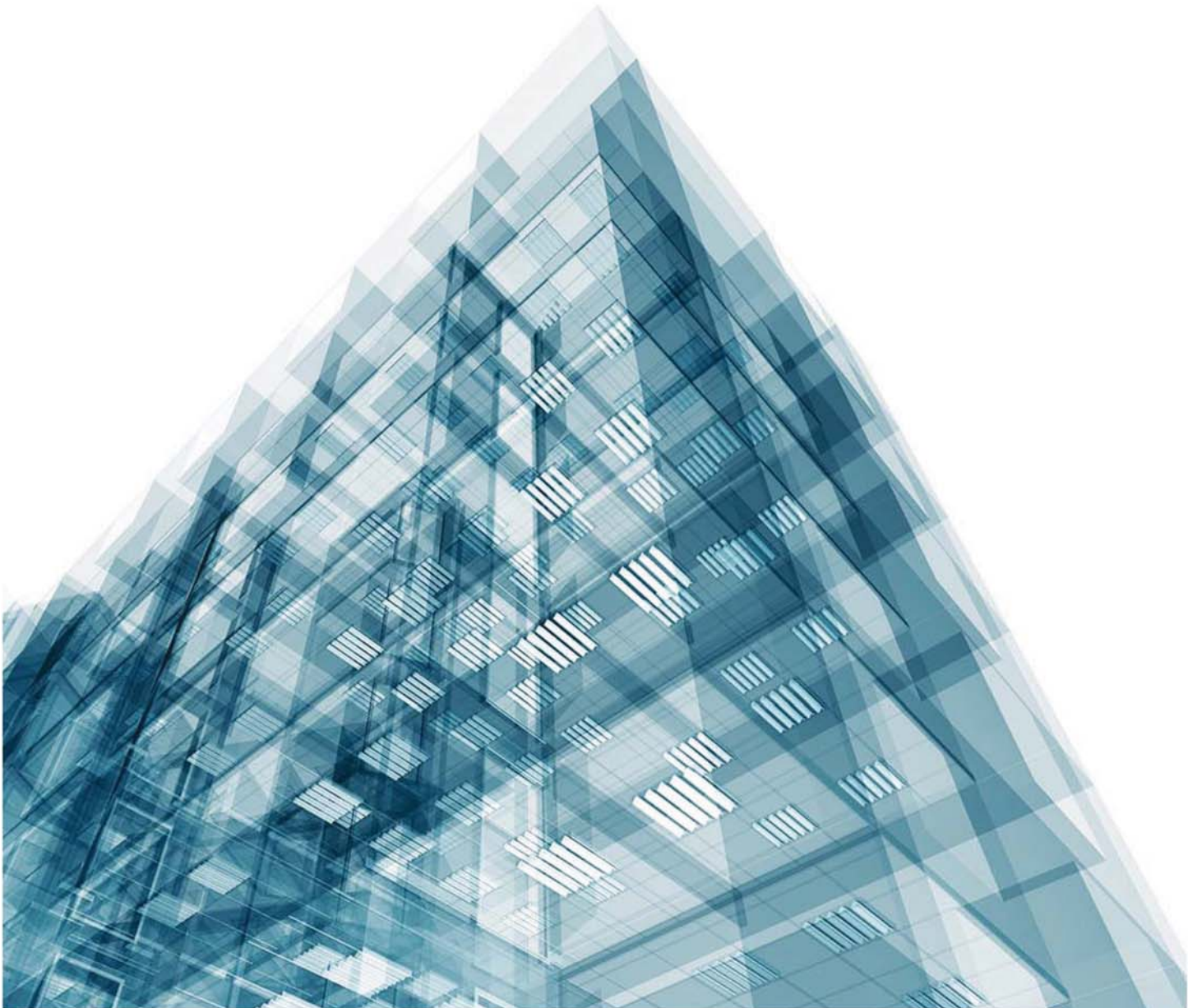


[www.mvl.in](http://www.mvl.in)



**MVL**<sup>TM</sup>

9<sup>th</sup> ANNUAL REPORT

**2015-2016**

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MVL Limited

## **BOARD OF DIRECTORS**

Mr. Prem Adip Rishi

**Managing Director**

Mr. Rakesh Gupta

**Whole Time Director &  
Chief Financial Officer**

Mr. Praveen Kumar

**Whole Time Director**

Mr. Vinod Kumar Malik

**Independent Director**

Mr. Vijay Kumar Sood

**Independent Director**

Mrs. Kalpana Gupta

**Independent Director**

Ms. Monika Agarwal

**Company Secretary**

### **Statutory Auditors**

M/s Arun Kishore & Co.  
Chartered Accountants, New Delhi

### **Bankers**

Canara Bank  
UCO Bank  
Dena Bank  
IFCI Limited  
IFCI Factors Limited  
SICOM Limited

### **Registered Office**

1201 B, 12<sup>th</sup> Floor,  
Hemkunt Chamber,  
89 Nehru Place,  
New Delhi-110019

### **Corporate Office**

MVL iPark, 6<sup>th</sup> Floor,  
Near Red Cross Society,  
Chandan Nagar, Sector-15 (II),  
Gurgaon – 122001 Haryana (India)

### **Registrars and Share Transfer Agents**

Alankit Assignments Limited,  
205-208, Anarkali Complex,  
Jhandewalan Extension,  
New Delhi-110055  
Ph: 42541234, 23541234  
Fax: 91-11-42541967  
E-mail: [info@alankit.com](mailto:info@alankit.com)



## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the Ninth Annual Report and Company's Audited Financial Statement for the Financial Year ended 31<sup>st</sup> March, 2016.

### 1. FINANCIAL RESULTS

The company's financial performance, for the year ended March 31<sup>st</sup>, 2016 is summarized below :

Particulars	(Rs. In lacs)	
	Year ended 31.03.2016	Year ended 31.03.2015
Total Income	1626.89	4147.88
Profit from Ordinary activities before Exceptional Item	(457.32)	55.16
Profit from Ordinary activities before Tax	(457.32)	55.16
Less: Provision for Tax		
Current Tax	-	14.99
Deferred Tax	(10.83)	0.01
Profit from Ordinary activities after Tax	(446.49)	40.16
Add: Write back of Excess Provisions	(21.39)	(14.43)
Net Profit for the period from Ordinary activities after Tax	(425.11)	54.59
Net Profit for the period	(425.11)	54.59

### 2. FINANCIAL OUTLOOK AND OPERATIONS

The Standalone revenue from operations of the Company for year ended March 31, 2016 was down by 60.78% to Rs. 1626.89 Lacs. The decline in turnover reflects volatile market conditions in real estate during the year. Standalone Profit before Tax decreased on a year on year basis from Rs. 55.16 Lacs to Rs. (457.32) Lacs. Standalone Profit after Tax was lower at Rs. (446.49) Lacs as against Rs. 40.16 Lacs in the previous year. There was some delay in getting the approvals from competent authorities and therefore some prominent projects of the Company could not be started on time. However, your Company will witness a growth oriented year 2016 as many new projects will commence during the year as their statutory approvals are likely to be obtained within current financial year.

The Consolidated revenue from operations of the Company for year ended March 31, 2016 was down by 60.78% to Rs. 1626.88 Lacs. Consolidated Profit before Tax decreased on a year on year basis from Rs. 54.18 Lacs to Rs. (458.15) Lacs.

### 3. PRESENT STATUS OF BANK LOANS

- (i) Canara Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 11.5.2015 for recovery of Rs. 93.91 crores along with interest upto the date of payment. Canara Bank has also issued notice dated 9.5.2015 under Section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs. 93.64 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 9.7.2015. The Company's proposal for One Time Settlement is under consideration of Bank.
- (ii) UCO Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of

Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 10.7.2014 for recovery of Rs. 43.62 crores along with interest upto the date of payment. UCO Bank has also issued notice dated 5.3.2014 under Section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs. 40.00 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 6.5.2014. The Company's proposal for One Time Settlement is under consideration of Bank.

- (iii) Dena Bank has declared the loan account as NPA and company's One Time Settlement proposal is under consideration of the Bank.
- (iv) IFCI Ltd has declared the Loan Account as NPA and has filed application under section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-I Delhi vide application dated 19.12.2012 for recovery of Rs. 49.24 crores along with interest upto the date of payment. IFCI Ltd has also issued notice dated 8.12.2014 under section 13(4) of SARFAESI Act, 2002 claiming their dues. The Company's proposal for One Time Settlement is under consideration of Bank.
- (v) Sicom Limited has declared the Loan Account as NPA on 15.4.2015 and has also proceeded under Section 13 (4) of SARFAESI Act, 2002 claiming their dues of Rs. 47.10 crores against mortgaged property. The Company's proposal for One Time Settlement is under consideration of Bank.

#### **4. DIVIDEND**

Keeping in view the business losses, the directors of your Company do not recommend any dividend for the year under review.

#### **5. FIXED DEPOSITS**

The Company has not accepted any public deposit and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

#### **6. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Prem Adip Rishi and Mr. Praveen Kumar, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

During the year under review, Ms. Chetna Tyagi has resigned as Company Secretary of the Company w.e.f. 02<sup>nd</sup> June, 2016. Further, Ms. Monika Agarwal be appointed as Company Secretary of the Company w.e.f. 2<sup>nd</sup> June, 2016.

In terms of Section 149(7) of the Companies Act, 2013, Mr. Vinod Kumar Malik, Mr. Vijay Kumar Sood and Mrs. Kalpana Gupta, Independent Directors of the Company have given declarations to the Company to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Brief resumes of Directors proposed to be appointed or re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and their memberships/ chairmanships on Board Committees of various Companies, have been provided in the Corporate Governance Report.

#### **7. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013, your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b) the Directors have 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 March 31, 2016 and of the profit of the Company for the year ended on that date;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **8. POLICIES OF THE COMPANY**

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: [www.mvl.in](http://www.mvl.in).

The following policies of the Company are available on the website of the Company at [www.mvl.in](http://www.mvl.in).

- a) Policy for selection of Directors and determining Directors independence; and
- b) Remuneration Policy for Directors, Key Managerial Personnel and other employees.

#### **9. CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE**

The report on Corporate Governance as stipulated under the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report and attached as **Annexure I**. The requisite certificate from Mr. V. Ramasamy, Proprietor of V. Ramasamy & Co., a firm of Practicing Company Secretary (Membership No. FCS 6191 and C.P. No. 6618) confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

#### **10. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

#### **11. RELATED PARTY TRANSACTIONS**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Your Directors draw attention of the members to Note 45 to the financial statement which sets out related party disclosures.

In accordance with Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements with related parties, referred to in Section 188(1) of the Companies Act, 2013, in the prescribed **Form AOC.2** are attached as **Annexure - II** to this Report.

#### **12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

**13. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENT**

The Company has three wholly owned Subsidiaries, namely MVL Developers Limited, Creative Pools Developers Private Limited and Udyan Horticultures Private Limited as on 31<sup>st</sup> March, 2016. Further, Parisar Property Developers Private Limited has ceased to be the subsidiary of the Company w.e.f. 01<sup>st</sup> April, 2015. The Company has no Joint Venture Company and no Associate Company. There has been no material change in the nature of the business of the subsidiaries and Associate Companies.

A report on the performance and financial position of each of the Subsidiaries as per the Companies Act, 2013 is provided in the prescribed **Form AOC.1** as **Annexure A** to the Consolidated Financial Statement.

The Company is also presenting its Audited Consolidated Financial Statements, which form part of the Annual Report as required by the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges.

Pursuant to the provision of Section 212(8) of the Companies Act, 1956, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies with the Balance Sheet of the Company. A statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2016 is included in the Annual Report.

**14. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

**15. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

**16. PARTICULARS OF EMPLOYEES**

The details as required in terms of the provisions of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached as **Annexure – III** to this Report.

However, information as per Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not given in this Report, as no employee of your Company is covered as per provisions contained therein.

**17. AUDITORS**

M/s. Arun Kishore & Co., Chartered Accountants, who are the Statutory Auditors of the Company, holds office till the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. Your Board recommends ratification of their appointment for the Financial Year 2016-17.

**18. AUDITORS' REPORT**

1. Point no. 4 of Auditor Report per se is the opinion of the Auditor on certain points of notes to accounts attached to the financial statement for the period ended 31.03.2016. Since notes to accounts are part of financial statement prepared by the Company, the Company in the relevant points has explained the each situation which has arisen this time. The relevant clauses of notes to accounts alongwith Board's response is as follows:-

- i. *Note No. 39 regarding non provision of interest with retrospective effect from 01.04.2014 vide Board Resolution dated 17.02.2015 on loans from banks and financial institutions declared as Non Performing Account (NPA): The*

Board is of the opinion that the loan account with the banks and financial institutions which are NPA, are under advanced stage of settlement with these lenders. The lending banks and financial institutions are not providing for interest since the date of NPA on principles of prudence. Following the same principle and the expectations to get interest waivers on settlement, the Company has also not provided for such interest in books of accounts.

- ii. *Note No. 40 regarding non provision of advances to group companies considered doubtful of recovery and non provision of interest on one of the advance:* The said advances to the group companies were given in lieu of loss suffered by these companies on account of guarantees provided to the lenders on our behalf. However, these advances are recoverable/ adjustable and that no provision is necessary at this stage. The Board is of the view that the Company is hopeful for their recovery during the ensuing year, so no provision has been created.

2. Point no. 6 of Auditor Report per se is the opinion of the Auditor on certain points of notes to accounts attached to the financial statement for the period ended 31.03.2016. Since notes to accounts are part of financial statement prepared by the Company, the Company in the relevant points has explained the each situation which has arisen this time. The relevant clauses of notes to accounts alongwith Board's response is as follows:-

- a. *Note No. 49 regarding material uncertainty over the realisability of certain loans and advances claimed as given/ advanced for purchase/acquisition of land, rights, projects or properties which are pending either for transfer of property or refund of advances aggregating R. 6817.72 lacs as on 31.03.2016 (previous year Rs. 11780.53 lacs):* The Board is of the view that such advances are made in normal course of business and either their contractual performance will be obtained or they will be recoverable in due course.
- b. *Note No. 50 regarding purchase of commercial space and included as part of inventory/WIP of the value of Rs. 3886.02 lacs:* The Board is of the view that the said property is not a fixed asset but a current asset which will be resold. The title of the said property in the form of execution of Conveyance Deed will be completed at that time. However, it does not impact the financials of the Company.
- c. *Note No. 37 regarding non availability of confirmations in respect of some of the debit and/or credit balances:* The Board is of the view that the company has its own internal audit system to monitor the reconciliations periodically; hence confirmations of all outstanding balances at the year end are not taken.

#### **19. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

The Board has appointed Mr. V. Ramasamy, Partner, RSMV & Co., Company Secretaries (Membership No. FCS 6191, C.P. No. 6618), to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith and marked as **Annexure IV** to this Report.

The observations of Secretarial Auditor are self-explanatory except their remark on the below points alongwith Board's response is as follows:-

- i. *The company has granted loan to its related companies. The company did not charge any interest from the related companies:* The Board is giving their explanation to the same in their report to the shareholders at S.No. 18.1.ii above.
- ii. *The company has not deposited the PF, ESI, Labour Welfare Fund (LWF), TDS, VAT and Works Contract Tax (WCT) amount deducted from the various entities within stipulated time:* The Board explains that however, there are some delays in depositing PF, ESI, Labour Welfare Fund (LWF), TDS, VAT and Works Contract Tax (WCT) during the year, but all liabilities pertaining to PF, ESI, Labour Welfare Fund (LWF), TDS, VAT and Works Contract Tax (WCT) will be cleared very shortly.
- iii. *Compliances with SEBI (LODR) Regulations, 2015:* The Board is of the opinion that observation on this point is based on the facts and need no comments from the Board.
- iv. *There are disputes with Income Tax and Service Tax Authorities, the proceedings of which are at various stages:* The Board is of the opinion that observation on this point is based on the facts and need no comments from the Board.



- v. *Status of Bank Loans*: The Board is of the opinion that observation on this point is based on the facts and need no comments from the Board.
- vi. *The Report of the Statutory Auditors on the Financial Statement for the Financial Year 2015-16 is qualified on the basis of the Notes on Accounts (37, 39, 40, 49 and 50)*: The Board is giving their explanation to the same in their report to the shareholders at S.No. 18 above.
- vii. *There are 165 cases initiated by and against the company under the different Acts*: The Board is of the opinion that observation on this point is based on the facts and need no comments from the Board.

## 20. MEETINGS OF THE BOARD

Fifteen (15) meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

## 21. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 furnished in **Form MGT-9** is annexed herewith as **Annexure V**.

## 22. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

As per the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, the Audit Committee consists of the following members:

- a. Mrs. Kalpana Gupta
- b. Mr. Vijay Kumar Sood
- c. Mr. Rakesh Gupta

The above composition of the Audit Committee consists of Independent Directors viz., Mrs. Kalpana Gupta and Mr. Vijay Kumar Sood who form the majority.

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

## 23. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Board has set up a Stakeholders Relationship Committee comprising of Mrs. Kalpana Gupta (Chairman), Mr. Prem Adip Rishi and Mr. Vijay Kumar Sood as other Members. The details of the Committee are furnished at S.No. 3(b) of Report of Corporate Governance of this Annual Report.

## 24. NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Board has set up a Nomination and Remuneration Committee comprising of Mrs. Kalpana Gupta (Chairman), Mr. Vinod Kumar Malik and Mr. Prem Adip Rishi as other Members. The details of the Committee are furnished at S.No. 3(c) of Report of Corporate Governance of this Annual Report.

## 25. CONSERVATION OF ENERGY

Disclosure of particulars with respect to conservation of energy and technology absorption are not applicable to the Company.

## 26. RESEARCH AND DEVELOPMENT

Since the market scenario and technologies are changing rapidly, Research and Development (R&D) is important to ensure that Company increases its market share. The Company has always attempted to use the latest and advanced technology for its product lines, but keeping pace with current technological developments is becoming difficult for want of capital. The slow down in the economy and higher interest costs has also deterred the further research and development activities of the company to keep it abreast with the current technological changes.



**27. FOREIGN EXCHANGE EARNING AND OUTGO**

- |                              |         |
|------------------------------|---------|
| a) Foreign Exchange Earnings | Rs. Nil |
| b) Foreign Exchange Outgo    | Rs. Nil |

**28. RISK MANAGEMENT**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the listing agreement, the company has constituted a risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report.

At present the company has not identified any element of risk which may threaten the existence of the company.

**29. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. Its redressal is placed on the intranet for the benefit of its employees. During the year under review, no complaints were reported to the Board.

**30. SIGNIFICANT AND MATERIAL ORDERS BY ANY COURTS OR TRIBUNALS**

No significant and material orders have been passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

**31. ACKNOWLEDGEMENT**

Your Directors place on record their sincere gratitude for the continuous assistance and support received from the investors, bankers, regulatory and government authorities during the period.

Your Directors also place on record their appreciation for the contributions made by employees at various levels, to the growth and success of the Company.

**By Order of the Board of Directors  
For MVL Limited**

Place: New Delhi  
Date : 25th August, 2016

Sd/-  
(Prem Adip Rishi)  
Managing Director

Sd/-  
(Rakesh Gupta)  
Whole Time Director &  
Chief Financial Officer

Registered Office:  
1201B, 12<sup>th</sup> Floor, Hemkunt Chamber,  
89 Nehru Place,  
New Delhi-110019  
Tel: +91-11-41662674  
E-mail: coporates@yahoo.com  
Website: www.mvl.in  
CIN : L45200DL2006PLC154848

## ANNEXURE I TO DIRECTORS' REPORT

### Report on Corporate Governance

#### 1. The Company's philosophy on code of Governance

MVL believes on building long lasting and mutually beneficial relationship based on integrity, ethics and trust in all respect of our business.

Corporate Governance has been a high priority for us both in letter and in spirit. Our commitment to ethical and lawful business conduct is a fundamental shared value of our Board of Directors, senior management personnel and employees and is critical to the Company's success. Our standards for business conduct provide that we will uphold ethical and legal standards vigorously as we pursue our financial objectives. We believe that good governance brings about sustained corporate growth and long-term benefits for stakeholders.

In line with the nature and size of operations of the Company, the Corporate Governance framework in MVL is based on the following main principles:

- Constitution of Board of Directors of appropriate composition and balance, comprising of an ideal mix of independent and non independent directors, all persons with the highest degree of integrity and professionalism, who discharge their responsibility in the best interests of the Company.
- Insistence on a complete adherence to a Code of Business Conduct and Ethics for Directors and Senior Management.
- Ensuring a timely and accurate flow of information at various organizational levels in general and to the Board and its various committees in particular.
- Independent verification of the Company's financial reporting systems and safeguarding integrity thereof.
- A sound system of risk management and internal controls with adequate safeguards and alarm systems.
- Compliance with all applicable laws, rules and regulations, not only in letter but also in their spirit.
- Fair and equitable treatment of all its stakeholders, including employees and shareholders.

#### 2. Board of Directors

The present strength of the Board of Directors of the Company is six which including Chairman, comprise of two Executive Director and four Non-Executive Directors. The Composition of the Board is in conformity with the Listing Agreement. No Director is a member of more than 10 committees or acts as Chairman of more than 5 committees across all companies in which he is a Director.

##### a) Composition of the Board of Directors

Name of the Directors	Designation	Category (Independent/ Non-executive/ Executive)	*Number of Directorships held in other Companies*	Number of Board Committee membership/ chairmanship held in other companies**	
				Chairman	Member
Mr. Prem Adip Rishi	Managing Director	Promoter Non-Executive Director	9	—	—
Mr. Praveen Kumar	Whole-time Director	Executive Independent Director	—	—	—
Mr. Rakesh Gupta	Whole-time Director & Chief Financial Officer	Executive Director	4	—	1
Mr. Vijay Kumar Sood	Director	Non-Executive Independent Director	2	—	1
Mr. Vinod Kumar Malik	Director	Non-Executive Independent Director	—	—	—
Mrs. Kalpana Gupta	Director	Non-Executive Independent Director	7	4	—

\* Number of directorships in other companies excludes alternate directorships, directorships held in private limited companies, foreign companies and in companies under section 8 of the Companies Act, 2013.

\*\* The Committees considered for the purpose are those prescribed under Regulation 18 to 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**b) Attendance Record of Directors**

Name of the Director	No. of Board meetings held	No. of Board meetings attended	Whether attended last AGM held on 30-09-2015
Mr. Prem Adip Rishi	15	15	Yes
Mr. Praveen Kumar	15	01	No
Mr. Rakesh Gupta	15	15	Yes
Mr. Vijay Kumar Sood	15	03	No
Mr. Vinod Kumar Khurana	15	12	No
Mrs. Kalpana Gupta	15	13	Yes

**c) No. of Board Meetings held**

As per Listing Agreement, the Board must meet at least four times a year with a maximum gap of not more than four months between any two meetings.

During the year, 15 Board Meetings were held on various dates as per details given below:

20.04.2015	28.05.2015	30.05.2015	02.07.2015
21.07.2015	13.08.2015	25.08.2015	14.09.2015
12.10.2015	31.10.2015	14.11.2015	23.11.2015
31.12.2015	30.01.2016	12.02.2016	

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board under Regulation 17(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year, separate meeting of the Independent Directors was held on 30<sup>th</sup> January, 2016, without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

The Company has proper systems to enable the Board to periodically review compliance reports of all laws applicable to the Company, as prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. The Board reviewed compliance reports prepared by the Company on half-yearly periodicity.

