee Rs. 10,000.00 (Previous Year Rs. 29,750.00), Director's Medical Expenses Rs.19,92,591.00 (Previous year Rs. 3,23,112.74) and Director's Conveyance Allowance Rs.9,600.00 (Previous year Rs.9,600.00)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

(Amount in Rs.)

| NOTES | PARTICULARS | 31.03.2012 | 31.03.2011 |
|-----------|--|----------------------|----------------------|
| 23 | FINANCE CHARGES | | |
| | Interest | 2,963,386.00 | 2,835,974.00 |
| | Hire Purchase Charges | 192,983.75 | 132,595.00 |
| | Bank Charges | 158,686.13 | 256,392.14 |
| | TOTAL | 3,315,055.88 | 3,224,961.14 |
| 24 | OTHER EXPENSES | | |
| | Advertisement | 1,130,285.00 | 752,130.00 |
| | Electric Expenses | 1,006,711.00 | 1,506,924.50 |
| | Fees & Taxes | 323,006.00 | 318,772.00 |
| | Freight Expenses | 36,988.00 | 52,097.00 |
| | Insurance Expenses | 158,889.22 | 282,542.65 |
| | Legal & Professional Charges | 2,543,174.00 | 2,198,441.50 |
| | Vehicle Expenses | 523,023.00 | 613,245.00 |
| | Postage & telephone Expenses | 918,449.86 | 1,067,524.31 |
| | Rent & House Tax | 4,601,720.00 | 9,770,615.00 |
| | Balances Written off | 9,750.00 | 262,354.65 |
| | Bad Debts Written off | 19,175,474.55 | - |
| | Travelling and Conveyance Expenses# | 4,762,931.00 | 4,840,883.31 |
| | Charity & Donation | 592,551.00 | 611,500.00 |
| | Repair & Maintenance | 642,769.00 | 303,920.41 |
| | Manufacturing Expenses | 1,424,523.75 | 463,685.50 |
| | Commission & Brokerage | 108,000.00 | - |
| | Sales Promotion Expenses | 3,742,160.00 | 2,707,989.35 |
| | Other Expenses | 2,064,362.58 | 3,441,288.66 |
| | TOTAL | 43,764,767.96 | 29,193,913.84 |
| | # Includes Directors Travelling Rs. 29,09,140.52 Previous Year Rs. 38,59,091.78 | | |
| 25 | EXCEPTIONAL ITEMS | | |
| | Loss on Investments | (80,000.00) | (34,547.38) |
| | TOTAL | (80,000.00) | (34,547.38) |
| 26 | EXTRAORDINARY ITEMS | | |
| | Loss on Sale of Fixed Assets | (34,957.00) | (67,236.12) |
| | TOTAL | (34,957.00) | (67,236.12) |
| 27 | EARNING PER SHARE | | |
| | a) Net profit after tax | (5,924,603.18) | 35,378,650.61 |
| | b) Total weighted Average Number of Shares for Basic & Diluted | 11,590,958.00 | 11,590,958.00 |
| | c) Basic and Diluted Earning per Share | (0.51) | 3.05 |

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

28. CONTINGENT LIABILITIES

Bank Gurantee Rs.181.66 Lacs (Previous year Rs.181.66 Lacs)

29. Particulars of subsidiary companies considered in the consolidated financial statements are:

| Name of the Subsidiaries | Country of Incorporation | Proportion of ownership interest as at 31.03.2012 | Proportion of ownership interest as at 31.03.2011 |
|----------------------------------|--------------------------|---|---|
| Catalina bay USA Inc. | USA | 100% | 100% |
| Femella Fashions Private Limited | India | 100% | 100% |

30. Insurance claims of Rs. Nil (Previous Year Rs. 24,998/-) are being accounted for on receipt basis.

31. Debit & Credit balances are subject to confirmation & reconciliation, if any.

32. During the year, the company had written off Rs. 6494815/- as "expenses amortization" being the deferred revenue expenditure as carried over from previous year.

In the case of Indian Subsidiary, due to losses during the year, no amount of deferred capital expenditure of Rs. 472.11 Lacs could be written off.

33. The payment of remuneration made to Mg. Director, Executive Director and other Directors are as under:

A- By Company

| Particulars | 2011-12 | 2010-11 |
|--|----------------|----------------|
| Salary to Mg. Director - Sh. Sanjeev Arora | Rs. 3,60,000/- | Rs. 3,60,000/- |
| Salary to Director - Sh. Roop Kishore Fatehpuria | Rs. 9,35,400/- | Rs. 7,80,400/- |
| Perks-Conveyance Allowance - Sh. Roop Kishore Fatehpuria | Rs.9,600/- | Rs.9,600/- |
| Sitting Fee to Directors | Rs.10,000/- | Rs.29,750/- |
| Reimbursement of Medical Expenses - Directors | Rs.19,92,591/- | Rs.323,113/- |

B- By Indian Subsidiary

| Particulars | 2011-12 | 2010-11 |
|--------------------------------------|----------------|----------------|
| Salary to Director - Sh. Kavya Arora | Rs. 3,00,000/- | Rs. 2,00,000/- |

34. The Udyog Shahik, Chandigarh has allotted 40 Acres of Land vide Letter No. US/337 - U Dt. 22/04/94. 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 for increase in acquisition cost. If any payment has to be made by the company on this account, the same will 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 payment has to be made by the company on this account, 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).

