

MVL™

BECAUSE LIFE'S ALL ABOUT BEING HAPPY

7^{seventh}
annual report
2013-14

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BOARD OF DIRECTORS

Mr. Prem Adip Rishi	Managing Director
Mr. Praveen Kumar	Whole Time Director
Mr. Rakesh Gupta	Whole Time Director
Mr. Vinod Malik	Director
Mr. Vinod Kumar Khurana	Director
Mr. Vijay Kumar Sood	Director
Mrs. Kalpana Gupta	Director
Mr. Sushil Aggarwal	Vice President (Legal & Co. Affairs)
Ms. Chetna Tyagi	Company Secretary

Statutory Auditors

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

Bankers

Canara Bank
UCO Bank
Dena Bank
IFCI LIMITED
SICOM Limited

Registered Office

1201 B, 12th Floor,
Hemkunt Chamber,
89 Nehru Place,
New Delhi-110019

Corporate Office

MVL iPark, 6th 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

DIRECTORS' REPORT

To the Members

Your Directors have immense pleasure in presenting the 7th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2014.

1. FINANCIAL RESULTS

(Rs. In lacs)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Total Income	7200.46	8539.26
Profit from Ordinary activities before Exceptional Item	52.81	103.45
Profit from Ordinary activities before Tax	841.05	996.96
Less: Provision for Tax		
- Current Tax	25.00	50.00
- Deferred Tax	(5.41)	(22.45)
Profit from Ordinary activities after Tax	821.46	969.41

2. FINANCIAL OUTLOOK AND OPERATIONS

During the year under review, despite volatile market conditions in real estate, Company recorded a Turnover of Rs. 7200.46 lacs and Profit after Tax of Rs. 821.46 lacs. 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 2014 as many new projects will commenced during the year as their statutory approvals are obtained.

3. DIVIDEND

Keeping in view the future growth plans of the Company and therefore requirement of fund for such plans, the directors of your Company do not recommend any dividend for the year under review.

4. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENT

The Company has four wholly owned Subsidiaries, namely MVL Developers Limited Creative Pools Developers Private Limited, Parisar Property Developers Private Limited and Udyan Horticultures Private Limited as on 31st March, 2014. There has been no material change in the nature of the business of the subsidiaries.

The Company is also presenting its Audited Consolidated financial statements, which form part of the Annual Report as required by the Listing Agreement 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, 2014 is included in the Annual Report.

5. DIRECTORS

The Company had pursuant to the provisions of Clause 49 of the Listing Agreements entered into with the Stock Exchanges, appointed Mr. Vinod Malik, Mr. Vijay Kumar Sood, Mr. Vinod Kumar Khurana and Mrs. Kalpana Gupta as Independent Directors of the Company.

As per Section 149(4) of the Companies Act, 2013 which came into effect from April 1, 2014, every listed public company is required to have atleast 1/3rd of the total number of directors as Independent Directors. In accordance with the provisions of Section 149 of the Companies Act, 2013, these directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting of the Company.

Mr. Prem Adip Rishi and Mr. Rakesh Gupta, Directors of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

During the year under review, Mr. Praveen Kumar ceased to be the Whole Time Director of the Company w.e.f. 30.11.2013 but has continued as Director. However, later after mutual discussion with the Board, he again expressed his willingness to be appointed as Whole Time Director. Therefore, the Board of Directors recommended the appointment of Mr. Praveen Kumar as Whole Time Director for a term of five years w.e.f. 01.08.2014 subject to the approval of shareholders in this meeting.

Further during the year under review, Mr. Rakesh Gupta, who is presently the Director of the Company, be appointed as Whole Time Director of the Company w.e.f. 1st December, 2013.

6. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state and confirm as under:

- a) That in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) That appropriate accounting policies have been selected and applied 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 at the end of the Financial year as on 31st March, 2014 and the Profit of the Company for that year;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts have been prepared on a going concern basis.

7. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

8. CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE

A detailed report on corporate governance of the Company is enclosed. Mr. R.S. Bhatia, Practicing Company Secretary has certified compliance with requirement of corporate governance in relation to clause 49 of the Listing Agreement.

9. FIXED DEPOSITS

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

10. AUDITORS

M/s. Arun Kishore & Co., Chartered Accountants, who are the Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder, it is proposed to appoint M/s. Arun Kishore & Co. Chartered Accountants as Statutory Auditors of the Company from the conclusion of forthcoming Annual General Meeting till the conclusion of 10th Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every Annual General Meeting).

The Company has received letter from M/s. Arun Kishore & Co., Chartered Accountants, 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.

11. AUDITORS' REPORT

- a. The Auditors' Report to the members together with Audited Accounts for the year ended 31st March, 2014 and notes thereon are attached, which are self-explanatory *except their remark regarding leave encashment*, to which the Board explains that provision of leave encashment are made by the Company of its own estimates, rather than on actuarial valuation basis in terms of Accounting Standard AS-15.
- b. *Point no. 6 of Auditor Report per se is the opinion of the Auditor on Note No. 37 regarding non availability of confirmations in respect of some of the debit and/or credit balances of trade receivables, trade payable, loans, advances, bank account and deposits.* The Board explains 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.

12. PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 does not form part of this Report, as no employee of your Company is covered as per provisions contained therein.

13. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Although the rules of Conservation of Energy are not applicable on the Company yet every effort have been made to conserve the energy and absorption of technology in the development of the projects.

14. FOREIGN EXCHANGE EARNING AND OUTGO

- | | |
|------------------------------|----------------|
| a) Foreign Exchange Earnings | Rs. Nil |
| b) Foreign Exchange Outgo | |
| - For Traveling | Rs. 10.06 lacs |

15. 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, 2014**

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

**Sd/-
(Rakesh Gupta)
Whole Time Director**

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

MANAGEMENT DISCUSSION AND ANALYSIS

1. Real Estate Sector in India

The year 2013-14 was not good for the Indian Real Estate Sector on account of weak macro economic conditions and lower confidence levels in the country. Rising inflation combined with high borrowing rates as well as slow growth in income and job levels impacted the consumer spending. This has resulted in continuance of low consumer confidence. Banks' reluctance to lend to the sluggish real estate sector and drying up of other sources of finance such as FDI and PE investments resulted in increase in cost of debt for the developers. On one hand, there was a steep hike in EMIs that the buyers had to bear and on the other hand there was an increase in costs of construction and debt for the developers.

On account of the subdued and cautious sentiment in the year 2013-14 housing absorption showed negative growth and this resulted in high inventory levels. Burdened with the high inventory, developers offered various discounts and incentive schemes to increase the sales and there was a correction in prices in most of the cities. Commercial real estate was also affected during this period. The vacancy rates have increased and the rental prices have remained stable/ reduced in most of the cities.

2. Business Outlook

With a stable Government at the Centre, there is now more optimism in the country. As the new Government wants to focus on reviving growth, the interest rates are expected to decline in the near future. With rapid land and infrastructure development as well as improved standard of living in Tier II and Tier III cities, housing demand is likely to increase more in these cities. The Government's intention to develop 100 smart cities will also provide new opportunities for the real estate sector.

On the supply side, the inventory is likely to remain high, despite the expected pick-up in sales, as developers in various cities have lined up a good number of projects in pipeline. There is a huge housing shortage in mid-income and affordable housing categories. The Government has indicated its intention for allocating budgetary funds for cheaper credit to low cost housing. Such incentives for affordable housing projects will encourage more and more developers to undertake affordable housing projects. As far as prices are concerned, downside risk has reduced considerably in metro cities and in case of Tier II and Tier III Cities; the prices are likely to increase in the range of 8% to 10%, with the expected recovery in volumes. The commercial sector volumes and prices are also expected to pick-up by the end of 2014.