**d) Brief resume of Directors proposed for appointment/re-appointment**

i) **Mr. Prem Adip Rishi**, aged 60 years is a science graduate having an experience of over three decades in various lines of businesses including real estate. Mr. Rishi has been on the board of the company since its incorporation. This experience has been instrumental in establishing MVL Limited as a front line company.

**Directorship of Companies (as on 31.03.2016)**

S. No.	Name of the Company	Position
1.	Noesis Industries Limited	Chairman & Managing Director
2.	Falcon Technosystems Limited	Director
3.	Media Infrastructure Limited	Director
4.	Icon Satellite Limited	Director
5.	Anukool Films Private Limited	Director
6.	Media Magnetic Cassettes Limited	Director
7.	MVL Credits Holdings & Leasing Limited	Director
8.	Risbro Technical Equipments Private Limited	Director
9.	Media Holdings Private Limited	Director
10.	MVL Developers Limited	Director
11.	Cardinal Infratech Limited	Director
12.	MVL Solar Power Limited	Director
13.	Balaji Tirupati Property Developers Pvt. Ltd.	Director
14.	MVL Mega City Private Limited	Director
15.	Udyan Horticultures Private Limited	Director
16.	Parisar Property Developers Private Limited	Director
17.	Shiwalik Property Developers Private Limited	Director
18.	Creative Pools Developers Private Limited	Director
19.	Creative Pools Estates Private Limited	Director

**Shareholding in MVL Limited**

Mr. Prem Adip Rishi holds 1,37,86,434 equity shares in his name as on 31<sup>st</sup> March, 2016.

- ii) **Mr. Praveen Kumar**, aged 59 years is a post graduate in Sales & Marketing. He has to his credit over 28 years of vast experience in various fields of Sales and Marketing. He is heading the sales and marketing department of all real estate activities.

**Directorship of Companies (as on 31.03.2016)**

S. No.	Name of the Company	Position
	NIL	

**Shareholding in MVL Limited**

Mr. Praveen Kumar holds Nil equity shares in his name as on 31<sup>st</sup> March, 2016.

**e) No. of Shares held by Non-Executive Directors**

Mr. Prem Adip Rishi, Non-Executive Director of the Company was holding 1,37,86,434 equity shares of the Company as on 31.03.2016.

**f) Relationship between Directors inter-se**

None of the Directors of the Company are related to each other.

**g) Selection of Independent Directors**

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, *inter alia*, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

**h) Familiarisation programmes for Board Members**

In terms of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to conduct various programmes for the Independent Directors of the Company to familiarize them with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. and the same is available on the website of the Company at [www.mvl.in](http://www.mvl.in).

**i) Meetings of Independent Directors**

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

One meeting of Independent Directors was held during the year. The said meeting was held on 30.01.2016.

**j) Code of Conduct**

In terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there exists a Code of Conduct, laid down by the Board, for all Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company ([www.mvl.in](http://www.mvl.in)). The Board Members and Senior Management Personnel have confirmed compliance with the said Code in terms of Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A declaration to this effect for the financial year 2015-16 signed by the Managing Director is published in this Report.

**k) Code for Prevention of Insider Trading**

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information and has been made available on the Company's website at ([www.mvl.in](http://www.mvl.in)).

**3. Board Committees**

MVL has the following Board Committees of its Directors for the compliance with various Corporate Governance requirements:

- a) Audit Committee
- b) Stakeholders Relationship Committee.

- c) Nomination and Remuneration Committee
- d) Risk Management Committee

**a) Audit Committee**

**Composition of the Audit Committee**

The composition of Audit Committee is in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges. Members of the Audit Committee possess financial / accounting expertise / exposure.

The Audit Committee would assure to the Board, adherence of adequate internal control and financial disclosure and other acts confirming to the requirements of Listing Agreement with the Stock Exchanges.

Presently, Audit Committee comprising two non-executive and independent directors and one executive director viz. Mrs. Kalpana Gupta (Chairman), Mr. Vijay Kumar Sood and Mr. Rakesh Gupta. All members of the Audit Committee have financial knowledge and Mr. Rakesh Gupta have accounting or related financial management expertise. Company Secretary of the company is the Secretary of the Committee.

**Powers of Audit Committee**

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee**

The role of the Audit Committee, *interalia*, includes the following:

- i. Overseeing of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommending the appointment, remuneration and terms of appointment of statutory auditors of the Company.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 5 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

- vi. Monitoring and Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process.
- viii. Approval or any subsequent modification of transactions of the Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the Company, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Reviewing, with the management, the performance of statutory auditors and internal auditors, adequacy of internal control systems.
- xiii. Formulating the scope, functioning, periodicity and methodology for conducting the internal audit.
- xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xv. Discussion with internal auditors of any significant findings and follow-up thereon.
- xvi. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- xvii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- xviii. To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xix. To review the functioning of the Vigil Mechanism and Whistle Blower mechanism.
- xx. Approval of appointment of the CFO (i.e. the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background, etc. of the candidate.
- xxi. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- xxii. Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries
- xxiii. Reviewing the following information:
  - a. The Management Discussion and Analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c. Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s).

**Committee Meeting Details**

Four meetings of the Audit Committee were held on 30.05.2015, 13.08.2015, 14.11.2015 and 12.02.2016.



**The attendance at the Audit Committee:**

Name of the Member	Designation	No. of meetings held	No. of meetings attended
Mrs. Kalpana Gupta	Non-Executive Independent Director	4	4
Mr. Rakesh Gupta	Executive Director	4	4
Mr. Vijay Kumar Sood	Non-Executive Independent Director	4	1

**b) Stakeholders Relationship Committee**

The Stakeholders Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of Shareholders' grievances and complaints satisfactorily and improve the quality of investor services.

The Stakeholders Relationship Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013.

Mrs. Kalpana Gupta, Director of the Company, chairs the Committee. The other members of the Committee are Mr. Prem Adip Rishi and Mr. Praveen Kumar, Directors of the Company. Company Secretary of the company is the Secretary of the Committee.

Terms of Reference of the Committee, *inter alia*, includes the following:

- i. Oversee and review all matters connected with the transfer of the Company's securities.
- ii. Approve issue of the Company's duplicate share certificates.
- iii. Consider, resolve and monitor redressal of shareholders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- iv. Oversee the performance of the Company's Registrars and Transfer Agents.
- v. Recommend methods to upgrade the standard of services to investors.
- vi. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- vii. Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
- viii. Perform such other functions as may be necessary or appropriate for the performance of its duties.

The Committee met four times during current year on 30.06.2015, 30.09.2015, 31.12.2015 and 31.03.2016.

The attendance at the Stakeholders Relationship Committee meetings is given below:

Name of the Member	No. of meetings held	No. of meetings attended
Mrs. Kalpana Gupta	4	4
Mr. Prem Adip Rishi	4	4
Mr. Praveen Kumar	4	2

During the year, nil complaints were received from shareholders and no investor complaint was pending at the beginning or at the end of the year. The Company has acted upon all valid requests for share transfer received during 2015-16 and no such transfer is pending.

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

**c) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of two non-executive and independent and one non-executive director viz. Mrs. Kalpana Gupta (Chairman), Mr. Vinod Kumar Malik and Mr. Prem Adip Rishi, respectively. Head of Human Resource is permanent invitee to the Committee meetings. Company Secretary of the Company is the Secretary of the Committee.

The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them.

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- i. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- ii. To carry out evaluation of every Director's performance.
- iii. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommended to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- iv. To formulate the criteria for evaluation of Independent Directors and the Board.
- v. To device a policy on Board diversity.
- vi. To recommend/review remuneration of the Managing Director(s) and Whole Time Director(s) based on their performance and defined assessment criteria.
- vii. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- viii. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**Meeting Details**

During the year one nomination and remuneration committee meeting was held on 30/01/2016.

**Remuneration of Directors for 2015-16**

Name of the Director	Sitting Fee	Salaries and Allowances	Perquisites	Company's Contribution to PF	Commission and Performance Linked Incentive	Total
Mr. Prem Adip Rishi	N.A.	39,60,000/-	N.A.	N.A.	N.A.	39,60,000/-
Mr. Praveen Kumar	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Rakesh Gupta	N.A.	20,26,000/-	N.A.	N.A.	N.A.	20,26,008/-
Mr. Vinod Kumar Malik	1,05,000/-	N.A.	N.A.	N.A.	N.A.	1,05,000/-
Mr. Vijay Kumar Sood	99,000/-	N.A.	N.A.	N.A.	N.A.	99,000/-
Mrs. Kalpana Gupta	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**d) Risk Management Committee**

**Composition of the Committee**

Mrs. Kalpana Gupta, Director of the Company, chairs the Committee. The other members of the Committee are Mr. Prem Adip Rishi and Mr. Rakesh Gupta, Directors of the Company. Company Secretary of the company is the Secretary of the Committee.

The prime responsibility of Risk Management Committee is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with the requirements of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Role and Responsibilities of the Committee includes the following:**

- i. Framing of Risk Management Plan and Policy.
- ii. Overseeing implementation of Risk Management Plan and Policy.
- iii. Monitoring of Risk Management Plan and Policy.
- iv. Validating the process of risk management.
- v. Validating the procedure for Risk Minimisation.
- vi. Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- vii. Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.
- viii. Performing such other functions as may be necessary or appropriate for the performance of its oversight function.

**Meeting Details**

One meeting of the Committee was held on 30.01.2016.

The attendance at the Risk Management Committee meeting is given below:

<b>Name of the Member</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mrs. Kalpana Gupta	1	1
Mr. Prem Adip Rishi	1	1
Mr. Rakesh Gupta	1	1

**4. General Body Meetings**

The particulars of last three Annual General Meetings:-

Year	Date	Time	Location	Special resolution
2014-15	30.09.2015	1:00 P.M.	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074	i. Appointment of Mr. Rakesh Gupta as Whole Time Director & Chief Financial Officer of the Company u/s 196, 197, 203 and 188 of the Companies Act, 2013. ii. Borrowing Limits under Section 180(1) (c) of the Companies Act, 2013. iii. Maintenance of the Register of Members and related books at a place other than the Registered Office of the Company u/s 94 of the Companies Act, 2013.
2013-14	30.09.2014	1:00 P.M.	Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074	Commission to Mrs. Anuradha Rishi, a Relative of Managing Director of the Company U/s 188 of the Companies Act, 2013
2012-13	17.09.2013	03:30 P.M.	MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, Delhi-110054	NIL

- Notes:**
- i) Special resolution was passed by e-voting and Poll.
  - ii) There was no postal ballot during the year.
  - iii) The Company has not convened any EGM during the year.

## 5. Disclosures

### a. Disclosures on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large

During the period under review, the Company had not entered into any material transaction with any of its related parties. None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 45 of Standalone Financial Statements, forming part of the Annual Report.

All related party transactions are negotiated on an arms length basis, and are intended to further the Company's interests.

### b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years

No penalties or strictures have been imposed on the Company by the stock exchange or SEBI or any statutory authority on any matter related to capital market for non-compliance during the last three years. The Company has not received any complaint from Investor's through SEBI/ Stock Exchanges as on March 31, 2016. However there was few days delay in submitting the information under Regulation 31 and 33 of the securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 for March 2016.

However, Securities and Exchange Board of India (SEBI) has passed an order dated 19.12.2014 declaring violation of Collective Investment Scheme for not taking advance permission in respect of collection received for IBC, Gurgaon project in terms of section 11AA of SEBI Act. The company has challenged the said order, requiring the company to

refund the total collection by filing an appeal before Securities Appellate Tribunal (SAT), which is pending for final adjudication.

**c. Whistle Blower Policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

**d. Compliance with Mandatory Requirements**

(i) **Management Discussion and Analysis:** are given elsewhere in this Annual report.

(ii) **Subsidiaries Companies:** The Company has three Wholly Owned Subsidiaries i.e. M/s MVL Developers Limited, M/s Creative Pools Developers Private Limited & M/s Udyan Horticultures Private Limited.

(iii) **Details about Material Subsidiaries and Transactions:** There was no material subsidiary as at 31/03/2016. Details of transactions with subsidiaries are given in Note No. 45 of Notes to Financial Statements in Balance-Sheet as at 31/03/2016.

**Compliance with Non-Mandatory Requirements**

Nomination and Remuneration Committee: The Board has set up a Nomination and Remuneration Committee, details whereof are furnished at Sr. No. 3(c) of this report.

**e. Means of Communication:**

The Annual, Half yearly and Quarterly Results are submitted to the Stock Exchanges in accordance with the Listing Agreements and are normally published in English in Mint / and Financial Express and in Hindi in Rashtriya Sahara / and Jansatta. However, no publication took place for March, 2016.

Corporate Filing and Dissemination System (CFDS): The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE and NSE are filed electronically through the CFDS portal. In particular, the Company informs BSE and NSE all price sensitive matters or such other matters which in its opinion are material and of relevance to the members.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**f. Risk Management**

In order to ensure that Management controls risk through means of a properly defined framework, a report on Risk Assessment and Minimization procedure as prepared by functional heads of the Company is being reviewed periodically by the Board of Directors.

**6. General Shareholders' Information**

**(a) Company Registration Details**

The Company is registered in the State of Delhi, India. The Corporate Identification Number allotted to the Company by the Ministry of Corporate Affairs is L45200DL2006PLC154848.

**(b) Annual General Meeting**

**Date** 30<sup>th</sup> September, 2016  
**Day** Friday  
**Time** 12:00 Noon  
**Venue** Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074.

**(c) Dividend** The Company is not declaring any dividend**(d) Financial Calendar: 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017**

Results for the Quarter ending 30 <sup>th</sup> June, 2016	Second week of August, 2016
Results for the Quarter ending 30 <sup>th</sup> September, 2016	Second week of November, 2016
Results for the Quarter ending 31 <sup>st</sup> December, 2016	Second week of February, 2017
Results for the Quarter ending 31 <sup>st</sup> March, 2017	Last week of May, 2017
Annual General Meeting for the year ending March, 2017	Last week of September, 2017

**(e) Date of Book Closure/** Friday, 23<sup>rd</sup> September, 2016 to Friday, 30<sup>th</sup> September, 2016  
(both days inclusive)**Record Date** Friday, 23<sup>rd</sup> September, 2016**(f) Listing on Stock Exchanges**

S. No.	Name of the Stock Exchange	Stock Code
i.	The National Stock Exchange of India Limited (NSE)	MVL
ii.	The Bombay Stock Exchange Limited (BSE)	532991

**(g) Annual Listing Fee** Not Paid to the Stock Exchanges (BSE & NSE) for the financial year 2016-17**(h) ISIN Number for NSDL & CDSL** INE744I01034**(i) Stock Price Data:**

Monthly High and Low closing quotation of shares traded at National Stock Exchange of India Limited and Bombay Stock Exchange are as follows:

Month	National Stock Exchange		Bombay Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2015	0.45	0.25	0.44	0.32
May, 2015	0.35	0.25	0.32	0.26
June, 2015	0.30	0.15	0.27	0.17
July, 2015	0.60	0.25	0.50	0.27
August, 2015	0.55	0.30	0.48	0.30
September, 2015	0.50	0.30	0.50	0.31
October, 2015	0.45	0.30	0.46	0.37
November, 2015	0.40	0.30	0.39	0.31
December, 2015	0.55	0.35	0.49	0.38
January, 2016	0.50	0.35	0.50	0.37
February, 2016	0.45	0.30	0.44	0.37
March, 2016	0.40	0.30	0.39	0.34

Source: [www.nseindia.com](http://www.nseindia.com)Source: [www.bseindia.com](http://www.bseindia.com)

**(j) Shareholding as on 31/03/2016**
**(i) Distribution of equity shareholding as on 31/03/2016:**

Shareholding of Nominal Value of Rs.	Rs.	NO. OF SHAREHOLDERS		NO. OF EQUITY SHARES	
		TOTAL	% OF TOTAL SHAREHOLDERS	TOTAL	% OF TOTAL SHARES
1	- 5000	12,561	89.03	1,01,26,691	1.68
5001	- 10000	624	4.42	49,99,675	0.83
10001	- 20000	368	2.61	56,37,227	0.94
20001	- 30000	145	1.03	37,20,662	0.62
30001	- 40000	60	0.43	21,43,587	0.36
40001	- 50000	64	0.45	30,68,089	0.51
50001	- 100000	120	0.85	90,13,876	1.50
100001 and above		167	1.18	56,25,33,393	93.56
<b>TOTAL</b>		<b>14,109</b>	<b>100.00</b>	<b>60,12,43,200</b>	<b>100.00</b>

**(ii) Categories of equity shareholders as on 31/03/2016:**

Category	No. of equity shares held	% of holding
Promoters	33,42,10,787	55.59
Mutual Funds/ UTI	49,600	00.01
Financial Institutions/ Banks	2,91,49,182	04.85
Individuals	7,47,40,835	12.43
Bodies Corporate	16,17,57,289	26.90
Employees/Office Bearers	4,000	00.00
NRIs/ OCBs	13,31,507	00.22
<b>Grand Total</b>	<b>60,12,43,200</b>	<b>100.00</b>

**(k) Shares Transfer System**

The shares of the company are tradable compulsorily in demat form and will available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). The share transfer work is handled by Registrar and Share Transfer Agent (RTA), Alankit Assignments Limited. All requests received by the Company/RTA for Dematerialization/Rematerialization/Transfer are disposed off expeditiously. Share Certificates duly endorsed are issued/ transferred to all those shareholders, who opt for shares in the physical form.

**(l) Dematerialization of Shares**

The Company's Equity Shares are eligible for dematerialization. The Company has signed agreements with both the depositories namely NSDL and CDSL. The shareholders may therefore hold Company's share in electronic mode. The Company's ISIN No. for both the depositories is INE744I01034. As on 31<sup>st</sup> March, 2016, 59,89,87,133 Equity Shares constituting 99.62% of total Equity of the Company were held in dematerialized form with both the depositories namely NSDL and CDSL.



MVL Limited

**(m) Outstanding GDRs/ADRs/Warrants etc.**

The Company has no outstanding GDRs/ADRs/ Warrants as on 31/03/2016.

**(n) Registrar and Share Transfer Agent**

Alankit Assignments Limited,  
205-208, Anarkali Complex,  
Jhandewalan Extension,  
New Delhi-110055  
Ph: 42541234, 23541234s  
Fax: 91-11-42541967  
E-mail: [info@alankit.com](mailto:info@alankit.com)

**(o) Investors' correspondence can also be addressed to**

Ms. Monika Agarwal  
MVL Limited,  
MVL iPark, 6th Floor,  
Near Red Cross Society,  
Chandan Nagar, Sector-15,  
Gurgaon – 122001, Haryana  
Ph: 0124-4836580  
Fax: 0124-4836581  
E-mail: [coporates@yahoo.com](mailto:coporates@yahoo.com)  
Website: [www.mvl.in](http://www.mvl.in)

**(p) CEO/CFO Certification**

As required by Regulation 17(8) in Part B of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/ CFO certification is given in the Annual report.

**(q) Certificate on Compliance with Code of Conduct**

I, Prem Adip Rishi, Managing Director of the Company confirm the compliance of this Code of Conduct by all the members of the Board and Senior Management Personnel.

**By Order of the Board of Directors  
For MVL Limited**

**Place: New Delhi  
Date : 25<sup>th</sup> August, 2016**

**Sd/-  
Prem Adip Rishi  
Managing Director**



**CEO/CFO CERTIFICATION UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,  
The Board of Directors,  
**MVL Limited**

- A. We have reviewed the financial statements and the cash flow statement of the Company for the year ended 31<sup>st</sup> March, 2016 and to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed the Auditors and Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and steps have been taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (i) there has been no significant changes in internal control over financial reporting during the year;
  - (ii) there has been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and
  - (iii) there has been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi  
Date : 25<sup>th</sup> August, 2016

(Sd/-)  
(Prem Adip Rishi)  
Managing Director

(Sd/-)  
(Rakesh Gupta)  
Whole Time Director &  
Chief Financial Officer

**Certificate of Company Secretary in practice regarding compliance of conditions of Corporate Governance**

To the members,

**MVL Limited**

We have examined the compliance of conditions of corporate governance by MVL Limited for the year ended 31<sup>st</sup> March, 2016, as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges for the period 1<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and the relevant provisions of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of 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 representations made by the Directors and the Management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable subject to the disclosures in clauses 5(b), e and 6(g) of the compare Governance Report.

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

**For V. Ramasamy & Co.  
Company Secretaries**

Sd/-

**V. Ramasamy  
Proprietor**

**Membership No. FCS 6191  
C.P. No. 6618**

**Place : New Delhi**

**Date : 25<sup>th</sup> August, 2016**

**ANNEXURE II TO DIRECTORS' REPORT****PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH  
RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013****FORM NO. AOC. 2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis:

a.	Name(s) of the related party and nature of relationship	NIL
b.	Nature of contracts/arrangements/transactions	
c.	Duration of the contracts/arrangements/ transactions	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions	
f.	Date(s) of approval by the Board	
g.	Amount paid as advances, if any:	
h.	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

2. Details of material contracts or arrangement or transactions at arm's length basis:

a.	Name(s) of the related party and nature of relationship	Noesis Industries Limited Related Comapny	Falco Technosystems Limited Related Company
b.	Nature of contracts/ arrangements/ transactions	Corporate Advance	Corporate Advance
c.	Duration of the contracts/ arrangements/ transactions	Not Specified	Not Specified
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Advance of Rs. 2759.43 Lacs is given without interest	Advance of Rs. 56.51 Lacs is given without any interest
e.	Date(s) of approval by the Board, if any:	20.04.2015	02.04.2015
f.	Amount paid as advances, if any:	As mentioned in (d) above	As mentioned in (d) above

**For and on behalf of the Board  
For MVL Limited**

**Place: New Delhi  
Date : 25<sup>th</sup> August, 2016**

**Sd/-  
(Prem Adip Rishi)  
Managing Director**

## ANNEXURE III TO DIRECTORS' REPORT

### DETAILS OF REMUNERATION OF EMPLOYEES AND DIRECTORS

(SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF COMPANIES  
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014)

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.**

and

2. **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;-**

Name	Designation	Directors Remuneration to Median Remuneration	Percentage Increase in Remuneration
Mr. Prem Adip Rishi	Managing Director	14.23	0%
Mr. Rakesh Gupta	Whole Time Director & Chief Financial Officer	7.28	0%

3. **The percentage increase in the median remuneration of employees in the financial year.**

The percentage increase in the median remuneration of employees in the financial year 2016 is 0%.

4. **The number of permanent employees on the rolls of the Company.**

The number of permanent employees on the rolls of the Company as on 31st March 2016 is 94 across all the locations globally.

5. **The explanation on the relationship between average increase in remuneration and Company performance.**

The reward philosophy of the Company is to provide market competitive increments, keeping the Company performance in perspective, while simultaneously driving a performance culture. The total compensation is a mix of Fixed Pay and Variable pay. Variable compensation is directly linked to an individual performance rating and business performance.

6. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.**

The key managerial personnel's have been hired at market competitive rates. Keeping in mind the Company performance the key managerial personnel were not paid variable salaries.