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

35. In the case of company, as per collaboration agreement dated 14.07.2006 read along with the addendum dated 11.01.2010 entered into with Ansal Properties & Infrastructure Ltd (herein after referred to as APIL for joint development of land on Chandigarh Ludhiana Road. The company in

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

lieu of various obligations under agreement entitled to agreed share of the built up area and of the plotted area. Under the agreement, the entire development and marketing expenses of the project was the responsibility of APIL. Accordingly, expenses incurred in discharge of the obligation under the agreement and agreed share of revenue was, hitherto, recognized as expense/income. As per agreement dated 11.04.2012 read with the memorandum of understanding dated 28.01.2012 entered into between the company and APIL, the entire project with effect from 01.02.2012, Viz "Cut-off date" has been taken over by the company for agreed consideration comprising of reimbursement of expenses incurred by APIL on the development of project and the compensation amount. Accordingly from the "Cut-off date" entire revenue/ expenses from the project, including amount paid to APIL has been recognized in the books of accounts by the company as per percentage completion method.

36. RELATED PARTIES DISCLOSURE

- A) Related parties where control exists or with whom transactions have taken place during the year.

ASSOCIATED/ALLIED COMPANIES

- o Ritesh International Limited
- o Ritesh Spinning Mills Limited
- o Kishan Chand & Co Oil Industries Limited
- o Ritesh Impex Private Ltd
- o H.B. Fibres Limited

KEY MANAGERIAL PERSONNEL REPRESENTED ON THE BOARD

- | | |
|------------------------------|------------------------------------|
| o Sh. Pran Arora | Ex.-Chairman* |
| o Sh. Sanjeev Arora | Chairman-Cum- Managing Director |
| o Sh. Rajiv Arora | Director |
| o Sh. Roop Kishor Fathepuria | Executive Director |
| o Sh. Surinder K Sood | Director |
| o Sh. Kavya Arora | Director (Indian Subsidiary) |

* Up to 09.10.2011

OTHERS

- | | |
|---|---|
| o Anita Arora Maximum Discount Retail Medical Store | Prop.-Mrs. Anita Arora, Wife of Sh. Rajiv Arora, Director |
|---|---|

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

| Particulars | For the Year ended 31.03.2012 (Rs. in Lacs) | For the Year ended 31.03.2011 (Rs. in Lacs) |
|------------------------------------|---|---|
| i) Rent Received from | | |
| - Others | 1.17 | 1.11 |
| ii) Salary, Perks & Sitting Fee to | | |
| - Key Managerial Personnel | 36.08 | 17.03 |

- C) Amount due From/To Related Parties :

| Particulars | As on 31.03.2012 (Rs. in Lacs) | As on 31.03.2011 (Rs. in Lacs) |
|--|--------------------------------|--------------------------------|
| i) Due from Related Parties (included in Loans & Advances & Sundry Debtors) | | |
| - Associate/Allied Concern | 691.83 | 787.10 |
| ii) Due to Related Parties (included in Current Liabilities & Unsecured Loans) | | |
| - Associate/Allied Concern | 2011.68 | 970.37 |
| - Due to Key Managerial Personnel | 6.04 | 5.25 |

37. LEASES (AS-19):

| S. No. | Particulars | 31.03.2012 | 31.03.2011 |
|--------|---|--------------|--------------|
| 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 ; | NIL | NIL |
| 2. | later than one year and not later than five year; | NIL | NIL |
| 3. | later than five years | NIL | NIL |
| b. | The total of future minimum sub-leases payment expected to be received under non-cancelable sub-leases at the balance sheet; | 11,33,034.00 | 11,55,619.00 |
| c. | Leases payments recognized in the statement of profit and loss for the period, with separate amounts for minimum leases payments. | 45,80,870.00 | 97,70,615.00 |
| d. | Sub-leases payments received (or receivable) recognized in the statement of profit and loss for the period; | 2,90,951.00 | 2,83,148.00 |
| e. | A general description of the lessee's significant leasing arrangements including the following: | NIL | NIL |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2012

38. SEGMENT REPORTING

Segment reporting is not given as the company deals mainly in one segment and the disclosure requirements of Accounting Standards (AS)-17 on "Segment Reporting", issued by The Institute of Chartered Accountants of India are not applicable.