High cost of borrowing has been a cause of concern for the developers. Granting of "industry status" to the real estate sector will help in quicker and cheaper financing for the developers. The Real Estate (Regulation and Development) Bill 2013, which will help both the developers and the buyers by instituting transparency and accountability, has been initiated. In this backdrop, the various measures undertaken by the new Government to give a boost to the real estate sector are likely to be seen. The Securities and Exchange Board of India issued draft regulations for Real Estate Investment Trusts (REITs) in October 2013. REITs will provide a new funding option for the developers, investors will get access to income generating real estate assets and there will be transparency in terms of pricing.

Thus, with the improvement in macro-economic conditions in the country, the real estate sector is expected to attain a gradual recovery. The various proposals announced in the recent budget for this sector as well as the finalization of various policy initiatives taken for this sector will aid in faster recovery of the sector.

3. 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.

4. Financial and operational performance

During the year under review, the company recorded Revenues of Rs. 7200.46 lacs with profit after tax of Rs. 821.46 lacs. There is decline in the top line of the company during the year because of the reason that its prime projects namely MVL Township at Yamunanagar and affordable housing project MVL Palms could not be launched during the year because of delay in getting regulatory approvals. The financial projections of the company including its cash flows were majorly impacted because of this reason during the year. However, the operating margins of the company have improved because of better amortization of fixed and variable overheads during the year.

However, these projects will be launched within the current financial year which will improve the topline and bottom line of the company.

5. 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.

6. 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.

7. 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 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.

8. 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 : 25th August, 2014**

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

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

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 seven which including Chairman, comprise of two Executive Director and five 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

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	Executive Director	4	—	2
Mr. Vijay Kumar Sood	Director	Non-Executive Independent Director	2	—	—
Mr. Vinod Kumar Khurana	Director	Non-Executive Independent Director	—	—	—
Mr. Vinod Malik	Director	Non-Executive Independent Director	—	—	—
Mrs. Kalpana Gupta	Director	Non-Executive Independent Director	7	3	—

* 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 Clause 49 of the Listing Agreement(s).

*** Mr. Rakesh Gupta was appointed as Whole Time Director w.e.f. 01/12/2013.

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 17-09-2013
Mr. Prem Adip Rishi	14	14	Yes
Mr. Praveen Kumar	14	14	Yes
Mr. Rakesh Gupta	14	09	Yes
Mr. Vijay Kumar Sood	14	00	No
Mr. Vinod Kumar Khurana	14	09	Yes
Mr. Vinod Malik	14	14	Yes
Mrs. Kalpana Gupta	14	14	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, 14 Board Meetings were held on various dates as per details given below:-

25.04.2013	06.05.2013	29.05.2013	30.05.2013	10.06.2013
27.06.2013	17.07.2013	13.08.2013	10.10.2013	12.11.2013
20.12.2013	17.01.2014	14.02.2014	05.03.2014	

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

- i) **Mr. Vinod Malik**, aged 70 years is a retired IPS Officer and he has to his credit around 47 years of experience in various senior Government positions. He is an expert in the law of Human Resource, Management & Development, General Administration, Dealing with Economic and Financial Frauds, Crisis Management, etc.

Directorship of Companies (as on 31.03.2014)

S. No.	Name of the Company	Position
	Nil	

Shareholding in MVL Limited

Mr. Vinod Malik holds Nil equity shares in his name as on 31st March, 2014.

- ii) **Mr. Vijay Kumar Sood**, aged 65 years is holding B.E. (Telecommunications) degree from B.I.T.S., Pilani. He was formerly the fellow of the Institute of Electronics and Telecommunication and was also a senior Cambridge from St. Georges College, Mussorie. He has to his credit over 31 years of vast experience in various companies.

Directorship of Companies (as on 31.03.2014)

S. No.	Name of the Company	Position
1.	Noesis Industries Limited	Director
2.	Falcon Technosystems Limited	Director

Shareholding in MVL Limited

Mr. Vijay Kumar Sood holds Nil equity shares in his name as on 31st March, 2014.