7. **Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year.**

Close Price	April 01, 2015	March 31, 2016	% Change
NSE	0.40	0.35	-12.50%
BSE	0.40	0.36	-10.00%
Market Cap	April 01, 2015	March 31, 2016	% Change
NSE	24.05	21.04	-12.52%
BSE	24.05	21.64	-10.02%
Listing pursuant to the Scheme of Arrangement (SOA) vs March 31, 2016	SOA	March 31, 2016	% Change
NSE	130.00	0.35	-99.73%
BSE	127.90	0.36	-99.72%
Price / Earning	April 01, 2015	March 31, 2016	% Change
NSE	N.A.	N.A.	N.A.
BSE	N.A.	N.A.	N.A.

8. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

Considering the company performance, neither Key managerial personnel nor other employees were given any increase in salary during the financial year.

9. **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company.**

The two Key Managerial Personnel are:

Mr. Prem Adip Rishi, Managing Director

Mr. Rakesh Gupta, Whole Time Director & Chief Financial Officer

Remuneration of the Key Managerial persons is as per the industry standards. In Financial Year 2016 no variable was paid to the key managerial personnel.

10. **The key parameters for any variable component of remuneration availed by the directors.**

In Financial Year 2016, no variable was paid to the directors.

11. **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.**

The highest paid director is the Managing Director. There is no employee whose salary is higher than the salary of Managing Director.

12. **Affirmation that the remuneration is as per the remuneration policy of the Company.**

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.



## ANNEXURE IV TO DIRECTORS' REPORT

### FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED **31<sup>st</sup> March 2016**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9  
of the Companies Appointment and Remuneration Personnel Rules 2014]*

To  
The Board of Directors  
MVL LIMITED  
1201 B, 12th FLOOR HEMKUNT CHAMBER,  
89 NEHRU PLACE,  
NEW DELHI, Delhi-110019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MVL LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **MVL LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - d) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015
- v. We further report that the company has, in my opinion in general complied with the provisions of the Companies Act 2013 and the rules made under this Act and the Memorandum & Articles of Association of the Company with regard to:
  - a) Maintenance of the various statutory registers and documents making necessary entries therein;
  - b) Closure of the register of the members.
  - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

- d) service of documents by company on its members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and committee meetings of Directors;
- f) The 8<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2015;
- g) Minutes of proceedings of General Meetings and of the Board and its Committee Meetings;
- h) Approvals of the members, the Board of Directors, the Committee of the Directors and the Government authorities, wherever required.
- i) Constitution of the Board of directors/Committee(s) of Directors, appointment, retirement and the re-appointment of directors including the Managing director and Whole time Directors;
- j) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel~
- k) Payment of the remuneration to director including Managing Director and Whole time Directors;
- l) Appointment and remuneration of Auditors;
- m) Transfers and the transmission of the company's shares and dispatch of duplicate certificate of shares.
- n) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- o) Form of balance sheet as prescribed under Part-I, form of statement of profit & loss as prescribed under Part-II and general Instructions for the preparation of the same as prescribed in Schedule VI to the Act.
- p) Director's Report;
- q) Contracts, Common seal, registered office and publication of the name of the Company; and
- r) Generally, all other applicable provisions of the Act and the Rules made under the Act;

During the period under review the Company has in general complied with provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- The company has granted loan to its group companies. The company did not charge any interest from the group companies. This is not in compliance with the provisions of the Companies Act, 2013, and rules made thereunder. The company having taken loans from the Banks/Financial Institutions, this is prejudicial to the interest of the company.
- vi. The following are the other various laws applicable to the company. According to the information/details/explanation provided to us, the company has generally complied with the provisions of the said Acts and the company has a mechanism to monitor the compliances of the said laws.
- The Payment of Wages Act, 1936
  - The Minimum Wages Act, 1948
  - Employees Provident Fund And Misc. Provisions Act, 1952
  - Employers State Insurance Act, 1948
  - The Payment of Bonus Act, 1965
  - The Environment (Protection) Act, 1986
  - Indian Stamp Act, 1999
  - Income Tax Act 1961, Wealth Tax Act, Service Tax Act, Sales Tax Act and Works Contract Tax Act and rules made thereof.

- Negotiable Instrument Act 1881
- Maternity Benefits Act 1961
- Payment of Gratuity Act, 1972
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
- The Indian Contract Act, 1872
- The Transfer of Property Act, 1882
- The Indian Registration Act, 1808
- The Urban Land Ceiling and Regularisation Act, 1976
- The Land Acquisition Act, 1894
- The Indian Evidence Act, 1872
- The Consumer Protection Act, 1986
- The Haryana Development and Regulation of Urban Areas Act, 1975
- The Haryana Apartment Ownership Act, 1983
- The Punjab Scheduled Roads And Controlled Areas Restriction of Unregulated Development Act, 1963
- Urban Improvement Trust, Bhiwadi
- Rajasthan Land Revenue Act 1956
- The Industrial Disputes Act, 1947
- The Child Labour (Regulation and Abolition) Act, 1970
- The Weekly Holidays Act, 1942
- Secretarial Standards 1 and 2, issued by the Institute of Company Secretaries of India.

However, the company has not deposited the PF, ESI, Labour Welfare Fund (LWF), TDS, VAT and Works Contract Tax (WCT) amount deducted from the various entities within stipulated time.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited and SEBI (LODR) Regulations, 2015.

**We further report that**

- During the year under review, the Securities and Exchange Board of India (SEBI) has issued letters for delayed submission of information under Regulation 31 and 33 of SEBI (LODR) Regulations, 2015 for March, 2016.
- Company has not published financial results for the year ended on 31st March, 2016 as required under Regulation 33 of SEBI (LODR) Regulations, 2015.
- The Securities and Exchange Board of India (SEBI) has passed an order dated 19.12.2014 declaring violation of collective investment scheme for not taking advance permission in respect of collection received for IBC, Gurgaon project in terms of Section 11AA of SEBI ACT. The company has challenged the said order, requiring the company to refund the total collection by filing an appeal before Securities Appellate Tribunal (SAT), which is pending for the final adjudication.
- The Company has not paid Annual listing fees to Stock Exchanges for the Financial Year 2016-17.



- There are disputes with Income Tax and Service Tax Authorities, the proceedings of which are at various stages as per the details given below:

S.No.	NAME OF THE STATUTE	NATURE OF THE DUES & PERIOD	AMONUT UNDER DISPUTE (RS. IN LACS)	FORUM WHERE DISPUTE IS PENDING
1.	Income Tax	Asstt. Year 2010-2011	86.95	CIT (Appeals)New Delhi
2.	Income Tax	Asstt. Year 2011-2012	57.91	CIT (Appeals)New Delhi
3.	Income Tax	Asstt. Year 2012-2013	39.25	CIT (Appeals)New Delhi
4.	Income Tax	Asstt. Year 2013-2014	47.48	CIT (Appeals)New Delhi
5.	Service Tax	Upto 31.03.2015	907.73	Show cause notice received. No adjudication order passed by the commission, Alwar.
<b>Total</b>			<b>1139.32</b>	

#### Present Status of Bank Loans

- Canara Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 11.5.2015 for recovery of Rs. 93.91 crores along with interest upto the date of payment. Canara Bank has also issued notice dated 9.5.2015 under Section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs. 93.64 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 9.7.2015. The Company's proposal for One Time Settlement is under consideration of Bank.
- UCO Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 10.7.2014 for recovery of Rs. 43.62 crores along with interest upto the date of payment. UCO Bank has also issued notice dated 5.3.2014 under Section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs. 40.00 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 6.5.2014. The Company's proposal for One Time Settlement is under consideration of Bank.
- Dena Bank has declared the loan account as NPA and company's One Time Settlement proposal is under consideration of the Bank.
- IFCI Ltd has declared the Loan Account as NPA and has filed application under section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-I Delhi vide application dated 19.12.2012 for recovery of Rs. 49.24 crores along with interest upto the date of payment. IFCI Ltd has also issued notice dated 8.12.2014 under section 13(4) of SARFAESI Act, 2002 claiming their dues. The Company's proposal for One Time Settlement is under consideration of Bank.
- Sicom Limited has declared the Loan Account as NPA on 15.4.2015 and has also proceeded under Section 13 (4) of SARFAESI Act, 2002 claiming their dues of Rs. 47.10 crores against mortgaged property. The Company's proposal for One Time Settlement is under consideration of Bank.

#### Other matters:

- The Report of the Statutory Auditors on the Financial Statement for the Financial Year 2015-16 is qualified on the basis



MVL Limited

of the Notes on Accounts (39 and 40). The directors are giving their explanation to the same in their report to the shareholders.

- (ii) The Statutory Auditor have also given emphasis on Notes No.37, 49 and 50 of the Notes on Accounts and the report of the Statutory Auditor is not qualified on these matters.
- (iii) There are 165 cases initiated by and against the company under the different Acts i.e. Consumer Protection Act (117), Civil Suits (13), Writ Petition (3), Negotiable Instrument Act (6), Labour Court (3), Arbitration and Conciliation Act, 1996 (20) and Permanent Lok Adalat (3).

There are 5 winding up cases filed against company under the provisions of Companies Act, 1956.

1. Case filed by IFCI Ltd in the Hon'ble High Court of Delhi on the basis of the fact that company has failed to repay the same as per the terms of agreement entered between both.
2. Case filed by Venkataraju Kulkarni in the Hon'ble High Court of Delhi.
3. Case filed by M/s Adhikar Construction in the Hon'ble High Court of Delhi.
4. Case filed by Abhinandan Jain in the Hon'ble High Court of Delhi.
5. Case filed by Shipra kala in the Hon'ble High Court of Delhi.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through. The company has obtained all the necessary approvals under the various provisions of the Act, as and when required.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **RSMV & CO.**  
**Company Secretaries**

Sd/-  
**V Ramasamy**  
**Company Secretary**  
**(Partner)**  
FCS: 6191  
CP No.: 6681

PLACE: New Delhi  
DATE : 25/08/2016

**ANNEXURE V TO DIRECTORS' REPORT**

FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31/03/2016

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L45200DL2006PLC154848
ii	Registration Date	18-Oct-06
iii	Name of the Company	MVL LIMITED
iv	Category of the Company	Public Company
v	<b>Address of the Registered office &amp; contact details</b>	
	Address	1201B, 12th Floor, Hemkunt Chamber, 89 Nehru Place, New Delhi-110019
	Town / City	New Delhi
	State	Delhi
	Country Name	India
	Telephone (with STD Code)	011-41662674
	Fax Number	—
	Email Address	coporates@yahoo.com
	Website, if any	<a href="http://www.mvl.in">www.mvl.in</a>
vi	Whether listed company	Yes
vii	<b>Name and Address of Registrar &amp; Transfer Agents ( RTA ):-</b>	
	Name of RTA	Alankit Assignments Limited
	Address	205-208, Anarkali Complex, Jhandewalan Extension,
	Town / City	New Delhi
	State	Delhi
	Pin Code	110055
	Telephone	011- 42541234, 011-23541234
	Fax Number	011-42541967
	Email Address	info@alankit.com

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

Real Estate

All the business activities contributing 10 % or more of the total turnover

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Real Estate	70- Real estate activities	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

No. of Companies for which information is being filled	3
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S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	MVL Developers Limited	U45400DL2007PLC171222	Subsidiary	99.99	2(87)(ii)
2	Udyan Horticultures Private Limited	U70100DL2011PTC217503	Subsidiary	99.99	2(87)(ii)
3	Creative Pools Developers Private Limited	U70200DL2011PTC218821	Subsidiary	99.99	2(87)(ii)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year as on 31/03/2016				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	71855286	0	71855286	11.95%	71855286	0	71855286	11.95%	0.00%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	294673505	0	294673505	49.01%	262280633	0	262280633	43.62%	5.39%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any other	74868	0	74868	0.01%	74868	0	74868	0.01%	0.00%
<b>(2) Foreign</b>									
a) NRI - Individual	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other - Individual	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any Others	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Total Shareholding of Promoter (A)</b>	<b>366603659</b>	<b>0</b>	<b>366603659</b>	<b>60.97%</b>	<b>334210787</b>	<b>0</b>	<b>334210787</b>	<b>55.59%</b>	<b>5.39%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	49600	49600	0.01%	0	49600	49600	0.01%	0.00%
b) Banks / FI	29738433	7200	29745633	4.95%	29141982	7200	29149182	4.85%	0.10%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIs	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>29738433</b>	<b>56800</b>	<b>29795233</b>	<b>4.96%</b>	<b>29141982</b>	<b>56800</b>	<b>29198782</b>	<b>4.86%</b>	<b>0.10%</b>

Category of Shareholders	No. of shares held at the beginning of the year (As on 01-04-2015)				No. of Shares held at the end of the year as on 31-03-2016				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	159998155	243600	160241755	26.65%	161513689	243600	161757289	26.90%	-0.25%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs. 1 lakh	22518815	1651577	24170392	4.02%	38311776	1640377	39952153	6.64%	-2.62%
ii) Individuals shareholders holding nominal share capital in excess of Rs 1 lakh	17395598	226090	17621688	2.93%	34566592	226090	34792682	5.79%	-2.86%
c) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Non Resident Indians	790560	89200	879760	0.15%	1242307	89200	1331507	0.22%	-0.08%
ii) Clearing Members	1906713	0	1906713	0.32%		0		0.00%	0.32%
iii) Trust	24000	0	24000	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>202633841</b>	<b>2210467</b>	<b>204844308</b>	<b>34.07%</b>	<b>235634364</b>	<b>2199267</b>	<b>237833631</b>	<b>39.56%</b>	<b>-5.49%</b>
<b>Total Public Shareholding (B)= (B)(1)+ (B)(2)</b>	<b>232372274</b>	<b>2267267</b>	<b>234639541</b>	<b>39.03%</b>	<b>264776346</b>	<b>2256067</b>	<b>267032413</b>	<b>44.41%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>598975933</b>	<b>2267267</b>	<b>601243200</b>	<b>100.00%</b>	<b>598987133</b>	<b>2256067</b>	<b>601243200</b>	<b>100.00%</b>	<b>5.39%</b>

ii. Shareholding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Prem Adip Rishi	13786434	2.29	2.08	13786434	2.29	2.08	0.00
2	Anuradha Rishi	22077376	3.67	0.00	22077376	3.67	0.00	0.00
3	Anukool Rishi	23425751	3.90	0.00	23425751	3.90	0.00	0.00
4	Anukool Rishi	3312185	0.55	0.00	3312185	0.55	0.00	0.00
5	Arjun Rishi	8970050	1.49	0.00	8970050	1.49	0.00	0.00
6	Prem Adip Rishi HUF	266290	0.04	0.00	266290	0.04	0.00	0.00
7	Prem Adip Rishi JT. Anuradha Rishi	800	0.00	0.00	800	0.00	0.00	0.00
8	Anuradha Rishi JT. Prem Adip Rishi	16400	0.00	0.00	16400	0.00	0.00	0.00
9	MVL Credits Holdings & Leasing Ltd.	117273258	19.51	0.00	127397052	21.19	0.00	-1.68
10	MVL Credits Holdings & Leasing Ltd.	405393	0.07	0.00	405393	0.07	0.00	0.00
11	Risbro Tech. Equipments Pvt. Ltd.	6900000	1.15	0.45	46197954	7.68	0.45	-6.54
12	Media Holdings Private Limited	24057666	4.00	4.00	24041000	4.00	4.00	0.00
13	Anukool Films Private Limited	3898300	0.65	0.47	3898300	0.65	0.47	0.00
14	Media Magnetic Cassettes Limited	102840934	17.10	17.09	60340934	10.04	10.02	7.07
151	Icon Satellite Limited	22556664	3.75	0.00	0	0.00	0.00	3.75
16	Media Infrastructure Limited	16741290	2.78	0.00	0	0.00	0.00	2.78
17	Rakesh Gupta	70000	0.01	0.00	70000	0.01	0.00	0.00
18	Rakesh Gupta	2234	0.00	0.00	2234	0.00	0.00	0.00
19	Rajesh Galhotra	2634	0.00	0.00	2634	0.00	0.00	0.00
	<b>TOTAL</b>	<b>366603659</b>	<b>60.97</b>	<b>24.09</b>	<b>334210787</b>	<b>55.58</b>	<b>17.02</b>	<b>5.39</b>

iii. Change in Promoters' Shareholding ( please specify, if there is no change)

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)	% of total shares of the company				No. of Shares	% of total shares of the company
1	MVL Credits Holdings & Leasing Ltd.	117273258	19.51	01/04/2015				
				03/04/2015	190593	Purchase	117463851	19.54
				10/04/2015	2414032	Purchase	119877883	19.94
				17/04/2015	499000	Purchase	120376883	20.02
				01/05/2015	1000000	Purchase	121376883	20.19
				15/05/2015	950000	Purchase	122326883	20.35
				31/07/2015	90000	Purchase	122416883	20.36
				07/08/2015	176800	Purchase	122593683	20.39
				14/08/2015	136450	Purchase	122730133	20.41
				21/08/2015	67300	Purchase	122797433	20.42
				28/08/2015	220429	Purchase	123017862	20.46
				04/09/2015	185320	Purchase	123203182	20.49
				11/09/2015	205860	Purchase	123409042	20.53
				18/09/2015	162832	Purchase	123571874	20.55
				25/09/2015	157750	Purchase	123729624	20.58
				30/09/2015	85380	Purchase	123815004	20.59
				01/10/2015	53500	Purchase	123868504	20.60
				09/10/2015	251108	Purchase	124119612	20.64
				16/10/2015	168180	Purchase	124287792	20.67
				23/10/2015	220210	Purchase	124508002	20.71
30/10/2015	55600	Purchase	124563602	20.72				
31/03/2016	2833450	Purchase	127397052	21.19				
		<b>117273258</b>	<b>19.51</b>	<b>31/03/2016</b>			<b>127397052</b>	<b>21.19</b>
2	Media Magnetic Cassettes Limited	102840934	17.10	01/04/2015				
				10/04/2015	6000000	Invoke	96840934	16.11
				17/04/2015	5133946	Invoke	91706988	15.25
				24/04/2015	4323826	Invoke	87383162	14.53
				01/05/2015	5034277	Invoke	82348885	13.70
				08/05/2015	1371309	Invoke	80977576	13.47
				15/05/2015	2137059	Invoke	78840517	13.11
				22/05/2015	3018699	Invoke	75821818	12.61

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)	% of total shares of the company				No. of Shares	% of total shares of the company
				29/05/2015	9000000	Invoke	66821818	11.11
				05/06/2015	2000000	Invoke	64821818	10.78
				12/06/2015	1017483	Invoke	63804335	10.61
				19/06/2015	1121214	Invoke	62683121	10.43
				26/06/2015	2342187	Invoke	60340934	10.04
		<b>102840934</b>	<b>17.10</b>	<b>31/03/2016</b>			<b>60340934</b>	<b>10.04</b>
3	Icon Satellite Limited	22556664	0.40	01/04/2015				
				31/03/2016	22556664	Inter se transfer	0	0.00
		<b>22556664</b>	<b>0.4</b>	<b>31/03/2016</b>			<b>0</b>	<b>0.00</b>
4	Media Infrastructure Limited	16741290	0.40	01/04/2015				
				31/03/2016	16741290	Inter se transfer	0	0.00
		<b>16741290</b>	<b>0.4</b>	<b>31/03/2016</b>			<b>0</b>	<b>0.00</b>
5	Risbro Tech. Equipments Pvt. Ltd.	6900000	0.40	01/04/2015				
				31/03/2016	39297954	Inter se transfer	46197954	7.68
		<b>6900000</b>	<b>0.4</b>	<b>31/03/2016</b>			<b>46197954</b>	<b>7.68</b>

**Inter-se Transfer among Promoters**

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)	% of total shares of the company				No. of Shares	% of total shares of the company
1	MVL Credits Holdings & Leasing Ltd.	117273258	19.51	01/04/2015				
				03/04/2015	190593	Purchase	117463851	19.54
				10/04/2015	2414032	Purchase	119877883	19.94
				17/04/2015	499000	Purchase	120376883	20.02
				01/05/2015	1000000	Purchase	121376883	20.19
				15/05/2015	950000	Purchase	122326883	20.35
				31/07/2015	90000	Purchase	122416883	20.36
				07/08/2015	176800	Purchase	122593683	20.39
				14/08/2015	136450	Purchase	122730133	20.41
				21/08/2015	67300	Purchase	122797433	20.42
				28/08/2015	220429	Purchase	123017862	20.46
				04/09/2015	185320	Purchase	123203182	20.49

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)	% of total shares of the company				No. of Shares	% of total shares of the company
				11/09/2015	205860	Purchase	123409042	20.53
				18/09/2015	162832	Purchase	123571874	20.55
				25/09/2015	157750	Purchase	123729624	20.58
				30/09/2015	85380	Purchase	123815004	20.59
				01/10/2015	53500	Purchase	123868504	20.60
				09/10/2015	251108	Purchase	124119612	20.64
				16/10/2015	168180	Purchase	124287792	20.67
				23/10/2015	220210	Purchase	124508002	20.71
				30/10/2015	55600	Purchase	124563602	20.72
				31/03/2016	2833450	Purchase	127397052	21.19
		<b>117273258</b>	<b>19.51</b>	<b>31/03/2016</b>			<b>127397052</b>	<b>21.19</b>
2	Media Magnetic Cassettes Limited	102840934	17.10	01/04/2015				
				10/04/2015	6000000	Invoke	96840934	16.11
				17/04/2015	5133946	Invoke	91706988	15.25
				24/04/2015	4323826	Invoke	87383162	14.53
				01/05/2015	5034277	Invoke	82348885	13.70
				08/05/2015	1371309	Invoke	80977576	13.47
				15/05/2015	2137059	Invoke	78840517	13.11
				22/05/2015	3018699	Invoke	75821818	12.61
				29/05/2015	9000000	Invoke	66821818	11.11
				05/06/2015	2000000	Invoke	64821818	10.78
				12/06/2015	1017483	Invoke	63804335	10.61
				19/06/2015	1121214	Invoke	62683121	10.43
				26/06/2015	2342187	Invoke	60340934	10.04
		<b>102840934</b>	<b>17.10</b>	<b>31/03/2016</b>			<b>60340934</b>	<b>10.04</b>
3	Icon Satellite Limited	22556664	0.40	01/04/2015				
				31/03/2016	22556664	Inter se transfer	0	0.00
		<b>22556664</b>	<b>0.4</b>	<b>31/03/2016</b>			<b>0</b>	<b>0.00</b>
4	Media Infrastructure Limited	16741290	0.40	01/04/2015				
				31/03/2016	16741290	Inter se transfer	0	0.00
		<b>16741290</b>	<b>0.4</b>	<b>31/03/2016</b>			<b>0</b>	<b>0.00</b>
5	Risbro Tech. Equipments Pvt. Ltd.	6900000	0.40	01/04/2015				
				31/03/2016	39297954	Inter se transfer	46197954	7.68
		<b>6900000</b>	<b>0.4</b>	<b>31/03/2016</b>			<b>46197954</b>	<b>7.68</b>



iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)/ end of the year (31-03-2016)	% of total shares of the company				No. of Shares	% of total shares of the company
1	Dena Bank-Constituent Branch	28343375	4.71	01/04/2015	0	N.A.	28343375	4.71
		<b>28343375</b>	<b>4.71</b>	<b>31/03/2016</b>			<b>28343375</b>	<b>4.71</b>
2	Religare Finvest Limited	23303114	3.88	01/04/2015	0	N.A.	23303114	3.88
		<b>23303114</b>	<b>3.88</b>	<b>31/03/2016</b>	<b>0</b>		<b>23303114</b>	<b>3.88</b>
3	Noesis Industries Limited	12338116	2.05	01/04/2015				
				03/04/2015	402494	Invoke	11935622	1.99
				10/04/2015	966586	Invoke	10969036	1.82
				12/06/2015	123406	Invoke	10845630	1.80
				19/06/2015	15815	Invoke	10829815	1.80
				26/06/2015	3232	Invoke	10826583	1.80
		<b>12338116</b>	<b>2.05</b>	<b>31/03/2016</b>	<b>0</b>		<b>10826583</b>	<b>1.80</b>
4	Karvy Financial Services Ltd	12260994	2.04	01/04/2015	0	N.A.	12260994	2.04
		<b>12260994</b>	<b>2.04</b>	<b>31/03/2016</b>			<b>12260994</b>	<b>2.04</b>
5	Aarken Advistors Pvt. Ltd.	7021149	1.17	01/04/2015				
				10/04/2015	4822712	Purchase	11843861	1.97
		<b>7021149</b>	<b>1.17</b>	<b>31/03/2016</b>			<b>11843861</b>	<b>1.97</b>
6	SBI Global Factors Ltd.	6670000	1.11	01/04/2015	0	N.A.	6670000	1.11
		<b>6670000</b>	<b>1.11</b>	<b>31/03/2016</b>			<b>6670000</b>	<b>1.11</b>
7	Sunlife Securities Pvt. Ltd.	6328082	1.05	01/04/2015	0	N.A.	6328082	1.05
		<b>6328082</b>	<b>1.05</b>	<b>31/03/2016</b>			<b>6328082</b>	<b>1.05</b>
8	Primus Real Estates Pvt. Ltd	6198277	1.03	01/04/2015	0	N.A.	6198277	1.03
		<b>6198277</b>	<b>1.03</b>	<b>31/03/2016</b>			<b>6198277</b>	<b>1.03</b>
9	SBI Global Factors Ltd.	5964036	0.99	01/04/2015	0	N.A.	5964036	0.99
		<b>5964036</b>	<b>0.99</b>	<b>31/03/2016</b>			<b>5964036</b>	<b>0.99</b>
10	Jisha M Saji	5704861	0.95	01/04/2015	0	N.A.	5704861	0.95
		<b>5704861</b>	<b>0.95</b>	<b>31/03/2016</b>			<b>5704861</b>	<b>0.95</b>