39. In the opinion of the Board, all the Current Assets, Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated except as expressly stated other wise.
40. Figures pertaining to the Subsidiary Companies have been reclassified wherever necessary to bring them in line with the Company's financial statements.
41. Corresponding figures of previous year have been regrouped/rearranged wherever deemed necessary.
42. Till the year ended 31.03.2011, the company was using pre-revised Schedule VI to the Companies Act, 1956 for the preparation and presentation of its financial statements. During the year ended 31.03.2012, the revised Schedule VI notified under Companies Act, 1956, has become applicable to Company. The company has reclassified previous year figures to confirm to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed by preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements,

particularly presentation of balance Sheet. preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance Sheet.

Signature to Notes 1 to 42
for **S. M. Mathur & Co.**,
Chartered Accountants
(Firm Registration No. 006588N)

For and On behalf of the Board

sd/-
(S. M. Mathur)
Prop.
M. No. 013066

sd/-
(Sanjeev Arora)
Chairman-cum-Managing Director

sd/-
(Kavya Arora)
Director

Place: New Delhi
Dated: 27.08.2012

sd/-
(Roop Kishore Fathepuria)
Executive Director

**Statement Pursuant to Section 212 of the companies Act, 1956 Relating to
Subsidiary Companies**

| | | | |
|----|---|---|---|
| 1. | Name of the Subsidiary Companies | Femella Fashions Private Limited | Catalina Bay USA Ina. |
| 2. | Financial year ending of the Subsidiary Company | March 31, 2012 (the company was incorporated on 29.06.2007 and the first financial year of the company covers the period since the Company's incorporation to March 31, 2008. | March 31, 2012 (the company was incorporated on 06.01.1995) |
| 3. | No. of shares held in Subsidiary Company | 15,00,000 Equity Shares of Rs 10/- each | 4000 Common Stock of \$1/- each |
| 4. | Extent of Holding Company's interest | 100% | 100% |
| 5. | The net aggregate of the profits or losses of the Subsidiary Company for its financial year so far as they concern the members of the company | | |
| a) | dealt with in the accounts of the holding company for the period ended March 31, 2012. | Nil | Nil |
| b) | not dealt with in the accounts of the holding company for the period ended March 31, 2012. | Loss: Rs 7070092.11 | Loss : USD 247839.03 |
| 6. | The net aggregate of the profits or losses of the Subsidiary Company for its previous financial year since it became a subsidiary so far as they concern the members of the company | | |
| a) | dealt with in the accounts of the holding company for the period ended March 31, 2012 | Nil | Nil |
| b) | not dealt with in the accounts of the holding company for the period ended March 31, 2012. | Nil | Nil |

On Behalf of the Board
For **Ritesh Properties and Industries Limited**

Place : New Delhi
Dated : 27.08.2012

sd/-
(Sanjeev Arora)
Chairman-Cum-
Managing Director

sd/-
(Kavya Arora)
Director

sd/-
(Roop Kishore Fatehpuria)
Executive Director

RITESH PROPERTIES AND INDUSTRIES LIMITED



RITESH PROPERTIES & INDUSTRIES LIMITED

Regd. Office: 11/5B, First Floor, Param Tower, Pusa Road, New Delhi-110005.

ATTENDANCE SLIP

Member's Folio No. : _____
Client ID No. : _____
DP ID No. : _____
Name of the Member : _____
Name of Proxy holder : _____
No of shares held : _____

I hereby record my presence at the 25th Annual General Meeting of the Company held on Friday, 28th day of September, 2012 at 11.00 A.M. at : M.L. Bhartia Auditorium, Alliance Francaise de Delhi, Indo-French Cultural Centre, 72, Lodi Estate, New Delhi.

Signature of Member/Proxy

Notes :

1. **Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.**

NO GIFTS/COUPONS SHALL BE DISTRIBUTED AT THE MEETING



CUT HERE



RITESH PROPERTIES & INDUSTRIES LIMITED

Regd. Office: 11/5B, First Floor, Param Tower, Pusa Road, New Delhi-110005.

PROXY FORM

Member's Folio No : _____

I/We _____ of _____ in the district of _____ being a member/members of RITESH PROPERTIES AND INDUSTRIES LIMITED, hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the 25th Annual General Meeting of the Company held on Friday, 28th day of September, 2012 at 11.00 A.M. at M.L. Bhartia Auditorium, Alliance Francaise de Delhi, Indo-French Cultural Centre, 72, Lodi Estate, New Delhi and at any adjournment thereof.

Signed this _____ day of _____ 2012.

Affix a
Revenue
Stamp
of Rs. 1/-

Note :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself/herself.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the commencement of meeting.

RITESH PROPERTIES AND INDUSTRIES LIMITED

NOTES

| Sl. No. | Description | Amount | Percentage |
|---------|--------------|--------|------------|
| 1 | Shareholders | | |
| 2 | Reserve | | |
| 3 | Provision | | |
| 4 | Other | | |
| 5 | Total | | |

RITESH PROPERTIES AND INDUSTRIES LIMITED

BOOK-POST
(Printed Matter)



NOTES

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