- iii) **Mr. Vinod Kumar Khurana**, aged 68 years is a Chemical Engineer from IIT, New Delhi. He is also holding a postgraduate diploma in Marketing & Sales Management. He worked as a Director with various organizations. He proved himself in adapting efficient and effective Operations Management with competent cross-functional skills.

Directorship of Companies (as on 31.03.2014)

S. No.	Name of the Company	Position
	Nil	

Shareholding in MVL Limited

Mr. Vinod Kumar Khurana holds Nil equity shares in his name as on 31st March, 2014.

- iv) **Mrs. Kalpana Gupta**, aged 50 years is a science graduate and also an Intermediate from the Institute of Chartered Accountants of India. She has to her credit around 24 years of experience in accounts and taxation matters.

Directorship of Companies (as on 31.03.2014)

S. No.	Name of the Company	Position
1.	Noesis Industries Limited	Director
2.	Falcon Technosystems Limited	Director
3.	MVL Credits Holdings and Leasing Limited	Director
4.	Media Magnetic Cassettes Limited	Director
5.	MVL Developers Limited	Director
6.	Cardinal Infratech Limited	Director
7.	MVL Solar Power Limited	Director

Shareholding in MVL Limited

Mrs. Kalpana Gupta holds Nil equity shares in her name as on 31st March, 2014.

- v) **Mr. Praveen Kumar**, aged 57 years is a post graduate in Sales & Marketing. He has to his credit over 26 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 31.03.2014)

S. No.	Name of the Company	Position
	Nil	

Shareholding in MVL Limited

Mr. Praveen Kumar holds Nil equity shares in his name as on 31st March, 2014.

- vi) **Mr. Rakesh Gupta**, aged 49 years is a fellow member of the Institute of Chartered Accountants of India. He has over 25 years of vast experience in finance, taxation and commercial matters. He is responsible for all financial, banking, accounting, taxation and day to day commercial operations of the Company.

Directorship of Companies (as on 31.03.2014)

S. No.	Name of the Company	Position
1.	Noesis Industries Limited	Director
2.	MVL Developers Limited	Director
3.	Cardinal Infratech Limited	Director
4.	MVL Solar Power Limited	Director

Shareholding in MVL Limited

Mr. Rakesh Gupta holds 72,234 equity shares in his name as on 31st March, 2014.

- 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 31.03.2014.

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

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

3. Board Committees

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

- Audit Committee
- Share Transfer cum Demat Committee

- c) Shareholders Grievance Redressal Committee
- d) Remuneration Committee

a) Audit Committee

Composition of the Audit Committee

The Audit Committee was constituted in conformity with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges.

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. Vinod Kumar Khurana and Mr. Rakesh Gupta. Company Secretary of the Company is the Secretary of the Committee. All members of the Audit Committee have financial knowledge and Mr. Rakesh Gupta have accounting or related financial management expertise. The constitution of the Audit Committee meets with the requirements under section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

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 shall include the following:

- i. Oversight 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 to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 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 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 clause (2AA) of section 217 of the Companies Act, 1956.
 - 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. 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, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- viii. 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.
- ix. Discussion with internal auditors any significant findings and follow up there on.
- x. 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.
- xi. 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.
- xii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- xiii. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- xiv. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- xv. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Committee Meeting Details

Three meetings of the Audit Committee were held on 30.05.2013, 13.08.2013, 12.11.2013 and 14.02.2014.

The attendance at the Audit Committee:

Name of the Member	Category	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. Vinod Kumar Khurana	Non-Executive Independent Director	4	4

b) Share Transfer cum Demat Committee

Your Company has a Share Transfer cum Demat Committee comprising Mrs. Kalpana Gupta, Chairman (Mr. Rakesh Gupta resigned from the chairmanship of the committee on 30.11.2013, therefore, Mrs. Kalpana Gupta replaces the position of Mr. Rakesh Gupta from 01.12.2013), Mr. Prem Adip Rishi and Mr. Praveen Kumar. All shares received for transfer or dematerialization, as the case may be, were approved and registered within the prescribed time period, otherwise the letters were sent for correction of errors or other discrepancies found. As on the year end i.e. 31.03.2014, there was no case of pending request for transfer or dematerialization beyond the stipulated time.