**v. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares at the beginning (01-04-2015)/ end of the year (31-03-2016)	% of total shares of the company				No. of Shares	% of total shares of the company
<b>A. DIRECTORS</b>								
1	Mr. Vinod Kumar Malik	0	0.00	01/04/2015	0	Nil Holding/ movement during the year	0	0.00
		<b>0</b>	<b>0.00</b>	<b>31/03/2016</b>			<b>0</b>	<b>0.00</b>
2	Mr. Vijay Kumar Sood	0	0.00	01/04/2015	0	Nil Holding/ movement during the year	0	0.00
		0	0.00	31/03/2016			0	0.00
3	Mrs. Kalpana Gupta	0	0.00	01/04/2015	0	Nil Holding/ movement during the year	0	0.00
		0	0.00	31/03/2016			0	0.00
<b>B. KMP'S</b>								
1	Mr. Prem Adip Rishi	13786434	2.29	01/04/2015	0	Nil movement during the year	0	0.00
		<b>13786434</b>	<b>2.29</b>	<b>31/03/2016</b>			<b>13786434</b>	<b>2.29</b>
2	Mr. Rakesh Gupta	72234	0.01	01/04/2015	0	Nil movement during the year	0	0.00
		<b>72234</b>	<b>0.01</b>	<b>31/03/2016</b>			<b>72234</b>	<b>0.01</b>

**V INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year (01.04.2015)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	2565650602	2399558	0	2568050160
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>2565650602</b>	<b>2399558</b>	<b>0</b>	<b>2568050160</b>
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
● Addition	-3011956	0	0	-3011956
● Reduction	0	1286874	0	1286874
<b>Net Change</b>	<b>-3011956</b>	<b>-1286874</b>	<b>0</b>	<b>-4298830</b>
Indebtedness at the end of the financial year (31.03.2016)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	2562638646	1112684	0	2563751330
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>2562638646</b>	<b>1112684</b>	<b>0</b>	<b>2563751330</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Prem Adip Rishi	Mr. Rakesh Gupta	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3000000	990024	3990024
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	960000	1035984	1995984
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	-others, specify	0	0	0
5	Others, please specify	0	0	0
	<b>Total (A)</b>	<b>3960000</b>	<b>2026008</b>	<b>5986008</b>
	Ceiling as per the Act	<b>3960000</b>	<b>2026008</b>	<b>5986008</b>

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key managerial Personnel		
		CFO	Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	212580	212580
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	396000	396000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	-others, specify	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	<b>0</b>	<b>608580</b>	<b>608580</b>

\* *Mr. Rakesh Gupta is re-designated as Whole Time Director and Chief Financial Officer of the Company w.e.f. 01/02/2015 and he is already withdrawing the remuneration as WTD. Therefore, he is not getting any other remuneration as CFO of the Company.*

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority[RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			Not Applicable		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			Not Applicable		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			Not Applicable		
Punishment					
Compounding					

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Real Estate Sector in India

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade.

The Indian real estate market has become one of the most preferred destinations in the Asia Pacific as overseas funds accounted for more than 50 per cent of all investment activity in India in 2014, compared with just 26 per cent in 2013.

The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term.

### 2. Market Size

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP).

In the period FY08-20, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Private Equity (PE) investments from foreign funds in the Indian realty market increased at a Compound Annual Growth Rate (CAGR) of 33 per cent to US\$2,220 million in year ending December 2015. Deal sizes have also increased in 2015, and residential projects both luxury and affordable have attracted a substantial amount of capital.

Private Equity (PE) funds and Non-Banking Financial Companies (NBFCs) in India are seen increasingly investing jointly in real estate projects, in order to hedge risk and undertake bigger transactions.

Mumbai is the best city in India for commercial real estate investment, with returns of 12-19 per cent likely in the next five years, followed by Bengaluru and Delhi-National Capital Region (NCR). Also, Delhi-NCR was the biggest office market in India with 110 million sqft, out of which 88 million sqft were occupied. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times.

India's office space absorption stood at 35 million sqft during 2015@, which is the second highest figure in the India's history after 2011, and was driven by corporates implementing their growth plans.

India had the strongest activity in office leasing space in Asia and accounted for half of Asia's total office leasing in third quarter of 2015, with Delhi being the most active market.

Delhi's Central Business District (CBD) of Connaught Place has been ranked as the sixth most expensive prime office market in the world with occupancy costs at US\$ 160 per sqft per annum.

### 3. Investments

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces.

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.19 billion in the period April 2000-March 2016.

#### **4. Government Initiatives**

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- The Make in India initiative has helped to accelerate leasing of commercial property by the manufacturing sector, which has outpaced the Information Technology (IT) sector by registering two-fold increase in office transacted space in the first six months of 2016
- The Ministry of Housing and Urban Poverty Alleviation (HUPA) has commissioned a study by Indian Institute of Technology, Kanpur on testing of new construction technologies, with the objective of promoting new housing technologies in the country.
- India's Prime Minister has approved the launch of Housing for All by 2022. Under the Sardar Patel Urban Housing Mission, 30 million houses will be built in India by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP) and interest subsidy.
- The Government of India has relaxed the norms to allow Foreign Direct Investment (FDI) in the construction development sector. This move should boost affordable housing projects and smart cities across the country.
- The Securities and Exchange Board of India (SEBI) has notified final regulations that will govern real estate investment trusts (REITs) and infrastructure investment trusts (InvITs). This move will enable easier access to funds for cash-strapped developers and create a new investment avenue for institutions and high net worth individuals, and eventually ordinary investors.

#### **5. Road Ahead**

Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards. As such the level of maturity among real estate developers and investors has improved substantially compared to a decade ago.

#### **6. SWOT- Real Estate Industry**

##### **Strengths**

- Development primarily based on strong realistic demand with limited speculative activity;
- Among the highest yield in the economy;
- Wide gamut of government initiatives which have helped FDI entry in the sector;

**Weakness**

- Still largely an unorganized market with dominance of local level developer;
- High transaction cost and need of greater transparency;

**Opportunities**

- Has strong demand drivers going forward- IT-ITES, tourism, increasing consumerism, industrial manufacturing outsources etc;
- Affordable housing will be a volume segment in the future and the government of India has laid appropriate tax reliefs for such projects;

**Threats**

- No regulatory body to monitor performance;
- Procedure to obtain licenses are time consuming;
- Infrastructure development by local governments is slow thereby affecting the pace of projects progress;

In MVL, our thrust area is tier II and tier III cities and affordable housing which are promising business destination and concept in coming years. All land is fully consolidated without any dispute and litigation and are in confirming zone as per master plan in the respective area.

**7. Financial and operational performance**

During the year under review, the company recorded Revenues of Rs 16.26 crores with profit after tax of Rs (4.46) crores. There is decline in the over all sales Revenues and profitability during the year. The financial projections of the company including its cash flows were majorly impacted because of delay in getting approvals for new projects of the company. Some of new projects could not be launched within the financial year which further resulted into fall in Revenues. But the company is sure that during the current financial year, with the launch of new projects, the top line and bottom line of the company will get improved.

**8. Adequacy of Internal Controls**

The company remains committed to maintaining internal controls designed to safeguard the efficiency of operations and security of our assets. Accounting records are adequate for preparation of financial statements and related financial information. The adequacy and effectiveness of internal controls across the various functional levels as well as compliance with laid down systems and policies are monitored both by company's internal control systems and the audit committee on a regular basis. Your statutory auditors have confirmed the adequacy of the internal procedures in their report.

**9. Development of Human Resources and relations**

The company believes that human resources are vital for giving an edge in its business. The company strictly follows the philosophy of congenial work environment, performance oriented work culture, knowledge, skill building, creativity, responsibility and performance based compensation. There is a constant emphasis in the company for development of skills through training and workshops.

**10. Risks and Concerns**

In India the real estate market is largely unorganized and dominated by a large number of small players with their limited corporate or large names on the national level. The risks synonymous to the real estate industry includes the global



**MVL Limited**

recessionary trend, economic slowdown, increase in financial charges, non availability of raw materials such as land, steel, labour coupled with market fluctuations.

MVL is adequately equipped to face and mitigate any such adverse situation. The Company does not apprehend any inherent risk in the real estate industry in the long run, with the exception of certain primary concerns that have afflicted the progress of real estate industry in general like restrictive legislation in government policies, limited investment from the organized sector, tax burden, rising inflation, high interest rate, volatile global economic environment etc.

**11. Cautionary statement**

Statements made in the report and elsewhere as applicable in the Annual Report including those stated under the caption Management Discussion and Analysis describing the company's plans, projections and expectations may constitute as forward looking statements within the meaning of applicable laws and regulations. Actual Results may differ materially from those either expressed or implied.

**By Order of the Board of Directors  
For MVL Limited**

**Place: New Delhi  
Date : 25<sup>th</sup> August, 2016**

**Sd/-  
(Prem Adip Rishi)  
Managing Director**

**Registered Office:  
1201B, 12<sup>th</sup> Floor, Hemkunt Chamber,  
89 Nehru Place,  
New Delhi-110019  
Tel: +91-11-41662674  
E-mail: [coporates@yahoo.com](mailto:coporates@yahoo.com)  
Website: [www.mvl.in](http://www.mvl.in)  
CIN: L45200DL2006PLC154848**



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF MVL LTD

#### 1. Report on the Financial Statements

We have audited the accompanying financial statements of MVL Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### 2. Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### 3. Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by companies directors, as well as evaluating the overall presentation of the financial statements.

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

#### 4. Basis for Qualified Opinion

Reference is invited to

- a) Note No. 39 in respect of non provision of interest with retrospective effect from 01.04.2014 (vide Board Resolution dated 17.02.2015) on loans from banks and financial institutions declared as Non Performing Account (NPA). As a result of non provision of said interest of Rs.40,96,85,873/- (previous year 32,39,14,890) payable during the year on the said NPA Accounts : -

- Revenue from operation has been understated by Rs. 18,99,09,679/- (previous year Rs. 26,14,60,650/-) arising out of percentage of completion (POC) method of accounting, due to non-capitalization of interest directly attributable to project work-in-progress.
  - Loss from operation has been understated by Rs. 21,97,75,894 (previous year Rs.6,24,54,240/-)
- b) Note No. 40 regarding non provision of advances to group companies considered doubtful of recovery and the lonee companies do not have the capacity / net-worth to repay the principal / or the interest charged thereon.

#### 5. **Qualified Opinion**

In our opinion and to the best of our information and according to the explanation given to us, except for possible effects of the matters described in paragraph . 4 above - the basis of qualified opinion , the financial statements give a true and fair view :-

- a) In the case of the Balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2016;
- b) In the case of statement of Profit and Loss of the loss for the year ending on 31<sup>st</sup> March, 2016.
- c) In the case of the Cash Flow Statement, of the Cash flow for the year ending on 31<sup>st</sup> March, 2016.

#### 6. **Emphasis matters**

Attention is invited to:-

- a) *Note No. 49 of the accompanying financial statements there exists material uncertainty over the realisability of certain loans and advances claimed as given/advanced for purchase/acquisition of land, rights, projects or properties which are pending either for transfer of property or refund of advances aggregating Rs. 6817.72 lacs as on 31.3.2016 , (previous year Rs. 11780.53 lacs). Out of these advances we are unable to ascertain whether the outstanding advances are fully recoverable/adjustable, since the same are outstanding/remained unadjusted for long. In the absence of some of confirmations and valid supporting agreements, we are unable to ascertain the impact, if any, that may arise on any future date, in case any of these advances are subsequently determined to be doubtful for recovery.*
- b) Note No. 50 in respect of purchase of commercial space and included as part of inventory/ WIP of the value of Rs. 3886.02 lacs. In view of non- registration of title of the said property in the name of the company, we are unable to comment about the authenticity of the title of the said commercial space acquired during the year.
- c) Note No. 37 in respect of non availability of confirmations in respect of some debit and/or credit balances. In the absence of such confirmations, any provision to be made for the adverse variation in carrying amounts of these balances, are not quantified, as well as the quantum of adjustment if any, required to be made remain unascertained.

Our opinion is not qualified in respect of these matters.

#### 7. **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors report) Order, 2016 ("The Order") issued by the central government of India in terms of subsection 11 of section 143 of the Act, We give in the annexure 'A' statement on the matter specified in paragraphs 3 & 4 of the order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



**MVL Limited**

- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' and.
- g) With respect to the other matters included in the auditor's report and to best of our information and according to the explanation given to us.
  - 1) The company has disclosed the impact of pending litigation on its financial position in its financial statement.
  - 2) The company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- 3) There has been no delay in transferring amounts, required to be transferred, to the investor's education and protection fund by the company.

**For ARUN KISHORE & COMPANY  
CHARTERED ACCOUNTANTS  
( ICAI FRN : 001898 N)**

**Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016**

**Sd/-  
CA ARUN KISHORE  
PARTNER  
[Membership No. 10770]**

**Annexure 'A' to the Independent Auditors' Report****The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory requirements" section of our report of even date**

- (i) In Respect of its Fixed Assets:
  - a) The company is maintaining records showing particulars, including quantitative details and situation of fixed assets;
  - b) Major items of fixed assets were physically verified during the year by the management in accordance with a regular program of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
  - c) The title deeds of immovable properties are held in the name of the company.
- (ii) In Respect of its inventory:
  - a) The inventory includes land, material at site and project work in progress which is inclusive of other direct and indirect costs. As explained to us, inventories of building materials are physically verified by the management at reasonable intervals.
  - b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management was reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories of building material. No material discrepancies were noticed on verification, between physical stocks and book records..
- (iii) In respect of unsecured loans, granted to the companies, firms or other parties covered in the registrar maintained u/s 189 of the Companies Act 2013 according to the explanation and information given to us:
  - a) The company has granted loans to their group companies, as at the year end, the outstanding balance of such loan was Rs. 2815.94 Lacs and the maximum outstanding at any time during the year was Rs. 2849.58 Lacs. In our opinion loans to their group companies are prima facie prejudicial to the interest of the company.
  - b) No interest is charged on loan of Rs. 56.51 to one of the group company.
  - c) Since the loan is repayable on demand and there is no stipulation for repayment, regularity of payments cannot be commented upon.
  - d) As per the information and explanation given to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - e) Since the company has not taken any loans, secured or unsecured provisions of clause 4 (iii) (e), (f) & (g) of the company (Auditors Report) Order 2016 are not applicable.
- (iv) According to information and explanations given to us,
  - a) The provision of section 185 are not applicable, since the company has not advanced any loan to directors
  - b) Loans and Advances / guarantee provided to related parties are detailed under note no. 46 and 47 of financial statements, loans covered under part 'C' of note no. 47 are not in accordance with sub clause 5 of section 186 of Companies Act, 2013.
- (v) According to information and explanations given to us the company has not accepted any deposits during the year.
- (vi) According to the information and explanations given to us the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act'2013.
- (vii) (a) According to the information and explanations given to us undisputed amounts in respect of dues including provident fund, investor education and protection fund, employee state insurance , income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues as applicable which were outstanding as at 31st March 2016 for a period of more than 6 months from the date they became payable, are Rs. 203.35 Lacs (Previous year Rs. 260.04 Lacs) as on the balance sheet date.

- (b) According to the information and explanations given to us following dues have not been admitted as payable on account of disputes /appeals pending with appropriate authorities:-

S. No.	Name of the statute	Period	Amount under dispute (Rs. in Lacs)	Forum where dispute is pending
1.	Income Tax	A.Y. 2010-11	86.95 Lacs	CIT (Appeals) New Delhi
2.	Income Tax	A.Y. 2011-12	57.91 Lacs	CIT (Appeals) New Delhi
3.	Income Tax	A.Y. 2012-13	39.25 Lacs	CIT (Appeals) New Delhi
4.	Income Tax	A.Y. 2013-14	47.48 Lacs	CIT (Appeals) New Delhi
5.	Service Tax	Upto 31.03.2015	907.73 Lacs	Show cause notice received. No adjudication order passed by the commission, Alwar
		<b>Total</b>	<b>1139.32 Lacs</b>	

\*The above figures are exclusive of interest if any payable thereon.

- (c) Based on the information and explanations obtained, the company has no liability or requirement to transfer any amount to Investor Education & Protection Fund in accordance with the relevant provisions of the Act and the Rules there-under.
- (viii) According to the information and explanations give to us and in our opinion, the Company has overdue amounting to Rs. 329.62 crores (previous year Rs. 156.22 crores) including unprovided interest on NPA accounts from 01.04.2014 due to the Banks and Financial institutions. These defaults have been continuing from different dates beginning from July, 2012. However, the Company has made an application for one time settlement/restructuring of loan and proposals are under consideration. The Company has no liability for debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) We have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) As this is not a nidhi company, the provision in respect thereof are not applicable
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;
- (xvi) This clause of the Caro 2016 is not applicable to the Company as the company is not a required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For ARUN KISHORE & COMPANY  
CHARTERED ACCOUNTANTS  
( ICAI FRN : 001898 N)**

**Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016**

**Sd/-  
CA ARUN KISHORE  
PARTNER  
[Membership No. 10770]**



**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MVL LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MVL Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



**MVL Limited**

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For ARUN KISHORE & COMPANY  
CHARTERED ACCOUNTANTS  
( ICAI FRN : 001898 N)**

**Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016**

**Sd/-  
CA ARUN KISHORE  
PARTNER  
[Membership No. 10770]**



Balance Sheet as at 31st March, 2016

PARTICULARS	NOTE NO'S	AS AT 31st Mar 2016 (Amount in Rs.)	AS AT 31st Mar 2015 (Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS:</b>			
Share Capital	2	601,243,200	601,243,200
Reserves and Surplus	3	1,056,716,531	1,099,227,133
		1,657,959,731	1,700,470,333
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	4	-	468,478,176
Deferred Tax Liabilities (Net)		-	1,082,615
Other Long Term Liabilities	5	630,506,595	400,041,310
Long-Term Provisions	6	5,018,403	5,384,234
		635,524,998	874,986,335
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	7	2,563,751,330	2,099,571,984
Trade Payables	8	87,151,540	133,643,099
Other Current Liabilities	9	151,258,365	109,725,456
Short-Term Provisions	10	25,226,028	29,350,202
		2,827,387,262	2,372,290,742
	<b>TOTAL:</b>	<b>5,120,871,992</b>	<b>4,947,747,409</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	11		
Tangible Assets		77,483,809	86,417,087
Intangible Assets		33,625	26,922
Capital Work-in-Progress		8,548,004	5,071,551
		86,065,438	91,515,560
Non-Current Investments	12	10,805,172	18,102,868
Deferred Tax Assets (Net)		-	-
Long-Term Loans and Advances	13	686,940,168	1,038,960,169
Other Non-Current Assets	14	681,903	528,076
		698,427,243	1,057,591,113
<b>CURRENT ASSETS</b>			
Inventories	15	1,416,068,312	993,266,483
Trade Receivables	16	2,512,548,240	2,459,380,096
Cash and Cash Equivalents	17	71,425,268	67,117,865
Short-Term Loans and Advances	18	336,337,491	278,876,292
Other Current Assets		-	-
		4,336,379,311	3,798,640,736
	<b>TOTAL:</b>	<b>5,120,871,992</b>	<b>4,947,747,409</b>
<b>Significant Accounting Policies</b>	1		
<b>Other Notes</b>	2 to 50		

The notes referred to above from an integral part of the Financial Statements.

This is the Balance sheet referred to in our report of even date

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants  
(ICAI FRN No. : 001898N)

Sd/-  
CA Arun Kishore  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016

For and on behalf of the Board of Directors

Sd/-  
(Prem Adip Rishi)  
Managing Director

Sd/-  
(Rakesh Gupta)  
Whole Time Director  
& Chief Financial Officer

Sd/-  
(Monika Agarwal)  
Company Secretary





**Statement of Profit & Loss for the year ending 31st March, 2016**

PARTICULARS	NOTE NO'S	FOR THE YEAR ENDED 31ST MARCH 2016 (Amount in Rs.)	FOR THE YEAR ENDED 31ST MARCH 2015 (Amount in Rs.)
<b>INCOME</b>			
Revenue from operations	19	130,082,322	390,931,386
Other Income	20	32,606,464	23,856,905
<b>TOTAL</b>		<b>162,688,786</b>	<b>414,788,291</b>
<b>EXPENSES</b>			
Cost of Construction / Development	21	500,995,303	138,717,839
Increase/(Decrease) in Stock	22	(422,801,829)	(29,704,419)
Employees Benefits Expenses	23	48,459,476	58,517,797
Finance Cost	24	516,934	125,564,083
Other Expenses	25	74,467,181	109,237,181
Depreciation and amortization	11	6,783,938	6,939,954
<b>TOTAL</b>		<b>208,421,003</b>	<b>409,272,435</b>
<b>Profit/(Loss) from Ordinary activities before Exceptional Item</b>		<b>(45,732,216)</b>	<b>5,515,857</b>
Exceptional Items Dr/(Cr)		-	-
<b>Profit/(Loss) from Ordinary activities before Tax</b>		<b>(45,732,216)</b>	<b>5,515,857</b>
Tax Expenses			
Current Tax		-	1,499,000
Deferred Tax		(1,082,615)	1,000
<b>Profit/(Loss) from Ordinary activities after Tax</b>		<b>(44,649,601)</b>	<b>4,015,857</b>
Write back of Excess Provisions		(2,139,000)	(1,443,181)
<b>Net Profit for the Period from Ordinary activities after Tax</b>		<b>(42,510,601)</b>	<b>5,459,038</b>
Extra Ordinary Items (Net of Tax)		-	-
<b>Net Profit for the Period</b>		<b>(42,510,601)</b>	<b>5,459,038</b>
Earning per equity share (Nominal value of shares Rs. 1/- each)			
Basic (in Rs.)		(0.07)	0.01
Diluted (in Rs.)		(0.07)	0.01
<b>Significant Accounting Policies</b>	1		
<b>Other Notes</b>	2 to 50		

The notes referred to above form an integral part of the Financial Statements.

This is the Statement Profit & Loss referred to in our report of even date

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants  
(ICAI FRN No. : 001898N)

**For and on behalf of the Board of Directors**

Sd/-  
**CA Arun Kishore**  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016

Sd/-  
**(Prem Adip Rishi)**  
Managing Director

Sd/-  
**(Rakesh Gupta)**  
Whole Time Director  
& Chief Financial Officer

Sd/-  
**(Monika Agarwal)**  
Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016**

S. PARTICULARS No.	FOR THE YEAR ENDED 31.03.2016 (RS. IN LACS)	FOR THE YEAR ENDED 31.03.2015 (RS. IN LACS)
<b>A. Cash flow from Operating activities</b>		
Net profit before taxation & extraordinary items	(457.32)	55.16
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation and Amortisation	67.84	69.40
Revenue Exp./other claims written off	(0.04)	(6.77)
Profit/(Loss) on sale of Fixed Assets	10.18	65.34
Profit/(Loss) on sale of Shares	1.65	-
Interest expense	3.13	1,251.32
Lease rent / hire purchase expense	2.04	4.32
Interest income	(323.98)	(233.60)
Other misc income	(2.08)	(4.97)
<b>Operating Profit before working capital changes</b>	<b>(698.58)</b>	<b>1,200.20</b>
<b>Movement in working capital</b>		
Increase/(Decrease) in Trade Payables	(464.92)	863.18
Increase/(Decrease) in Long Term Liabilities & Provisions	2,300.99	946.83
(Increase)/Decrease in Other current liabilities and short term Provisions	374.08	345.23
Increase/(Decrease) in Trade Receivable	(531.68)	(2,428.20)
(Increase)/Decrease in Inventories	(4,228.02)	(297.04)
(Increase)/Decrease in Long Term Loan and Advances	3,519.10	(553.33)
(Increase)/Decrease in Short Term Loan and Advances	(574.61)	(1,697.54)
Increase/(Decrease) in Other Non Current Assets	(1.54)	(5.00)
<b>Cash generated from / (used in) operations</b>	<b>(305.18)</b>	<b>(1,625.67)</b>
Direct Taxes paid (net of refunds)	-	-
Cash Flow before extraordinary items	(305.18)	(1,625.67)
Extraordinary items - write back	26.27	6.19
<b>Net cash flow from / (used in) Operative Activities (A)</b>	<b>(278.91)</b>	<b>(1,619.48)</b>
<b>B. Cash Flow from investing activities.</b>		
Purchase of Fixed Assets	(35.00)	(63.93)
Sale of Non-Current Investments	72.98	26.82
Proceeds from Sale of Fixed Assets	5.00	25.50
Other Income	323.98	233.60
Other misc income	2.08	4.97
<b>Net cash flow from / (used in) Investing Activities (B)</b>	<b>369.04</b>	<b>226.96</b>
<b>C. Cash Flow from Financing Activities</b>		
Interest expense	(3.13)	(1,251.32)
Lease rent / hire purchase expense	(2.04)	(4.32)
Increase / (Decrease) in Long Term Borrowing	(4,684.78)	(10,907.68)
Increase / (Decrease) in Short Term Borrowing	4,641.79	13,470.91
<b>Net cash flow from / (used in) Finance Activities (C)</b>	<b>(48.16)</b>	<b>1,307.59</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	41.98	(84.93)
Cash and Bank Equivalent at the beginning of the year	43.01	127.94
Cash and Bank Equivalent at the end of the year	84.99	43.01
<b>Components of Cash and Cash Equivalents</b>		
<b>Cash in Hand</b>	13.77	13.47
<b>In Current Accounts</b>	71.22	29.54
	<b>84.99</b>	<b>43.01</b>

This is the Cash Flow Statement referred to in our report of even date

**FOR ARUN KISHORE & COMPANY**  
Chartered Accountants  
(ICAI FRN No. : 001898N)

**For and on behalf of the Board of Directors**

Sd/-  
**CA Arun Kishore**  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016

Sd/-  
**(Prem Adip Rishi)**  
Managing Director

Sd/-  
**(Rakesh Gupta)**  
Whole Time Director  
& Chief Financial Officer

Sd/-  
**(Monika Agarwal)**  
Company Secretary

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

### NOTE NO. 1

#### Significant Accounting Policies

##### a) Corporate Information

MVL Ltd. (hereinafter referred to as the "Company") is a Company domiciled in India and incorporated under the provisions of the Companies Act 1956 read with companies Act 2013 (The Act). The Company is engaged in the business of Real estate builders & developers.

##### b) Basis of Accounting

The financial statements of the company are prepared and presented under the historical cost convention and comply in all material respects with applicable accounting standards as specified under section 133 of the companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, All incomes & expenditure are accounted for on accrual method of accounting unless otherwise stated hereafter. Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles

##### c) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Actual results could differ from those estimates and any revision is recognized in the current and future years.

##### d) Revenue Recognition

###### Real Estate Projects

- i. Revenue from Real Estate Projects is recognized in accordance with the provisions of Accounting Standard (AS) 9 on Revenue Recognition, read with Guidance Note on "Recognition of Revenue by Real Estate Developers" Revenue is recognized based on "Percentage of Completion" method and on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being at least 25 per cent or more of the total estimated project cost
- ii. The estimates of the projected revenues, saleable area and projected costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period, such changes are determined.
- iii. Where aggregate of the payments received provide insufficient evidence of Buyers commitment to make the complete payment, revenue is recognized only to the extent of realization.
- iv. While all incomes and expenses are accounted for on accrual basis, Interest on delayed payments by customers against dues is taken on realization, owing to uncertainties involved.
- v. With effect from April 1, 2012 in accordance with the Revised Guidance Note issued by Institute of Chartered Accountants of India ("ICAI") on "Accounting for Real Estate Transactions (Revised 2012)", the Company has revised its Accounting Policy of revenue recognition for all projects commencing on or after April 1, 2012 or project where the revenue is recognized for the first time on or after the said date. As per this Guidance Note, the revenue is recognized on percentage of completion method provided all of the following conditions are met at the reporting date.
  - at least 25% of estimated construction and development costs (excluding land cost) has been incurred;
  - at least 25% of the saleable project area is secured by the Agreements to sell/application forms (containing salient terms of the agreement to sell); and
  - at least 10% of the total revenue as per agreement to sell are realized in respect of these agreements.

##### e) Cost of construction / Development

Accumulated project cost i.e. cost of construction / development comprises of: -

- i) Expenses directly related to the project.
- ii) Finance Cost including interest and charges incurred up to the completion of the project are considered as attributable cost to the project and included under accumulated Project cost.
- iii) Project costs in relation to a project, ordinarily comprise of :-
  - **Cost of land and cost of development rights:** All costs related to the acquisition of land, development rights, rehabilitation costs, registration charges, stamp duty, brokerage costs, statutory dues paid to sanctioning authorities and other incidental expenses.
  - **Construction and development costs:** These would include costs that relate directly to the specific project and costs that may be attributable to project activity in general and can be allocated to the project.
  - **Borrowing Costs: (In accordance with Accounting Standard (AS 16))**
- i) Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets for the year up to the completion/installation or construction of such asset respectively are capitalized as part of the cost of such asset.
- ii) Borrowing costs directly attributable to projects under taken by the company are charged to each such project on year to year basis and is treated as cost of the project.
- iii) All other borrowing costs are charged to revenue in the year in which they are incurred.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

### f) Inventory

Inventory comprises of lands, projects completed or under construction, building material in hand and rights in identified lands including: -

- i) Work-in-progress comprising of land, materials, services and other overheads related to project under construction, valued at cost.
- ii) Stock of building material, valued at cost.
- iii) Completed units remaining unsold, valued at lower of cost or market value.

### g) Trade Receivables represents

- Receivables due as per Builder Buyer Agreements net of amounts received.
- Unbilled receivables against revenue recognized on “percentage of completion method”

### h) Fixed Assets

Fixed Assets are stated at cost, net of accumulated depreciation. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

### i) Depreciation

- i) Depreciation on tangible and intangible assets is provided on the Useful life method as specified under Companies Act 2013. Depreciation on additions/ deletions to/from fixed assets is provided on pro-rata basis from the date the asset is put to use /discarded.
- ii) Management has estimated the useful life of the assets as under:-

Buildings (RCC Structure)	60 years
Furniture & Fixture	10 years
Office equipment	5 years
Computer equipment	3 years
Vehicles	10 years
Computer Server	6 years

### j) Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If 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. 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 if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

### k) Investments

Investments are all long term, which are stated at cost. Provision for diminution in value thereof, other than temporary in nature, is accounted for.

### l) Taxation

#### i) Current Tax

Provision for Income Tax is based on assessable profits of the company as computed in accordance with the relevant provision of the Income Tax Act, 1961 for the year ending 31<sup>st</sup> March 2016.

#### ii) Deferred Tax

Deferred Tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognized only when there is a virtual certainty of their realization and on other items when there is reasonable certainty of realization. The tax effect is calculated on the accumulated timing differences at the yearend based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

### m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent Liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in recognition of income that may not be realized in the near future.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
2	<b>SHARE CAPITAL</b> <b>Authorised</b> 73,00,00,000 Equity shares of Re.1/- each	<u>730,000,000</u>	<u>730,000,000</u>
	<b>ISSUED,SUBSCRIBED &amp; PAID-UP CAPITAL:-</b> 60,12,43,200 Equity Shares of Re.1/- each fully paid up.	<u>601,243,200</u>	<u>601,243,200</u>
		<b>601,243,200</b>	<b>601,243,200</b>
	(a) There is no variation or change in the issued, subscribed and fully paid-up capital structure during the year. Therefore, no separate disclosure of reconciliation of the number of equity share outstanding as at the beginning and at the end of the year is required.		
	(b) Shareholders Holding more than 5% shares based on legal ownership in the subscribed share capital of the company is set out below:		

Name of the shareholder	As at 31/03/2016		As at 31/03/2015	
	No.of Shares	% held	No.of Shares	% held
1 Media Magnetic Cassettes Limited	60,340,934	10.04	102,840,934	17.10
2 Risbro Technicals Equipments Pvt. Ltd.	46,197,954	7.68	-	-
3 MVL Credits Holdings & Leasing Limited	127,802,445	21.26	117,678,651	19.58

3	<b>RESERVES &amp; SURPLUS:-</b>		
	(a) General Reserve		
	Opening Balances	112,719,957	113,897,892
	Add : Provided during the year	-	-
	Less Depreciation short provided (as per revised guidelines)	-	<u>1,177,935</u>
		112,719,957	112,719,957
	(b) Capital Reserve	109,016,486	109,016,486
	(c) Share Premium	130,265,776	130,265,776
	(d) Surplus/(Deficit) in the Statement of Profit and Loss		
	Opening Balance	747,224,914	741,765,876
	Add : Profit / (Loss) for the Year	(42,510,601)	5,459,038
	Less : Transfer to General Reserve	-	-
	Closing Balance	<u>704,714,312</u>	<u>747,224,914</u>
		<b>1,056,716,531</b>	<b>1,099,227,133</b>
4	<b>LONG-TERM BORROWINGS</b>		
	<b>Term Loans - Secured</b>		
	Canara Bank	774,946,344	774,946,344
	(Repayable in 4 Quarterly installments starting from December 2014.)		
	UCO Bank	446,170,718	446,153,618
	(Repayable in 8 Quarterly installments starting from December 2013.)		
	Dena Bank	259,974,516	260,309,516
	(Repayable in 8 Quarterly installments starting from August 2012.)		
	Sicom Limited	431,067,696	434,567,696
	(Repayable in 54 Monthly installments starting from October 2014.)		

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
	IFCI Factors Limited (Repayable in 36 Monthly installments starting from October 2014)	161,914,789	161,914,789
	IFCI Limited (Repayable in 8 Quarterly installments starting from September 2011.) (After revocation of restructuring on 18th July 2014)	488,564,583	487,758,639
	Interest Payable	-	-
	From Others [Secured against hypothecation of Vehicles]	1,112,684	2,399,558
		<u>2,563,751,330</u>	<u>2,568,050,160</u>
	Less : Current maturities of Long Term Borrowings included under Note No. 7 "Short Term Borrowings"	<u>2,563,751,330</u>	<u>2,099,571,984</u>
		<u>-</u>	<u>468,478,176</u>
<b>5</b>	<b>OTHER LONG-TERM LIABILITIES</b>		
	Security Received	6,107,866	5,697,898
	Advances Received from Customers	624,398,729	394,343,412
		<u>630,506,595</u>	<u>400,041,310</u>
<b>6</b>	<b>LONG-TERM PROVISIONS</b>		
	Provision for Gratuity	5,018,403	5,384,234
		<u>5,018,403</u>	<u>5,384,234</u>
<b>7</b>	<b>SHORT TERM BORROWINGS</b>		
	Current Maturities of Long Term Borrowings (Refer Note 4)	2,563,751,330	2,099,571,984
		<u>2,563,751,330</u>	<u>2,099,571,984</u>
<b>8</b>	<b>TRADE PAYABLES</b>		
	For Construction & Purchase	87,151,540	133,643,099
		<u>87,151,540</u>	<u>133,643,099</u>
<b>9</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Duties & Taxes Payable	21,398,167	31,944,893
	Expenses & Others	129,540,750	77,461,116
	Unclaimed Dividend	319,447	319,447
		<u>151,258,365</u>	<u>109,725,456</u>
<b>10</b>	<b>SHORT-TERM PROVISIONS</b>		
	Provision for Tax	19,040,769	21,540,769
	Provision for Bonus	2,727,542	2,948,517
	Provision for LTA	1,240,692	2,041,099
	Provision for Leave Encashment	2,217,025	2,819,817
		<u>25,226,028</u>	<u>29,350,202</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**
**Note - 11**

Particulars	Gross Block			Depreciation				Net Block		
	Cost as on 01-04-2015	Additions	Deletion/ Sale	Cost as on 31-03-2016	Total upto 01-04-2015	Current Year	Adjustment for deletion/ Sale	Total upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
<b>(A) Tangible Assets :</b>										
LAND *	38,353,400	-	-	38,353,400	-	-	-	-	38,353,400	38,353,400
OFFICE BUILDING *	21,512,487	-	-	21,512,487	4,319,429	309,951	-	4,629,380	16,883,107	17,193,058
VEHICLE	26,175,548	-	2,259,107	23,916,441	10,580,278	2,751,538	740,920	12,590,896	11,325,545	15,595,270
PLANT & MACHINERY	3,050,000	-	-	3,050,000	-	289,750	-	289,750	2,760,250	3,050,000
OFFICE EQUIPMENT	9,694,647	-	648,450	9,046,197	5,126,464	1,229,679	-	6,356,143	2,690,054	4,568,183
COMPUTER	5,144,948	-	-	5,144,948	3,791,688	1,096,013	-	4,887,701	257,247	1,353,260
COMPUTER SERVER	398,092	-	-	398,092	179,086	49,775	-	228,861	169,231	219,006
FURNITURE & FIXTURE	8,426,934	-	-	8,426,934	2,342,024	1,039,935	-	3,381,959	5,044,975	6,084,910
<b>TOTAL (A)</b>	<b>112,756,056</b>	<b>-</b>	<b>2,907,557</b>	<b>109,848,499</b>	<b>26,338,969</b>	<b>6,766,641</b>	<b>740,920</b>	<b>32,364,690</b>	<b>77,483,809</b>	<b>86,417,087</b>
<b>(B) INTANGIBLE ASSETS</b>										
COMPUTER SOFTWARE	210,000	24,000	-	234,000	183,078	17,297	-	200,375	33,625	26,922
<b>TOTAL (B)</b>	<b>210,000</b>	<b>24,000</b>	<b>-</b>	<b>234,000</b>	<b>183,078</b>	<b>17,297</b>	<b>-</b>	<b>200,375</b>	<b>33,625</b>	<b>26,922</b>
<b>(C) CAPITAL WORK IN PROGRESS</b>										
ASSETS UNDER INSTALLATION	5,071,551	3,476,453	-	8,548,004	-	-	-	-	8,548,004	5,071,551
<b>TOTAL (C)</b>	<b>5,071,551</b>	<b>3,476,453</b>	<b>-</b>	<b>8,548,004</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,548,004</b>	<b>5,071,551</b>
<b>TOTAL (A)+(B)+(C)</b>	<b>118,037,607</b>	<b>3,500,453</b>	<b>2,907,557</b>	<b>118,630,503</b>	<b>26,522,047</b>	<b>6,783,938</b>	<b>740,920</b>	<b>32,565,065</b>	<b>86,065,438</b>	<b>91,515,560</b>
Previous Year	122,700,560	6,393,299	11,056,252	118,037,607	20,375,895	6,939,954	(793,802)	26,522,047	91,515,560	102,324,665

\* Land and Building acquired on demerger from the parent company continues to be mortgaged to the Finance Institution for loan availed by the Parent Company

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
<b>12</b>	<b>NON-CURRENT INVESTMENTS</b>		
	<b>Equity Shares (Long Term) (Unquoted at cost)</b>		
	<b>Investment in Subsidiaries</b>		
	MVL Developers Limited		
	100000 Equity shares of Rs. 10/- each	1,000,000	1,000,000
	Creative Pool Developers Private Limited		
	10000 Equity shares of Rs. 10/- each	100,000	100,000
	Parisar Property Developers Private Limited		
	10000 Equity shares of Rs. 10/- each	-	100,000
	Udyan Horticultures Private Limited		
	10000 Equity shares of Rs. 10/- each	100,000	100,000
	<b>Investment in Other than Subsidiaries</b>		
	Cardinal Infratech Limited		
	9994 Equity shares of Rs. 10/- each	99,940	99,940
	MVL Solar Power Limited		
	9700 Equity Shares of Rs. 10/- each	97,000	2,47,000
	Falcon Technosystems Limited		
	(For diminution in the value of permanenet nature Refer Note No. 39)	600,000	980,000
	6000000 Equity Shares of Rs. 10/- each		
	Shri Tirupati Balaji Electronics Private Limited		
	571890 Equity Shares of Rs. 10/- each	5,718,900	11,234,900
	<b>Others</b>		
	Investment - Precious Metals	3,089,332	4,241,028
		<b>10,805,172</b>	<b>18,102,868</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
<b>13</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	Security Deposits	2,494,681	2,194,681
	Prepaid Expenses	1,926,044	1,157,276
	Advance Income Tax	1,683,592	1,113,523
	Advances for Projects (Land)	679,775,117	1,034,391,117
	Advances to Contractors & Suppliers	1,060,734	103,572
		<u>686,940,168</u>	<u>1,038,960,169</u>
<b>14</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	Interest accrued	681,903	528,076
		<u>681,903</u>	<u>528,076</u>
<b>15</b>	<b>INVENTORIES</b>		
	Materials at Site	-	2,523,410
	Project Work in Progress (At Cost)	1,416,068,312	990,743,073
		<u>1,416,068,312</u>	<u>993,266,483</u>
<b>16</b>	<b>TRADE RECEIVABLES</b> (Unsecured, Considered good unless otherwise specified)		
	Billed Receivables		
	- Due for over six months	65,835,390	77,278,053
	- Due for less than six months	2,603,969	17,521,874
	Unbilled Receivables (Refer Note No. 41)	2,444,108,881	2,364,580,169
		<u>2,512,548,240</u>	<u>2,459,380,096</u>
<b>17</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash in Hand and on Imprest	1,376,757	1,347,275
	Balance with Scheduled Bank (in Current A/c)	7,122,200	2,954,074
	FDR's/ Margin Money with Scheduled Banks (Pledged)	62,926,311	62,816,516
		<u>71,425,268</u>	<u>67,117,865</u>
<b>18</b>	<b>SHORT-TERM LOANS AND ADVANCES</b> (Unsecured, Considered good unless otherwise specified)		
	Advance to Contractors & Suppliers	10,255,517	11,760,964
	Other Advances	323,933,792	264,730,404
	Other Advances recoverable in cash or in kind of for value to be received	2,148,182	2,384,924
		<u>336,337,491</u>	<u>278,876,292</u>

NOTE NO.	PARTICULARS	For the year ended 31st March 2016 (Rs.)	For the year ended 31st March 2015 (Rs.)
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Projects	130,082,322	390,931,386
		<u>130,082,322</u>	<u>390,931,386</u>
<b>20</b>	<b>OTHER INCOME</b>		
	Interest from Customers	28,378,796	19,618,934
	Interest from Bank FDR	4,019,432	3,741,134
	Misc. Income	208,236	496,837
		<u>32,606,464</u>	<u>23,856,905</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	For the year ended 31st March 2016 (Rs.)	For the year ended 31st March 2015 (Rs.)
<b>21</b>	<b>COST OF CONSTRUCTIONS / DEVELOPMENT</b>		
	Construction and Land & Development Costs	437,894,876	123,236,733
	Other Indirect Costs	63,100,427	15,481,106
	Total cost upto 31.03.2016	<b>500,995,303</b>	<b>138,717,839</b>
<b>22</b>	<b>INCREASE/(DECREASE) IN STOCKS</b>		
	Opening Stocks	993,266,483	963,562,064
	Closing Stocks	1,416,068,312	993,266,483
		<b>(422,801,829)</b>	<b>(29,704,419)</b>
<b>23.</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salary, Allowances & Welfare	45,477,495	55,345,630
	Bonus	1,400,117	1,733,305
	Contributions to Provident Fund & ESI	1,581,864	1,438,862
		<b>48,459,476</b>	<b>58,517,797</b>
<b>24</b>	<b>FINANCE COSTS</b>		
	Bank Charges	312,687	415,893
	Interest	-	124,716,211
	Hire Purchases Charges	204,247	431,980
		<b>516,934</b>	<b>125,564,083</b>
<b>25</b>	<b>OTHER EXPENSES</b>		
	Advertisement	1,252,148	11,784,554
	Auditors Remuneration	658,375	646,072
	Balances Written off	(3,856)	(677,278)
	Books & Periodicals	1,348,480	1,887,440
	Business Promotion	4,575,888	5,550,747
	Conveyance Expenses	3,788,879	5,174,447
	Commission & Brokerage	1,431,020	18,045,090
	Diwali Expenses	281,260	355,859
	Donation	-	16,100
	Electricity Expenses	2,222,378	2,024,677
	Insurance	194,010	323,112
	Legal & Professional Charges	16,287,108	10,388,051
	Loss on Sale of Fixed Assets	1,018,187	6,534,514
	Loss on Sale of Shares	165,000	-
	Meeting Expenses	100,000	117,874
	Misc. Expenses	57,103	35,145
	Membership Fee	315,378	284,715
	Office Expenses	6,638,866	7,007,396
	Postage & Telegram	233,846	383,304
	Printing & Stationery	751,267	925,578
	Rate, Fee & Taxes	1,404,677	1,494,611
	Rent	24,870,204	25,668,343
	Repair & Maintenance	1,874,914	2,595,614
	Telephone Exp.	2,425,473	3,546,894
	Travelling Expenses (Director)	1,213,035	1,805,927
	Travelling Expenses (Others)	941,778	1,433,424
	Watch & Ward	825,768	1,884,970
	Prior Period Expenses (Net)	(404,005)	-
		<b>74,467,181</b>	<b>109,237,181</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

### 26. Retirement Benefits

- Contributions payable by the Company to the concerned Government Authorities in respect of Provident Fund, Family Pension fund and Employee State Insurance are charged to the statement of profit and loss.
- Provisions for gratuity and Leave Encashment are made on actuarial valuation, as per Accounting Standard (AS)-15.

#### **Defined Benefit Plans**

In respect of Gratuity and Leave encashment as carried out by an independent actuary as at 31<sup>st</sup> March 2016 are as under:-

S. No.	Particulars	Current Period		Last Year	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>I Expenses recognized in the statement of Profit and Loss account</b>					
1	Current service cost	8,29,783	7,99,859	10,51,851	12,58,070
2	Interest cost	4,19,970	2,19,946	3,69,814	2,26,652
3	Net Actuarial (gain)/losses recognized	6,11,525	(6,25,833)	28,912	(9,21,203)
4	Past service cost	-	-	-	-
5	Settlement cost	-	-	-	-
6	Expenses recognized in the statement of profit and loss account	6,38,228	3,93,972	14,14,577	5,63,519
<b>II Net Assets/(Liability) recognized in the Balance sheet</b>					
1	Present value of obligation as at the end of the year	50,18,403	22,17,025	53,84,234	28,19,817
2	Fair value of Plan assets as at the end of the year	-	-	-	-
3	Funded status [surplus/deficit]	(50,18,403)	(22,17,025)	53,84,234	(28,19,817)
4	Net Liability recognized in balance sheet	50,18,403	22,17,025	53,84,234	28,19,817
<b>III Change in present value of obligation during the year</b>					
1	Present value of obligation as at the beginning of the year	53,84,234	28,19,817	40,63,886	24,90,680
2	Acquisition adjustment	-	-	-	-
3	Interest cost	4,19,970	2,19,946	3,69,814	2,26,652
4	Past service cost	-	-	-	-
5	Current service cost	8,29,783	7,99,859	10,15,851	12,58,070
6	Settlement cost	-	-	-	-
7	Benefit paid	(10,04,059)	(9,96,764)	(94,229)	(2,34,382)
8	Actuarial (gain)/loss on obligation	(6,11,525)	(6,25,833)	28,912	(9,21,203)
9	Present value of obligation as at the end of the year	50,18,403	22,17,025	53,84,234	28,19,817
<b>IV Change in the plan value of assets during the year</b>					
1	Fair value of plan assets at the beginning of the year	-	-	-	-
2	Expected return on plan assets	-	-	-	-
3	Contributions	-	-	-	-
4	Benefits paid	-	-	-	-
5	Actuarial Gain/(loss) on plan assets	-	-	-	-
6	Fair value of plan assets as at the end of the year	-	-	-	-
<b>Actuarial Assumptions:</b>					
1	Discount rate	7.70%		7.80%	
2	Rate of increase in compensation	10.00%		10.00%	
3	Rate of return on plan assets	-		-	
4	Average Outstanding service of Employee's upto retirement	24.73 Years		27.60 Years	

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

### 27. Accounting Standards

The Company follows all applicable accounting standards as required under Section 133 of the companies Act 2013 read with Rule 7 of the Company (Accounts) Rules, 2014.

NOTE NO.	PARTICULARS	For the Year Ended 31.03.16 (Rs. in Lacs)	For the Year Ended 31.03.15 (Rs. in Lacs)
<b>28.</b>	<b>Contingent Liabilities</b>		
	For Corporate Guarantees given	Nil	1500.00
	For Bank Guarantees availed	1020.46	1020.46
	As Co-borrower for loans availed by Associate Company	1500.00	1000.00
<b>29.</b>	<b>Claims not acknowledged as debt</b>		
	(a) For Commercial disputes	1264.96	612.29
	(b) Statutory dues	1139.32	184.11
<b>30.</b>	Advances considered doubtful of recovery for which no provision has been made	2737.16	2325.69
<b>31.</b>	<b>Auditors Remuneration Covers</b>		
	For Statutory Audit & Tax Audit	3.50	3.50
	For Taxation matters	1.50	1.50
	For Other Services and service tax	1.58	1.46
<b>32.</b>	<b>Directors Remuneration Covers</b>		
	Salaries	59.86	68.29
	Sitting fees	2.04	1.56
<b>33.</b>	<b>Deferred Tax (Liabilities) Assets</b>	Nil	(10.82)
	In view of loss during the year and uncertainty of future profit, deferred tax liability of Rs. 10.82 lacs has been reversed and no provision for deferred tax assets has been created, as per Accounting Policy of the company.		

34.	<b>Earning per Share (EPS)</b>				
	Particulars		Unit	For the Year Ended 31.03.16	For the Year Ended 31.03.15
	Profit attributable to equity share holder (numerator)	"A"	Rs.	(425.11) lacs	54.59 Lacs
	No. of equity shares at the beginning of the year		Nos.	60,12,43,200	60,12,43,200
	No of equity shares entitled to share profits.		Nos.	60,12,43,200	60,12,43,200
	Weighted average no. of equity shares at year end.	"B"	Nos.	60,12,43,200	60,12,43,200
	Face Value per Equity Share		Rs.	Re.1/-	Re.1/-
	Basic / Diluted earning per share (A) / (B)		Rs.	(0.07)	0.01

35. Determination of Revenues under 'Percentage of Completion Method' necessarily involves making estimates by management for percentage of completion, projected cost to completion, revenues expected from projects, and foreseeable losses. **These estimates being of technical nature have been relied upon by the auditors as per management representations.**

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

36. In the opinion of Directors, the current assets, loans and advances including advances for purchase of land have value on realization in the ordinary course of business at least equal to the value at which they are stated in the forgoing Balance Sheet except as otherwise stated.
37. Some of the Debit and credit balances of Trade Receivables, (excluding unbilled receivable) trade and other payable, security deposit, short term advances and bank accounts are subject to confirmation and consequent adjustment if any arising from subsequent reconciliation. The Management however is of the view that there will be no material adjustment in this regard.
38. Penal Interest on loan from banks and financial institutions if any payable for defaults in accounts declared NPA or otherwise has not been provided. Liability for unascertained value of penal interest has not been quantified nor provided on account of the uncertain and discretionary nature of such charges pending negotiations for settlement of dues.
39. As per board resolution dated 17.02.2015, it was resolved that loans availed from banks and financial institutions which have been declared NPA and on which the lenders are not providing interest, no interest on such accounts be provided w.e.f. 01.04.2014. The management shall take a decision in respect of this liability after negotiation and final settlement with the lenders, which is under progress.

In consequence of the above resolution:

- a) Interest of Rs.22,75,35,705/- (previous year Rs.17,59,92,811/-) being the interest directly related with the projects has not been included in the construction cost of respective projects. Similarly, interest of Rs.18,21,49,868/- (previous year Rs. 6,33,62,804/-) not directly relating to any project was required to be expensed, but in view of resolution dated 17.02.2015, this interest also pertaining to accounts declared as NPA, has not been charged to Profit and Loss Account during the year.

Total liability towards interest on loans from banks and financial institutions not provided in these financial statements during the year is Rs.40,96,85,573/- (previous year Rs. 32,39,14,890/-). Out of this interest as per the system of revenue recognition followed by the company, namely Percentage of Completion method (POC), interest of Rs.22,75,35,703/- (previous year Rs.23,85,94,630/-) directly related with ongoing real estate projects was to be expensed as direct project cost, which would have resulted in the increase in the percentage of completion. Thus proportionate recognition of sales would have gone up by Rs.18,99,09,679/- (previous year Rs. 26,14,60,650/-).

- b) The other component of interest not directly related with the project, of Rs.18,21,49,868/- (previous year Rs. 8,53,20,260/-) has also not been provided during the year on loans declared NPA, by the lenders.

Net effect of non provision of interest on loans from banks and financial institution declared NPA is that : -

- i) Sales as per the system of revenue recognition POC method, regularly followed, are understated by Rs. 18,99,09,679/- (previous year Rs. 26,14,60,650/-).
- ii) Net Loss from operations is understated by Rs. 21,97,75,894/- (Previous year Rs.6,24,54,240)
40. Following advances to group companies ,outstanding as at 31/03/2016 are considered doubtful of recovery by the auditors:
- i) Noesis Industries Limited Rs. 2759.43 lacs
- ii) Falcon Techosystems Limited Rs. 56.51 Lacs

While interest @ 9% p.a is being provided on advance to Noesis Industries Limited, no interest is being provided on advance to Falcon Technosystems Ltd.

The auditor's have further opined that the above advances are in contravention of the provisions of Companies Act 2013 and are prejudicial to the interest of the company.

These advances are given for meeting their working capital requirements of the above said companies

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

41. Trade receivables include Rs.244.41 crores (previous year Rs.231.46 crores) representing unbilled receivables included as debts considered good under Note No.16 of financial statements. These debts represent amounts receivable on the basis of sale accounted for under the Percentage of Completion (POC) method, regularly followed by the company. The recovery of these debts is subject to completion and delivery of projects, to the customers.

**42. BANK LOANS**

(a) Following credit facilities are availed by the Company, from Banks and Financial Institutions:-

- (i) Term Loan from Consortium of Canara Bank and UCO Bank secured against first pari passu charge on moveable and immovable assets situated at MVL IBC-IT Park Sector 35, Gurgaon.
  - Further secured against personal guarantee of Managing Director and Corporate Guarantee provided by associate company.
- (ii) Term Loan from Dena Bank secured against first charge on entire assets of MVL Indihome Group Housing Project situated at Bhiwadi.
  - Further secured against personal guarantee of Managing Director.
- (iii) Corporate Loan from IFCI Ltd secured against pledge of equity shares owned by associate company, personal guarantee of Managing Director and Corporate Guarantee of associate company. Further secured against mortgage of flats at Bhiwadi Coral Project.
- (iv) Sicom Ltd secured against first charge on property belonging to associate company including hypothecation of receivables thereupon.
  - Further secured against personal guarantee of Managing Director
- (v) IFCI Factors Ltd secured against flats situated at Bhiwadi Coral Project and pledge of shares owned by associate company.
  - Further secured against personal guarantee of the Managing Director.

**(b) Present Status of Bank Loans**

- i) Canara Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 11.5.2015 for recovery of Rs.93.91 crores along with interest upto the date of payment. Canara Bank has also issued notice dated 9.5.2015 under Section 13(2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs.93.64 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 9.7.2015. The Company's proposal for One Time settlement is under consideration of Bank.
- ii) UCO Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 10.7.2014 for recovery of Rs. 43.62 crores along with interest upto the date of payment. UCO Bank has also issued notice dated 5.3.2014 under Section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs. 40.00 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 06.05.2014. The Company's proposal for One Time settlement is under consideration of Bank.
- iii) Dena Bank has declared the loan account as NPA and company's One Time Settlement proposals is under consideration of the bank. The Company's proposal for One Time settlement is under consideration of Bank.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

- iv) IFCI Ltd has declared the Loan Account as NPA and has filed application under section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-I Delhi vide application dated 19.12.2012 for recovery of Rs. 49.24 crores along with interest upto the date of payment. IFCI Ltd has also issued notice dated 8.12.2014 under section 13(4) of SARFAESI Act, 2002 claiming their dues. The Company's proposal for One Time settlement is under consideration of Bank.
  - v) Sicom Limited has declared the Loan Account as NPA on 15.4.2015 and has also proceeded under section 13(4) of SARFAESI Act, 2002 claiming their dues of Rs. 47.10 crores against mortgaged property. The Company's proposal for One Time settlement is under consideration of Bank.
43. Interest of Rs.531.29 lacs (previous year Rs.472.82 lacs) has been provided on actual payment basis to some of the allottees of MVL IBC Project which are under Assured Return Scheme. Since some of the allottees are likely to take additional space, interest on balance deposits has not been provided during the year. Consequently, the interest of Rs. 478.28 lacs (previous year Rs. 447.55 lacs) is short provided in these accounts on accrual system of accounting.
44. During the year 2014-15, the Security Exchange Board of India (SEBI) had passed an order dated 19.12.2014 declaring violation of Collective Investment Scheme, in respect of collections received under the Assured Return Plan launched for IBC, Gurgaon project, in terms of section 11AA of SEBI Act. The company has challenged the said order, requiring the company to refund the total collection. Company's appeal before Securities Appellate Tribunal (SAT) is pending for adjudication, however restraint on sale against other projects was lifted by SAT order dated 17<sup>th</sup> March 2015 and an interim stay has been granted till next hearing on refund of collections to IBC allottees vide its order of April, 2016.
45. Disclosure of Related Party Transactions in accordance with Accounting Standard (AS) - 18 "Related Party Disclosures".
- a) **Subsidiaries (Group – A)**
    - MVL Developers Ltd.
    - Udyan Horticatures Pvt. Ltd.
    - Creative Pools Developers Pvt. Ltd.
  - b) **Associates (Group – B)**
    - Nll
  - c) **Key Managerial Personnel (Group – C)**
    - Mr. Prem Adip Rishi – Managing Director
    - Mr. Rakesh Gupta – Director & Chief Financial Officer
    - Mr. Sushil Aggarwal – Vice President (Company Affairs & Legal)
    - (till May, 2015)
    - Mr. Dhiraj Suri – Vice President Operations
  - d) **Relatives of Key Managerial Personnel Relative (Group – D)**
    - Mr. Arjun Rishi
    - Mr. Prem Adip Rishi (HUF)
    - Mrs. Anuradha Rishi
  - e) **Companies/Parties in which key management Person or their relatives have substantial interest/significant influence (Group – E)**
    - Media Holding Pvt. Ltd.
    - Media Magnetic Cassettes Ltd.
    - MVL Credits Holdings & Leasing Ltd.
    - Falcon Technosystems Ltd
    - Noesis Industries Ltd.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

Risbro Technical Equipment Pvt. Ltd.  
 Cardinal Infratech Ltd.  
 Balaji Tirupati Property Developers Pvt. Ltd.  
 MVL Solar Power Ltd  
 Shri Tirupati Balaji Electronics Pvt.Ltd  
 Parisar Property Developers Pvt. Ltd

Note : - List of related parties has been identified by the management and relied upon by the auditors

Summary of transactions carried out with related parties

(Rs. In Lacs)

Sl. No.	Nature of Transactions	Referred in 45 (a)	Referred in 45 (b)	Referred in 45 (c)	Referred in 45 (d)	Referred in 41 (e)	Total For the year ended 31/03/16	Total For the year ended 31/03/15
i.	Construction Costs	-	-	-	-	-	-	41.55
ii.	Director remuneration & Sitting Fees	-	-	61.90	-	-	61.90	68.29
iii.	Managerial Remuneration & contribution to PF	-	-	15.83	-	-	15.83	28.25
iv.	Rent paid	-	-	-	92.40	-	92.40	92.40
v.	Purchase of Fixed assets/ inventories	-	-	-	-	3886.02	3886.02	30.50
vi.	Sale of securities	-	-	-	-	58.81	58.81	-
vii.	Advances paid	0.48	-	-	-	104.26	104.74	2415.53
viii.	Advances Recovered	6.41	-	-	-	383.31	389.72	-
ix.	Corporate Guarantee /Co-borrower liability	-	-	-	-	1500.00	1500.00	1500.00
x.	Guarantees Availed	-	-	-	425.00	5000.00	5425.00	5425.00
xi.	<b>Year End Balances</b>							
	Receivables	-	-	-	-	2918.28	-	7492.75
	Payables	-	-	139.20	62.47	119.23	203.87	575.83

46. Disclosure of Guarantees & Securities given during the year in terms of section 186 (4) of the Companies Act, 2013.

Guarantee & security provided to Karvy Financial Services Ltd, Mumbai against Rs. 15.00 crores loan availed by MVL Credits Holdings & Leasing Ltd and its subsidiaries. Security provided is 8 Residential Flats situated at project MVL Coral, Bhiwadi. Loans have been availed by these companies for meeting their working capital requirements.

47. Information pursuant to regulation 34(3) and 53(f) of the listing agreement.

a) Loans and advances in the nature of loans to subsidiaries : -

Particulars		Balances (Rs. in Lacs)		Maximum balance during the year (Rs. in Lacs)	
S. No.		As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
1.	MVL Developers Ltd.	315.81	316.95	317.06	316.95
2.	Creative Pools Developers Pvt. Ltd.	0.97	0.48	0.97	0.48

There is no stipulation of repayment of loan and no interest is charged on above loan to subsidiaries.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

- b) There are no loans & advances in the nature of loans to Associate.  
 c) Loans and advances in the nature of loans to firms/ companies in which directors are interested:

Particulars	Balances (Rs. in Lacs)		Maximum balance during the year (Rs. in Lacs)	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
1 Noesis Industries Limited	2759.43	2324.65	2793.07	2685.48
2 Falcon Technosystems Limited	56.51	Nil	56.51	Nil

- d) Investment of Noesis Industries Ltd in the shares of parent company represents the shares received as per scheme of Demerger of said company as approved by the Hon'ble High Court of Delhi w.e.f 15.2.2007. There is no other investment by the loanee in the shares of parent company.
48. As per the best estimate of the Management, no provision is required to be made in terms of Accounting Standard (AS)-29, in respect of any present obligation as a result of past event that could lead to a probable outflow of resource which would be required to settle the obligation.
49. In respect of advances for projects (Land/ rights) included under the head "Long Term Loans and Advances" under note no. 13 of the financial statements, advances of Rs. 6817.72 lacs (Previous year Rs. 11780.53 lacs) are included as outstanding as at 31.03.2016. Out of these advances :
- a) For advance of Rs. 2,803.10 lacs, the company has filed legal suit for specific performance. This matter is now under arbitration and the management expects final order shortly.
- b) Possession of property in respect of advance of Rs. 762 lacs from the builder is expected to be delivered on completion of construction as per the terms of agreement.
- In respect of the balance advances of Rs. 3252.62 lacs as at 31/03/2016, which are outstanding, confirmations and valid supporting agreements for some of the advances, have not been provided to the auditors, however the management expects to recover and/ or adjust the above said advances against deliveries.
50. During the year a sum of Rs. 38,86,02,392/- has been included under the head inventories (WIP) towards the cost of commercial space of 23987.82 sq feet acquired at Gurugram on the basis of 99% payment already made, supported with Builder buyer agreement dated 06-09-2013 and on possession of the space taken during the year.
51. Previous year figures have been regrouped and rearranged, wherever necessary to facilitate comparison with current year figures.

Signature for Note "1" to "51"

As per our report even date

**FOR ARUN KISHORE & COMPANY**  
 Chartered Accountants  
 (ICAI FRN No. : 001898N)

Sd/-  
**CA Arun Kishore**  
 Partner  
 Membership No.10770

Place : New Delhi  
 Date : 3<sup>rd</sup> June, 2016

For and on behalf of the Board of Directors

Sd/-  
**(Prem Adip Rishi)**  
 Managing Director

Sd/-  
**(Rakesh Gupta)**  
 Whole Time Director  
 & Chief Financial Officer

Sd/-  
**(Monika Agarwal)**  
 Company Secretary



**Form-AOC-1** **'Annexure-A'**  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as per Companies Act, 2013**

Part "A" Subsidiaries		MVL Developers Limited	Udyan Horticultures Pvt. Ltd.	Creative Pools Developers Pvt. Ltd.
1	Name of Subsidiary Company	31st March 2016	31st March 2016	31st March 2016
2	Financial Period of the Subsidiary ended on	INR	INR	INR
3	Reporting Currency	Rs. 10,00,000/-	Rs. 1,00,000/-	Rs. 1,00,000/-
4	Share Capital	Rs. Nil	(Rs. 1,65,797/-)	(Rs. 1,56,240/-)
5	Reserve & Surplus	Rs. 3,26,20,191/-	Rs. 79,62,828/-	Rs. 68,955/-
6	Total Assets	Rs. 3,16,20,191/-	Rs. 80,28,625/-	Rs. 1,25,195/-
7	Total Liabilities	Rs. Nil	Rs. Nil	Rs. Nil
8	Investments	Rs. Nil	Rs. Nil	Rs. Nil
9	Turnover	Rs. Nil	Rs. Nil	Rs. Nil
10	Profit before Taxation	(Rs. 45,169/-)	(Rs. 44,476/-)	(Rs. 38,532/-)
11	Provision for Taxation	Rs. Nil	Rs. Nil	Rs. Nil
12	Profit after Taxation	(Rs. 45,169/-)	(Rs. 44,476/-)	(Rs. 38,532/-)
13	Proposed Dividend	Rs. Nil	Rs. Nil	Rs. Nil
14	% of Shareholding	100%	100%	100%

Note : 1. All the above subsidiary companies which have not yet commenced operations.

**For and on behalf of the Board of Directors**  
 Sd/- **(Prem Adip Rishi)** Sd/- **(Monika Agarwal)**  
 Managing Director Company Secretary  
 & Chief Financial Officer



## AUDITOR'S REPORT

### AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF MVL LTD. ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MVL LTD. AND ITS SUBSIDIARIES.

1. We have audited the attached consolidated Balance Sheet of MVL Ltd. and its subsidiaries as at 31st March 2016, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement 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 of the holding and subsidiary companies. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) - 21, "Consolidated Financial Statements", Accounting Standard (AS) - 23 on "Accounting for investments in Associates in Consolidated Financial statements".
4. Based on our audit and on consideration of separate financial statements of holding and subsidiary companies and to the best of our information and according to the explanations given to us, the consolidated financial statements subject to note no. 39 & 40 read with emphasized matter under note no. 49, 50 and 37 and read together with Significant Accounting policies and Notes thereon, we are of the opinion that the attached consolidated financial statements, give a true and fair view in conformity with the accounting principles generally accepted in India: -
  - a) in the case of the consolidated Balance sheet of the state of affairs of the Group as at 31st March, 2016.
  - b) in the case of the Consolidated Statement of Profit and Loss of the loss of the Group for the year ended on that date: and
  - c) in the case of Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For ARUN KISHORE & COMPANY  
CHARTERED ACCOUNTANTS  
( ICAI FRN : 001898 N)

Place : New Delhi  
Date : 3<sup>rd</sup> June 2016

Sd/-  
CA ARUN KISHORE  
PARTNER  
[Membership No. 10770]



**Consolidated Balance Sheet as at 31st March, 2016**

PARTICULARS	NOTE NO'S	AS AT 31st Mar 2016 (Amount in Rs.)	AS AT 31st Mar 2015 (Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS:</b>			
Share Capital	2	601,243,200	601,243,200
Reserves and Surplus	3	<u>1,056,394,368</u>	<u>1,098,868,635</u>
		1,657,637,568	1,700,111,835
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	4	-	468,478,176
Deferred Tax Liabilities (Net)		-	1,082,615
Other Long Term Liabilities	5	6,350,506,595	400,041,310
Long-Term Provisions	6	<u>5,018,403</u>	<u>5,384,234</u>
		635,524,998	874,986,335
<b>CURRENT LIABILITIES</b>			
Short Term Borrowings	7	2,563,751,330	2,099,571,984
Trade Payables	8	80,435,298	127,454,837
Other Current Liabilities	9	159,354,240	117,891,312
Short-Term Provisions	10	<u>25,226,028</u>	<u>29,350,202</u>
		2,828,766,895	2,374,268,336
	<b>TOTAL:</b>	<b><u>5,121,929,462</u></b>	<b><u>4,949,366,505</u></b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	11		
Tangible Assets		77,483,809	86,417,087
Intangible Assets		33,625	26,922
Capital Work-in-Progress		<u>8,548,004</u>	<u>5,071,551</u>
		86,065,438	91,515,560
Non-Current Investments	12	9,605,172	16,802,868
Deferred Tax Assets (Net)		-	-
Long-Term Loans and Advances	13	686,940,168	1,038,960,169
Other Non-Current Assets	14	<u>681,903</u>	<u>528,076</u>
		697,227,243	1,056,291,113
<b>CURRENT ASSETS</b>			
Inventories	15	1,449,337,749	1,026,490,877
Trade Receivables	16	2,512,548,240	2,459,380,096
Cash and Cash Equivalents	17	72,037,437	68,550,998
Short-Term Loans and Advances	18	304,713,355	247,137,860
Other Current Assets		-	-
		4,338,636,781	3,801,559,831
	<b>TOTAL:</b>	<b><u>5,121,929,462</u></b>	<b><u>4,949,366,505</u></b>
<b>Significant Accounting Policies</b>	1		
<b>Other Notes</b>	2 to 50		

The Notes referred to above form an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants  
(ICAI FRN No. : 001898N)

Sd/-  
CA Arun Kishore  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016

For and on behalf of the Board of Directors

Sd/-  
(Prem Adip Rishi)  
Managing Director

Sd/-  
(Rakesh Gupta)  
Whole Time Director  
& Chief Financial Officer

Sd/-  
(Monika Agarwal)  
Company Secretary



Consolidated Statement of Profit & Loss for the year ending 31st March, 2016

PARTICULARS	NOTE NO'S	FOR THE YEAR ENDED 31ST MARCH 2016 (Amount in Rs.)	FOR THE YEAR ENDED 31ST MARCH 2015 (Amount in Rs.)
<b>INCOME</b>			
Revenue from operations	19	130,082,322	390,931,386
Other Income	20	32,606,464	23,856,905
	<b>TOTAL</b>	<b>162,688,786</b>	<b>414,788,291</b>
<b>EXPENSES</b>			
Cost of Construction / Development	21	501,040,346	138,761,596
(Increase)/Decrease in Stock	22	(422,846,872)	(29,748,177)
Employees Benefits Expenses	23	48,459,476	58,517,797
Finance Cost	24	519,105	125,564,083
Other Expenses	25	74,548,144	109,334,852
Depreciation and amortization	11	6,783,938	6,939,954
	<b>TOTAL</b>	<b>208,504,137</b>	<b>409,370,105</b>
<b>Profit/(Loss) from Ordinary activities before Exceptional Item</b>		<b>(45,815,350)</b>	<b>5,418,187</b>
Exceptional Items Dr/(Cr)		-	-
<b>Profit/(Loss) from Ordinary activities before Tax</b>		<b>(45,815,350)</b>	<b>5,418,187</b>
Tax Expenses			
Current Tax		-	1,499,000
Deferred Tax		(1,082,615)	14,284
<b>Profit/(Loss) from Ordinary activities after Tax</b>		<b>(44,732,735)</b>	<b>3,904,903</b>
Write back of Excess Provisions		(2,139,000)	(1,443,181)
<b>Net Profit for the Period from Ordinary activities after Tax</b>		<b>(42,593,735)</b>	<b>5,348,084</b>
Extra Ordinary Items (Net of Tax)		-	-
<b>Net Profit for the Period</b>		<b>(42,593,735)</b>	<b>5,348,084</b>
Earning per equity share (Nominal value of shares Rs. 1/- each)			
Basic (in Rs.)		(0.07)	0.01
Diluted (in Rs.)		(0.07)	0.01
<b>Significant Accounting Policies</b>	1		
<b>Other Notes</b>	2 to 50		

The Notes referred to above form an integral part of the financial statements

This is the Statement of Profit & Loss referred to in our report of even date

FOR ARUN KISHORE & COMPANY

Chartered Accountants  
(ICAI FRN No. : 001898N)

Sd/-  
CA Arun Kishore  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016

For and on behalf of the Board of Directors

Sd/-  
(Prem Adip Rishi)  
Managing Director

Sd/-  
(Rakesh Gupta)  
Whole Time Director  
& Chief Financial Officer

Sd/-  
(Monika Agarwal)  
Company Secretary



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2016

S. No.	PARTICULARS	FOR THE YEAR ENDED 31.03.2016 (RS. IN LACS)	FOR THE YEAR ENDED 31.03.2015 (RS. IN LACS)
A.	<b>Cash flow from Operating activities</b>		
	Net profit before taxation & extraordinary items	(458.15)	53.48
	<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
	Depreciation and Amortisation	67.84	69.40
	Revenue Exp./other claims written off	(0.04)	(6.77)
	Profit/(Loss) on sale of Fixed Assets	10.18	65.34
	Profit/(Loss) on sale of Shares	1.65	-
	Interest expense	3.15	1,251.32
	Lease rent / hire purchase expense	2.04	4.32
	Interest income	(323.98)	(233.60)
	Other misc income	(2.08)	(4.97)
	<b>Operating Profit before working capital changes</b>	<b>(699.39)</b>	<b>1,198.52</b>
	Movement in working capital		
	Increase/(Decrease) in Trade Payables	(470.20)	859.28
	Increase/(Decrease) in Long Term Liabilities & Provisions	2,300.99	946.83
	(Increase)/Decrease in Other current liabilities and short term Provisions	373.39	345.23
	Increase/(Decrease) in Trade Receivable	(531.68)	(2,428.20)
	(Increase)/Decrease in Inventories	(4,228.47)	(297.48)
	(Increase)/Decrease in Long Term Loan and Advances	3,519.10	(552.79)
	(Increase)/Decrease in Short Term Loan and Advances	(575.75)	(1,692.13)
	Increase/(Decrease) in Other Non Current Assets	(1.54)	(5.00)
	<b>Cash generated from / (used in) operations</b>	<b>(313.55)</b>	<b>(1,625.74)</b>
	Direct Taxes paid (net of refunds)	-	-
	Cash Flow before extraordinary items	(313.55)	(1,625.74)
	Extraordinary items - write back	26.27	6.19
	<b>Net cash flow from / (used in) Operative Activities (A)</b>	<b>(287.28)</b>	<b>(1,619.55)</b>
B.	<b>Cash Flow from investing activities.</b>		
	Purchase of Fixed Assets	(35.00)	(63.93)
	Sale of Non-Current Investments	72.98	26.82
	Proceeds from Sale of Fixed Assets	5.00	25.50
	Other Income	323.98	233.60
	Other misc income	2.08	4.97
	<b>Net cash flow from / (used in) Investing Activities (B)</b>	<b>369.04</b>	<b>226.96</b>
C.	<b>Cash Flow from Financing Activities</b>		
	Interest expense	(3.15)	(1,251.32)
	Lease rent / hire purchase expense	(2.04)	(4.32)
	Increase / (Decrease) in Long Term Borrowing	(4,684.78)	(10,907.68)
	Increase / (Decrease) in Short Term Borrowing	4,641.79	13,470.91
	<b>Net cash flow from / (used in) Finance Activities (C)</b>	<b>(48.18)</b>	<b>1,307.59</b>
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	33.76	(85.00)
	Cash and Bank Equivalent at the beginning of the year	57.35	142.35
	Cash and Bank Equivalent at the end of the year	91.11	57.35
	<b>Components of Cash and Cash Equivalents</b>		
	<b>Cash in Hand</b>	19.48	19.78
	<b>In Current Accounts</b>	71.63	37.57
		<b>91.11</b>	<b>57.35</b>

This is the Cash Flow Statement referred to in our report of even date

FOR ARUN KISHORE & COMPANY

Chartered Accountants  
(ICAI FRN No. : 001898N)

Sd/-  
CA Arun Kishore  
Partner  
Membership No.10770  
Place : New Delhi  
Date : 3<sup>rd</sup> June, 2016

For and on behalf of the Board of Directors

Sd/-  
(Prem Adip Rishi)  
Managing Director

Sd/-  
(Rakesh Gupta)  
Whole Time Director  
& Chief Financial Officer

Sd/-  
(Monika Agarwal)  
Company Secretary



## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

### NOTE NO. 1

#### Significant Accounting Policies

##### a) Principles of Consolidation

The consolidated accounts are prepared based on line-by-line consolidation of statement of profit and loss and Balance Sheet of MVL Limited and its subsidiaries. The consolidation adjustments have been made in respect of intra group transactions.

These consolidated financial accounts are prepared in accordance with Accounting Standard (AS) - 21 on consolidated Financial statement & Accounting Standard (AS) – 23 on Accounting for investment in associates in consolidated Financial Statements as notified by companies (Accounting Standard) Rules, 2006 (as amended)

##### b) Corporate Information

MVL Ltd. (hereinafter referred to as the “Company”) is a Company domiciled in India and incorporated under the provisions of the Companies Act 1956 read with companies Act 2013 (The Act). The Company is engaged in the business of Real estate builders & developers.

##### c) Basis of Accounting

The financial statements of the company are prepared and presented under the historical cost convention and comply in all material respects with applicable accounting standards as specified under section 133 of The Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, All incomes & expenditure are accounted for on accrual method of accounting unless otherwise stated hereafter. Accounting policies not specifically referred to are consistent with Generally Accepted Accounting Principles

##### d) Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Actual results could differ from those estimates and any revision is recognized in the current and future years.

##### e) Revenue Recognition

###### Real Estate Projects

i. Revenue from Real Estate Projects is recognized in accordance with the provisions of Accounting Standard (AS) 9 on Revenue Recognition, read with Guidance Note on “Recognition of Revenue by Real Estate Developers”

Revenue is recognized based on “Percentage of Completion” method and on the percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being at least 25 per cent or more of the total estimated project cost

ii. The estimates of the projected revenues, saleable area and projected costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period, such changes are determined.

iii. Where aggregate of the payments received provide insufficient evidence of Buyers commitment to make the complete payment, revenue is recognized only to the extent of realization.

iv. While all incomes and expenses are accounted for on accrual basis, Interest on delayed payments by customers against dues is taken on realization, owing to uncertainties involved.

v. With effect from April 1, 2012 in accordance with the Revised Guidance Note issued by Institute of Chartered Accountants of India (“ICAI”) on “Accounting for Real Estate Transactions (Revised 2012)”, the Company has revised its Accounting

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

Policy of revenue recognition for all projects commencing on or after April 1, 2012 or project where the revenue is recognized for the first time on or after the said date. As per this Guidance Note, the revenue is recognized on percentage of completion method provided all of the following conditions are met at the reporting date.

- at least 25% of estimated construction and development costs (excluding land cost) has been incurred;
- at least 25% of the saleable project area is secured by the Agreements to sell/application forms (containing salient terms of the agreement to sell); and
- at least 10% of the total revenue as per agreement to sell are realized in respect of these agreements.

**f) Cost of construction / Development**

Accumulated project cost i.e. cost of construction / development comprises of: -

- i) Expenses directly related to the project.
- ii) Finance Cost including interest and charges incurred up to the completion of the project are considered as attributable cost to the project and included under accumulated Project cost.
- iii) Project costs in relation to a project, ordinarily comprise of :-
  - **Cost of land and cost of development rights:** All costs related to the acquisition of land, development rights, rehabilitation costs, registration charges, stamp duty, brokerage costs, statutory dues paid to sanctioning authorities and other incidental expenses.
  - **Construction and development costs:** These would include costs that relate directly to the specific project and costs that may be attributable to project activity in general and can be allocated to the project.
  - **Borrowing Costs: (In accordance with Accounting Standard (AS 16))**
    - i) Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets for the year up to the completion/installation or construction of such asset respectively are capitalized as part of the cost of such asset.
    - ii) Borrowing costs directly attributable to projects under taken by the company are charged to each such project on year to year basis and is treated as cost of the project.
    - iii) All other borrowing costs are charged to revenue in the year in which they are incurred.

**g) Inventory**

Inventory comprises of lands, projects completed or under construction, building material in hand and rights in identified lands including: -

- i) Work-in-progress comprising of land, materials, services and other overheads related to project under construction, valued at cost.
- ii) Stock of building material, valued at cost.
- iii) Completed units remaining unsold, valued at lower of cost or market value.

**h) Trade Receivables represents**

- Receivables due as per Builder Buyer Agreements net of amounts received.
- Unbilled receivables against revenue recognized on "percentage of completion method"

**i) Fixed Assets**

Fixed Assets are stated at cost, net of accumulated depreciation. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**
**j) Depreciation**

- i) Depreciation on tangible and intangible assets is provided on the Useful life method as specified under Companies Act 2013. Depreciation on additions/ deletions to/from fixed assets is provided on pro-rata basis from the date the asset is put to use /discarded.
- ii) The Management estimate of the useful life of the assets is as below:

Buildings (RCC Structure)	60 years
Furniture & Fixture	10 years
Office equipment	5 years
Computer equipment	3 years
Vehicles	10 years
Computer Server	6 years

**k) Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If 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. 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 if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**l) Investments**

Investments are all long term, which are stated at cost. Provision for diminution in value thereof, other than temporary in nature, is accounted for.

**m) Taxation**
**i) Current Tax**

Provision for Income Tax is based on assessable profits of the company as computed in accordance with the relevant provision of the Income Tax Act, 1961 for the year ending 31<sup>st</sup> March 2016.

**ii) Deferred Tax**

Deferred Tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognized only when there is a virtual certainty of their realization and on other items when there is reasonable certainty of realization. The tax effect is calculated on the accumulated timing differences at the yearend based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

**n) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent Liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in recognition of income that may not be realized in the near future.





CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
<b>2</b>	<b>SHARE CAPITAL</b>		
	Authorised 73,00,00,000 Equity shares of Re.1/- each	<u>730,000,000</u>	<u>730,000,000</u>
	<b>Issued , Subscribed &amp; Paid up Capital</b> 60,12,43,200 Equity Shares of Re.1/- each fully paid up	<u>601,243,200</u>	<u>601,243,200</u>
		<b>601,243,200</b>	<b>601,243,200</b>
	(a) There is no variation or change in the issued, subscribed and fully paid-up capital structure during the year. therefore, no separate disclosure of reconciliation of the number of equity share outstanding as at the beginning and at the end of the year is required.		
	(b) Shareholders Holding more then 5% shares based on legal ownership in the subscribed share capital of the company is set out below:		

	Name of the shareholder	As at March 31, 2016		As at March 31, 2015	
		No. of Shares	% held	No. of Shares	% held
1	Media Magnetic Cassettes Limited	<b>60,340,934</b>	<b>10.04</b>	<b>102,840,934</b>	<b>17.10</b>
2	Risbro Technicals Equipments Pvt. Ltd.	<b>46,197,954</b>	<b>7.68</b>	-	-
3	MVL Credits Holdings & Leasing Limited	<b>127,802,445</b>	<b>21.26</b>	<b>117,678,651</b>	<b>19.58</b>

3	RESERVES AND SURPLUS		
(a)	General Reserve		
	Opening Balances	112,719,957	113,897,892
	Add : Provided during the year	-	-
	Less Depreciation short provided (As per revised guidelines)	<u>-</u>	<u>1,177,935</u>
		112,719,957	112,719,957
(b)	Capital Reserve	109,016,486	109,016,486
(c)	Share Premium	130,265,776	130,265,776
(d)	Surplus/(Deficit) in the Statement of Profit and Loss		
	Opening Balance	746,866,416	741,518,332
	Add : Profit / (Loss) for the Year	(42,593,735)	5,348,084
	Less : Accumulated losses of subsidiary company Parisar Property Pvt. Ltd. which has closed to be a subsidiary w.e.f. 01.04.2015	(119,469)	-
	Less : Transfer to General Reserve	-	-
	Closing Balance	<u>704,392,149</u>	<u>746,866,416</u>
		<b>1,056,394,368</b>	<b>1,098,868,635</b>



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
4	<b>Term Loans - Secured</b>		
	Canara Bank (Repayable in 4 Quarterly installments starting from December 2014.)	774,946,344	774,946,344
	UCO Bank (Repayable in 8 Quarterly installments starting from December 2013.)	446,170,718	446,153,618
	Dena Bank (Repayable in 8 Quarterly installments starting from August 2012.)	259,974,516	260,309,516
	Sicom Limited (Repayable in 54 Monthly installments starting from October 2014.)	431,067,696	434,567,696
	IFCI Factors Limited (Repayable in 36 Monthly installments starting from October 2014)	161,914,789	161,914,789
	IFCI Limited (Repayable in 8 Quarterly installments starting from September 2011) (After revocation of restructuring on 18th July 2014)	488,564,583	487,758,639
	Interest Payable	-	-
	<b>Term Loans - Unsecured</b>	-	-
	<b>From Others</b>	<b>1,112,684</b>	<b>2,399,558</b>
	[Secured against hypothecation of vehicles]		
		<b>2,563,751,330</b>	<b>2,568,050,160</b>
	<b>Less :</b> Current maturities of Long Term Borrowings included under Note No. 7 "Short Term Borrowings"	2,563,751,330	2,099,571,984
		-	<b>468,478,176</b>
5	<b>OTHER LONG-TERM LIABILITIES</b>		
	Security Received	6,107,866	5,697,898
	Advances Received from Customers	624,398,729	394,343,412
	<b>630,506,595</b>	<b>400,041,310</b>	
6	<b>LONG-TERM PROVISIONS</b>		
	Provision for Gratuity	5,018,403	5,384,234
	<b>5,018,403</b>	<b>5,384,234</b>	
7	<b>SHORT-TERM BORROWINGS</b>		
	Current Maturities of Long Term Borrowings (Refer Note 4)	2,563,751,330	2,099,571,984
	<b>2,563,751,330</b>	<b>2,099,571,984</b>	
8	<b>TRADE PAYABLES</b>		
	For Construction & Purchase	80,435,298	127,454,837
	<b>80,435,298</b>	<b>127,454,837</b>	
9	<b>OTHER CURRENT LIABILITIES</b>		
	Duties and Taxes Payable	21,398,167	31,944,893
	Expenses & Others	137,636,625	85,626,972
	Unclaimed Dividend	319,447	319,447
	<b>159,354,240</b>	<b>117,891,312</b>	



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
<b>10</b>	<b>SHORT-TERM PROVISIONS</b>		
	Provision for Tax	19,040,769	21,540,769
	Provision for Bonus	2,727,542	2,948,517
	Provision for LTA	1,240,692	2,041,099
	Provision for Leave Encashment	2,217,025	2,819,817
		<b>25,226,028</b>	<b>29,350,202</b>

Note - 11

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 01-04-2015	Additions	Deletion/ Sale	Cost as on 31-03-2016	Total upto 01-04-2015	Current Year	Adjustment for deletion/ Sale	Total upto 31-03-2016	As on 31-03-2016	As on 31-03-2015
<b>(A) Tangible Assets :</b>										
LAND *	38,353,400	-	-	38,353,400	-	-	-	-	38,353,400	38,353,400
OFFICE BUILDING *	21,512,487	-	-	21,512,487	4,319,429	309,951	-	4,629,380	16,883,107	17,193,058
VEHICLE	26,175,548	-	2,259,107	23,916,441	10,580,278	2,751,538	740,920	12,590,896	11,325,545	15,595,270
PLANT & MACHINERY	3,050,000	-	-	3,050,000	-	289,750	-	289,750	2,760,250	3,050,000
OFFICE EQUIPMENT	9,694,647	-	648,450	9,046,197	5,126,464	1,229,679	-	6,356,143	2,690,054	4,568,183
COMPUTER	5,144,948	-	-	5,144,948	3,791,688	1,096,013	-	4,887,701	257,247	1,353,260
COMPUTER SERVER	398,092	-	-	398,092	179,086	49,775	-	228,861	169,231	219,006
FURNITURE & FIXTURE	8,426,934	-	-	8,426,934	2,342,024	1,039,935	-	3,381,959	5,044,975	6,084,910
<b>TOTAL (A)</b>	<b>112,756,056</b>	<b>-</b>	<b>2,907,557</b>	<b>109,848,499</b>	<b>26,338,969</b>	<b>6,766,641</b>	<b>740,920</b>	<b>32,364,690</b>	<b>77,483,809</b>	<b>86,417,087</b>
<b>(B) INTANGIBLE ASSETS</b>										
COMPUTER SOFTWARE	210,000	24,000	-	234,000	183,078	17,297	-	200,375	33,625	26,922
<b>TOTAL (B)</b>	<b>210,000</b>	<b>24,000</b>	<b>-</b>	<b>234,000</b>	<b>183,078</b>	<b>17,297</b>	<b>-</b>	<b>200,375</b>	<b>33,625</b>	<b>26,922</b>
<b>(C) CAPITAL WORK IN PROGRESS</b>										
ASSETS UNDER INSTALLATION	5,071,551	3,476,453	-	8,548,004	-	-	-	-	8,548,004	5,071,551
<b>TOTAL (C)</b>	<b>5,071,551</b>	<b>3,476,453</b>	<b>-</b>	<b>8,548,004</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,548,004</b>	<b>5,071,551</b>
<b>TOTAL (A)+(B)+(C)</b>	<b>118,037,607</b>	<b>3,500,453</b>	<b>2,907,557</b>	<b>118,630,503</b>	<b>26,522,047</b>	<b>6,783,938</b>	<b>740,920</b>	<b>32,565,065</b>	<b>86,065,438</b>	<b>91,515,560</b>
Previous Year	122,700,560	6,393,299	11,056,252	118,037,607	20,375,895	6,939,954	(793,802)	26,522,047	91,515,560	102,324,665

\* Land and Building required on demerger from the Parent Company continues to be mortgaged to the Finance Institutions for loan availed by the Parent Company



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE NO.	PARTICULARS	AS AT 31/03/2016 (Rs.)	AS AT 31/03/2015 (Rs.)
<b>12</b>	<b>NON-CURRENT INVESTMENTS</b>		
	<b>Equity Shares (Long Term) (Unquoted at cost)</b>		
	<u>Investment in Other than Subsidiaries</u>		
	Cardinal Infratech Ltd.		
	9994 Equity shares of Rs. 10/- each	99,940	99,940
	MVL Solar Power Limited		
	9700 Equity Shares of Rs. 10/- each	97,000	247,000
	Falcon Technosystems Ltd.		
	(For diminution in the value of permanent nature Refer Note No. 39)	600,000	980,000
	6000000 Equity Shares of Rs. 10/- each		
	Shri Tirupati Balaji Electronics Private Limited		
	571890 Equity Shares of Rs. 10/- each	5,718,900	11,234,900
	<b>Others</b>		
	Investment - Precious Metals	3,089,332	4,241,028
		<b>9,605,172</b>	<b>16,802,868</b>
<b>13</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	Security Deposits	2,494,681	2,194,681
	Prepaid Expenses	1,926,044	1,157,276
	Advance Income Tax	1,683,592	1,113,523
	Advances for Projects (Land)	679,775,117	1,034,391,117
	Advances to Contractors & Suppliers	1,060,734	103,572
		<b>686,940,168</b>	<b>1,038,960,169</b>
<b>14</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	Interest accrued	681,903	528,076
		<b>681,903</b>	<b>528,076</b>
<b>15</b>	<b>INVENTORIES</b>		
	Materials at Site	-	2,523,410
	Project Work in Progress (At Cost)	1,449,337,749	1,023,967,467
		<b>1,449,337,749</b>	<b>1,026,490,877</b>
<b>16</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured, Considered good unless otherwise specified)		
	Billed Receivables		
	- Due for over six months	65,835,390	77,278,053
	- Due for less than six months	2,603,969	17,521,874
	Unbilled Receivables	2,444,108,881	2,364,580,169
		<b>2,512,548,240</b>	<b>2,459,380,096</b>
<b>17</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash in Hand and on Imprest	1,948,400	1,977,823
	Balance with Scheduled Bank (in Current A/c)	7,162,726	3,756,659
	FDR's/ Margin Money with Scheduled Banks (Pledged)	62,926,311	62,816,516
		<b>72,037,437</b>	<b>68,550,998</b>
<b>18</b>	<b>SHORT-TERM LOANS AND ADVANCES</b>		
	(Unsecured, Considered good unless otherwise specified)		
	Advance to Contractors & Suppliers	10,255,517	11,760,964
	Other Advances	292,309,656	232,991,972
	Other Advances recoverable in cash or in kind of for value to be received	2,148,182	2,384,924
		<b>304,713,355</b>	<b>247,137,860</b>



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE NO.	PARTICULARS	For the year ended 31st March 2016 (Rs.)	For the year ended 31st March 2015 (Rs.)
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of Projects	130,082,322	390,931,386
		<u>130,082,322</u>	<u>390,931,386</u>
<b>20</b>	<b>OTHER INCOME</b>		
	Interest from Customers	28,378,796	19,618,934
	Interest from Bank FDR	4,019,432	3,741,134
	Misc. Income	208,236	496,837
		<u>32,606,464</u>	<u>23,856,905</u>
<b>21</b>	<b>COST OF CONSTRUCTIONS / DEVELOPMENT</b>		
	Construction and Land & Development Costs	437,894,876	123,236,733
	Other Indirect Cost	63,145,470	15,524,863
	Total cost upto 31.03.2016	<u>501,040,346</u>	<u>138,761,596</u>
<b>22</b>	<b>INCREASE/(DECREASE) IN STOCKS</b>		
	Opening Stocks	1,026,490,877	996,742,700
	Closing Stocks	1,449,337,749	1,026,490,877
		<u>(422,846,872)</u>	<u>(29,748,177)</u>
<b>23</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salary, Allowances & Welfare	45,477,495	55,345,630
	Bonus	1,400,117	1,733,305
	Contributions to Provident Fund & ESI	1,581,864	1,438,862
		<u>48,459,476</u>	<u>58,517,797</u>
<b>24</b>	<b>FINANCE COSTS</b>		
	Bank Charges	314,858	415,893
	Interest	-	124,716,211
	Hire Purchases Charges	204,247	431,980
		<u>519,105</u>	<u>125,564,083</u>



CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016

NOTE NO.	PARTICULARS	For the year ended 31st March 2016 (Rs.)	For the year ended 31st March 2015 (Rs.)
<b>25</b>	<b>OTHER EXPENSES</b>		
	Advertisement	1,252,148	11,784,554
	Auditors Remuneration	715,625	730,342
	Balances Written off	(3,856)	(677,278)
	Books & Periodicals	1,348,480	1,887,440
	Business Promotion	4,575,888	5,550,747
	Conveyance Expenses	3,788,879	5,174,447
	Commission & Brokerage	1,431,020	18,045,090
	Diwali Expenses	281,260	355,859
	Donation	-	16,100
	Electricity Expenses	2,222,378	2,024,677
	Insurance	194,010	323,112
	Legal & Professional Charges	16,299,108	10,393,952
	Loss on Sale of Fixed Assets	1,018,187	6,534,514
	Loss on Sale of Shares	165,000	-
	Meeting Expenses	100,000	117,874
	Misc. Expenses	57,103	35,145
	Membership Fee	315,378	284,715
	Office Expenses	6,638,866	7,007,396
	Postage & Telegram	233,846	383,304
	Printing & Stationery	751,267	925,578
	Rate, Fee & Taxes	1,416,390	1,502,111
	Rent	24,870,204	25,668,343
	Repair & Maintenance	1,874,914	2,595,614
	Telephone Exp.	2,425,473	3,546,894
	Travelling Expenses (Director)	1,213,035	1,805,927
	Travelling Expenses (Others)	941,778	1,433,424
	Watch & Ward	825,768	1,884,970
	Prior Period Expenses (Net)	(404,005)	-
		<b>74,548,144</b>	<b>109,334,852</b>

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**
**26. Retirement Benefits**

- a) Contributions payable by the Company to the concerned Government Authorities in respect of Provident Fund, Family Pension fund and Employee State Insurance are charged to the statement of profit and loss.
- b) Provisions for gratuity and Leave Encashment are made on actuarial valuation, as per Accounting Standard (AS)-15.

**Defined Benefit Plans**

In respect of Gratuity and Leave encashment as carried out by an independent actuary as at 31<sup>st</sup> March 2016 are as under:-

S. No.	Particulars	Current Year		Last Year	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>I Expenses recognized in the statement of Profit and Loss account</b>					
1	Current service cost	8,29,783	7,99,859	10,51,851	12,58,070
2	Interest cost	4,19,970	2,19,946	3,69,814	2,26,652
3	Net Actuarial (gain)/losses recognized	6,11,525	(6,25,833)	28,912	(9,21,203)
4	Past service cost	-	-	-	-
5	Settlement cost	-	-	-	-
6	Expenses recognized in the statement of profit and loss account	6,38,228	3,93,972	14,14,577	5,63,519
<b>II Net Assets/(Liability) recognized in the Balance sheet</b>					
1	Present value of obligation as at the end of the year	50,18,403	22,17,025	53,84,234	28,19,817
2	Fair value of Plan assets as at the end of the year	-	-	-	-
3	Funded status [surplus/deficit]	(50,18,403)	(22,17,025)	53,84,234	(28,19,817)
4	Net Liability recognized in balance sheet	50,18,403	22,17,025	53,84,234	28,19,817
<b>III Change in present value of obligation during the year</b>					
1	Present value of obligation as at the beginning of the year	53,84,234	28,19,817	40,63,886	24,90,680
2	Acquisition adjustment	-	-	-	-
3	Interest cost	4,19,970	2,19,946	3,69,814	2,26,652
4	Past service cost	-	-	-	-
5	Current service cost	8,29,783	7,99,859	10,15,851	12,58,070
6	Settlement cost	-	-	-	-
7	Benefit paid	(10,04,059)	(9,96,764)	(94,229)	(2,34,382)
8	Actuarial (gain)/loss on obligation	(6,11,525)	(6,25,833)	28,912	(9,21,203)
9	Present value of obligation as at the end of the year	50,18,403	22,17,025	53,84,234	28,19,817
<b>IV Change in the plan value of assets during the year</b>					
1	Fair value of plan assets at the beginning of the year	-	-	-	-
2	Expected return on plan assets	-	-	-	-
3	Contributions	-	-	-	-
4	Benefits paid	-	-	-	-
5	Actuarial Gain/(loss) on plan assets	-	-	-	-
6	Fair value of plan assets as at the end of the year	-	-	-	-
<b>Actuarial Assumptions:</b>					
1	Discount rate	7.70%		7.80%	
2	Rate of increase in compensation	10.00%		10.00%	
3	Rate of return on plan assets	-		-	
4	Average Outstanding service of Employee's upto retirement	24.73 Years		27.60 Years	

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**
**27. Accounting Standards**

The Company follows all applicable accounting standards as required under Section 133 of the companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

Note No.	Particulars	For the Year Ended 31.03.16 (Rs. in Lacs)	For the Year Ended 31.03.15 (Rs. in Lacs)
<b>28</b>	<b>Contingent Liabilities</b>		
	For Corporate Guarantees given	1264.96	1500.00
	For Bank Guarantees availed	1020.46	1020.46
	As co-borrower for loans available by Associate Company	1500.00	1000.00
<b>29</b>	<b>Claims not acknowledged as debt</b>		
	(a) For Commercial disputes	1264.96	612.29
	(b) Statutory dues	1139.32	184.11
<b>30</b>	Advances considered doubtful of recovery for which no provision has been made	2737.16	2325.69
<b>31</b>	<b>Auditors Remuneration Covers</b>		
	For Statutory Audit & Tax Audit	3.50	3.50
	For Taxation matters	1.50	1.50
	For Other Services and service tax	1.58	1.46
<b>32</b>	<b>Directors Remuneration Covers</b>		
	Salaries	59.86	68.29
	Sitting fees	2.04	1.56
<b>33.</b>	<b>Deferred Tax (Liabilities) Assets</b>	Nil	(10.82)
	In view of loss during the year and uncertainty of future profit, deferred tax liability of Rs. 10.82 lacs has been reversed and no provision for deferred tax assets has been created, as per Accounting Policy of the company.		

34.	<b>Earning per Share (EPS)</b>				
	Particulars		Unit	For the Year Ended 31.03.16	For the Year Ended 31.03.15
	Profit attributable to equity share holder (numerator)	"A"	Rs.	(425.94) lacs	54.59 Lacs
	No. of equity shares at the beginning of the year		Nos.	60,12,43,200	60,12,43,200
	No of equity shares entitled to share profits.		Nos.	60,12,43,200	60,12,43,200
	Weighted average no. of equity shares at year end.	"B"	Nos.	60,12,43,200	60,12,43,200
	Face Value per Equity Share		Rs.	Re.1/-	Re.1/-
	Basic / Diluted earning per share (A) / (B)		Rs.	(0.07)	0.01

35. Determination of Revenues under 'Percentage of Completion Method' necessarily involves making estimates by management for percentage of completion, projected cost to completion, revenues expected from projects, and foreseeable losses. **These estimates being of technical nature have been relied upon by the auditors as per management representations.**



**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

36. In the opinion of Directors, the current assets, loans and advances including advances for purchase of land have value on realization in the ordinary course of business at least equal to the value at which they are stated in the forgoing Balance Sheet except as otherwise stated.
37. Some of the Debit and credit balances of Trade Receivables, (excluding unbilled receivable) trade and other payable, security deposit, short term advances and bank accounts are subject to confirmation and consequent adjustment if any arising from subsequent reconciliation. The Management however is of the view that there will be no material adjustment in this regard.
38. Penal Interest on loan from banks and financial institutions if any payable for defaults in accounts declared NPA or otherwise has not been provided. Liability for unascertained value of penal interest has not been quantified nor provided on account of the uncertain and discretionary nature of such charges pending negotiations for settlement of dues.
39. As per board resolution dated 17.02.2015, it was resolved that loans availed from banks and financial institutions which have been declared NPA and on which the lenders are not providing interest, no interest on such accounts be provided w.e.f. 01.04.2014. The management shall take a decision in respect of this liability after negotiation and final settlement with the lenders, which is under progress.

In consequence of the above resolution:

- a) Interest of Rs.22,75,35,705/- (previous year Rs.17,59,92,811/-) being the interest directly related with the projects has not been included in the construction cost of respective projects. Similarly, interest of Rs.18,21,49,868/- (previous year Rs. 6,33,62,804/-) not directly relating to any project was required to be expensed, but in view of resolution dated 17.02.2015, this interest also pertaining to accounts declared as NPA, has not been charged to Profit and Loss Account during the year.

Total liability towards interest on loans from banks and financial institutions not provided in these financial statements during the year is Rs.40,96,85,573/- (previous year Rs. 32,39,14,890/-). Out of this interest as per the system of revenue recognition followed by the company, namely Percentage of Completion method (POC), interest of Rs.22,75,35,703/- (previous year Rs.23,85,94,630/-) directly related with ongoing real estate projects was to be expensed as direct project cost, which would have resulted in the increase in the percentage of completion. Thus proportionate recognition of sales would have gone up by Rs.18,99,09,679/- (previous year Rs. 26,14,60,650/-).

- b) The other component of interest not directly related with the project, of Rs.18,21,49,868/- (previous year Rs. 8,53,20,260/-) has also not been provided during the year on loans declared NPA, by the lenders.

Net effect of non provision of interest on loans from banks and financial institution declared NPA is that :-

- i) Sales as per the system of revenue recognition POC method, regularly followed, are understated by Rs. 18,99,09,679/- (previous year Rs. 26,14,60,650/-).
- ii) Net Loss from operations is understated by Rs. 21,97,75,894/- (Previous year Rs.6,24,54,240)
40. Following advances to group companies ,outstanding as at 31/03/2016 are considered doubtful of recovery by the auditors:
- i) Noesis Industries Limited Rs. 2759.43 lacs
- ii) Falcon Techosystems Limited Rs. 56.51 Lacs

While interest @ 9% p.a is being provided on advance to Noesis Industries Limited, no interest is being provided on advance to Falcon Technosystems Ltd.

The auditor's have further opined that the above advances are in contravention of the provisions of Companies Act 2013 and are prejudicial to the interest of the company.

These advances are given for meeting their working capital requirements of the above said companies

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

41. Trade receivables include Rs.244.41 crores (previous year Rs.231.46 crores) representing unbilled receivables included as debts considered good under Note No.16 of financial statements. These debts represent amounts receivable on the basis of sale accounted for under the Percentage of Completion (POC) method, regularly followed by the company. The recovery of these debts is subject to completion and delivery of projects, to the customers.

42. **BANK LOANS**

(a) Following credit facilities are availed by the Company, from Banks and Financial Institutions:-

- (i) Term Loan from Consortium of Canara Bank and UCO Bank secured against first pari passu charge on moveable and immovable assets situated at MVL IBC-IT Park Sector 35, Gurgaon.
  - Further secured against personal guarantee of Managing Director and Corporate Guarantee provided by associate company.
- (ii) Term Loan from Dena Bank secured against first charge on entire assets of MVL Indihome Group Housing Project situated at Bhiwadi.
  - Further secured against personal guarantee of Managing Director.
- (iii) Corporate Loan from IFCI Ltd secured against pledge of equity shares owned by associate company, personal guarantee of Managing Director and Corporate Guarantee of associate company. Further secured against mortgage of flats at Bhiwadi Coral Project.
- (iv) Sicom Ltd secured against first charge on property belonging to associate company including hypothecation of receivables thereupon.
  - Further secured against personal guarantee of Managing Director
- (v) IFCI Factors Ltd secured against flats situated at Bhiwadi Coral Project and pledge of shares owned by associate company.
  - Further secured against personal guarantee of the Managing Director.

(b) **Present Status of Bank Loans**

- i) Canara Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 11.5.2015 for recovery of Rs.93.91 crores along with interest upto the date of payment. Canara Bank has also issued notice dated 9.5.2015 under Section 13(2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs.93.64 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 9.7.2015. The Company's proposal for One Time settlement is under consideration of Bank.
- ii) UCO Bank has declared the loan account as NPA and has filed application under Section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-II, Delhi vide application dated 10.7.2014 for recovery of Rs. 43.62 crores along with interest upto the date of payment. UCO Bank has also issued notice dated 5.3.2014 under Section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002) claiming dues of the value of Rs. 40.00 crores along with further interest up to the date of payment. The issue of notice under SARFAESI Act, 2002 has been challenged by the company vide letter dated 06.05.2014. The Company's proposal for One Time settlement is under consideration of Bank.
- iii) Dena Bank has declared the loan account as NPA and company's One Time Settlement proposals is under consideration of the bank. The Company's proposal for One Time settlement is under consideration of Bank.

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

- iv) IFCI Ltd has declared the Loan Account as NPA and has filed application under section 19(4) of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 before the Debts Recovery Tribunal-I Delhi vide application dated 19.12.2012 for recovery of Rs. 49.24 crores along with interest upto the date of payment. IFCI Ltd has also issued notice dated 8.12.2014 under section 13(4) of SARFAESI Act, 2002 claiming their dues. The Company's proposal for One Time settlement is under consideration of Bank.
  - v) Sicom Limited has declared the Loan Account as NPA on 15.4.2015 and has also proceeded under section 13(4) of SARFAESI Act, 2002 claiming their dues of Rs. 47.10 crores against mortgaged property. The Company's proposal for One Time settlement is under consideration of Bank.
43. Interest of Rs.531.29 lacs (previous year Rs.472.82 lacs) has been provided on actual payment basis to some of the allottees of MVL IBC Project which are under Assured Return Scheme. Since some of the allottees are likely to take additional space, interest on balance deposits has not been provided during the year. Consequently, the interest of Rs. 478.28 lacs (previous year Rs. 447.55 lacs) is short provided in these accounts on accrual system of accounting.
44. During the year 2014-15, the Security Exchange Board of India (SEBI) had passed an order dated 19.12.2014 declaring violation of Collective Investment Scheme, in respect of collections received under the Assured Return Plan launched for IBC, Gurgaon project, in terms of section 11AA of SEBI Act. The company has challenged the said order, requiring the company to refund the total collection. Company's appeal before Securities Appellate Tribunal (SAT) is pending for adjudication, however restraint on sale against other projects was lifted by SAT order dated 17th March 2015 and an interim stay has been granted till next hearing on refund of collections to IBC allottees vide its order of April, 2016.
45. Disclosure of Related Party Transactions in accordance with Accounting Standard (AS) - 18 "Related Party Disclosures".
- a) **Associates (Group – B)**  
Nil
  - b) **Key Managerial Personnel (Group – C)**
    - Mr. Prem Adip Rishi – Managing Director
    - Mr. Rakesh Gupta – Director & Chief Financial Officer
    - Mr. Sushil Aggarwal (till May, 2015) – Vice President (Company Affairs & Legal)
    - Mr. Dhiraj Suri – Vice President Operations
  - c) **Relatives of Key Managerial Personnel Relative (Group – D)**
    - Mr. Arjun Rishi
    - Mr. Prem Adip Rishi (HUF)
    - Mrs. Anuradha Rishi
  - d) **Companies/Parties in which key management Person or their relatives have substantial interest/significant influence (Group – E)**
    - Media Holding Pvt. Ltd.
    - Media Magnetic Cassettes Ltd.
    - MVL Credits Holdings & Leasing Ltd.
    - Falcon Technosystems Ltd
    - Noesis Industries Ltd.
    - Risbro Technical Equipment Pvt. Ltd.
    - Cardinal Infratech Ltd.



**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

Balaji Tirupati Property Developers Pvt. Ltd.

MVL Solar Power Ltd

Shri Tirupati Balaji Electronics Pvt.Ltd

Parisar Property Developers Pvt. Ltd

Note : - List of related parties has been identified by the management and relied upon by the auditors

Summary of transactions carried out with related parties

(Rs. In Lacs)

Sl. No.	Nature of Transactions	Referred in 45 (a)	Referred in 45 (b)	Referred in 45 (c)	Referred in 45 (d)	Total For the year ended 31/03/16	Total For the year ended 31/03/15
i.	Construction Costs	-	-	-	-	-	41.55
ii.	Director remuneration & Sitting Fees	-	61.90	-	-	61.90	68.29
iii.	Managerial Remuneration & contribution to PF	-	15.83	-	-	15.83	28.25
iv.	Rent paid	-	-	92.40	-	92.40	92.40
v.	Purchase of Fixed assets/ inventories	-	-	-	3886.02	3886.02	30.50
vi.	Sale of securities	-	-	-	58.81	58.81	-
vii.	Advances paid	-	-	-	104.26	104.26	2415.53
viii.	Advances Recovered	-	-	-	383.31	383.31	-
ix.	Corporate Guarantee /Co-borrower liability	-	-	-	1500.00	1500.00	1500.00
x.	Guarantees Availed	-	-	425.00	5000.00	5425.00	5425.00
<b>xi. Year End Balances</b>							
	Receivables	-	-	-	2918.28	-	7492.75
	Payables	-	139.20	62.47	119.23	203.87	575.83

46. Disclosure of Guarantees & Securities given during the year in terms of section 186 (4) of the Companies Act, 2013.

Guarantee & security provided to Karvy Financial Services Ltd, Mumbai against Rs. 15.00 crores loan availed by MVL Credits Holdings & Leasing Ltd and its subsidiaries. Security provided is 8 Residential Flats situated at project MVL Coral, Bhiwadi. Loans have been availed by these companies for meeting their working capital requirements.

47. Information pursuant to regulation 34(3) and 53(f) of the listing agreement.

a) There are no loans & advances in the nature of loans to Associate.

b) Loans and advances in the nature of loans to firms/ companies in which directors are interested:-

Particulars		Balances (Rs. in Lacs)		Maximum balance during the year (Rs. in Lacs)	
S. No		As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
1	Noesis Industries Limited	2759.43	2324.65	2793.07	2685.48
2	Falcon Technosystems Limited	56.51	Nil	56.51	Nil

c) Investment of Noesis Industries Ltd in the shares of parent company represents the shares received as per scheme of Demerger of said company as approved by the Hon'ble High Court of Delhi w.e.f 15.2.2007. There is no other investment by the loanee in the shares of parent company.



**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2016**

48. As per the best estimate of the Management, no provision is required to be made in terms of Accounting Standard (AS)-29, in respect of any present obligation as a result of past event that could lead to a probable outflow of resource which would be required to settle the obligation.
49. In respect of advances for projects (Land/ rights) included under the head "Long Term Loans and Advances" under note no. 13 of the financial statements, advances of Rs. 6817.72 lacs (Previous year Rs. 11780.53 lacs) are included as outstanding as at 31.03.2016. Out of these advances :
- a) For advance of Rs. 2,803.10 lacs, the company has filed legal suit for specific performance. This matter is now under arbitration and the management expects final order shortly.
- b) Possession of property in respect of advance of Rs. 762 lacs from the builder is expected to be delivered on completion of construction as per the terms of agreement.
- In respect of the balance advances of Rs. 3252.62 lacs as at 31/03/2016, which are outstanding, confirmations and valid supporting agreements for some of the advances, have not been provided to the auditors, however the management expects to recover and/ or adjust the above said advances against deliveries.
50. During the year a sum of Rs. 38,86,02,392/- has been included under the head inventories (WIP) towards the cost of commercial space of 23987.82 sq feet acquired at Gurugram on the basis of 99% payment already made, supported with Builder buyer agreement dated 06-09-2013 and on possession of the space taken during the year.
51. Previous year figures have been regrouped and rearranged, wherever necessary to facilitate comparison with current year figures.

Signature for Note "1" to "51"

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**As per our report even date**

**FOR ARUN KISHORE & COMPANY**

Chartered Accountants

(ICAI FRN No. : 001898N)

Sd/-

**CA Arun Kishore**

Partner

Membership No.10770

**Place : New Delhi**

**Date : 3<sup>rd</sup> June, 2016**

**For and on behalf of the Board of Directors**

Sd/-

**(Prem Adip Rishi)**

Managing Director

Sd/-

**(Rakesh Gupta)**

Whole Time Director  
& Chief Financial Officer

Sd/-

**(Monika Agarwal)**

Company Secretary

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## **MVL Limited**

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