The details of meetings of Share Transfer cum Demat Committee:

Name of the Member	No. of meetings held	No. of meetings attended
Mrs. Kalpana Gupta	8	8
Mr. Rakesh Gupta	16	16
Mr. Prem Adip Rishi	24	24
Mr. Praveen Kumar	24	24

c) Shareholders Grievance Redressal Committee

Your company has also constituted Shareholders Grievance Redressal Committee to look into Shareholders' grievances and complaints and to resolve them satisfactorily and improve the quality of investor services.

Mrs. Kalpana Gupta, Director of the Company, chairs the Committee (Mr. Rakesh Gupta resigned from the chairmanship of the committee on 30.11.2013, therefore, Mrs. Kalpana Gupta replaces the position of Mr. Rakesh Gupta from 01.12.2013). 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.

The Committee met four times during current year on 01.07.2013, 30.09.2013, 31.12.2013 and 31.03.2014, to review all investor grievances and ensure their speedy redressal. All the complaints received during the year under review regarding non-receipt of share certificates etc. were resolved.

The attendance at the Shareholders Grievance Redressal Committee meetings is given below:

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

d) Remuneration Policy and Remuneration Committee

The Remuneration Committee of the Company comprises of two non-executive and independent and one non-executive director viz. Mrs. Kalpana Gupta (Chairman), Mr. Vinod Malik and Mr. Prem Adip Rishi, respectively and Company Secretary of the Company is the Secretary of the Committee. During the year One remuneration committee meeting was held.

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. However, Mr. Rakesh Gupta is being paid remuneration @ Rs. 1,68,834/- p.m. w.e.f. 01.12.2013, which has been put before the shareholders for their approval at this Annual General Meeting.

Terms of Reference of the Committee

- 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.

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	1	1
Mr. Vinod Malik	Non-Executive Independent Director	1	1
Mr. Prem Adip Rishi	Promoter Non-Executive Director	1	1

4. General Body Meetings

The particulars of the last three Annual General Meetings:

Year	Date	Time	Location	Special resolution
2012-2013	17.9.2013	03.30 P.M	MPCU Shah Auditorium, Shree Delhi Gujrati Marg, Civil Lines, Delhi-110054.	NII
2011	30.06.2012	12.30 P.M	MPCU Shah Auditorium, Shree Delhi Gujrati Marg, Civil Lines, Delhi-110054.	NII
2010	25.06.2011	12.30 P.M	MPCU Shah Auditorium, Shree Delhi Gujrati Marg, Civil Lines, Delhi-110054.	NIL

Notes:

- i) No special resolution was passed during the year.
- ii) There was no postal ballot during the year.
- iii) The Company has not convened any EGM during the year.

5. Disclosures

a. Disclosure on materially significant Related Party Transactions

Details of materially significant related party transactions made during the year are given in Note No. 41 of Notes to Financial Statements in Balance-Sheet as at 31/03/2014.

b. Disclosure on non-compliance on any matter related to capital markets during 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 Investor's complaints received through SEBI/ Stock Exchanges have been resolved in due course.

c. Whistle Blower Policy

At MVL there is place, a highly effective Whistle Blower Policy, which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management, any violations of the applicable laws, rules and regulations and also any unethical or unprofessional conduct. Reports, if any, are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported. Adequate rectifying measures are thereupon initiated in the right earnest, at the appropriate level.

In order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees is kept strictly confidential.

It would be important to mention here that Audit Committee set up by the Board, constitutes a vital component of Whistle Blower mechanism and instances of financial misconduct if any, are reported to the Audit Committee. No employee is 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 four Wholly Owned Subsidiaries i.e. M/s MVL Developers Limited, M/s Creative Pools Developers Private Limited, M/s Parisar Property Developers Private Limited & M/s Udyan Horticultures Private Limited.
- (iii) **Details about Material Subsidiaries and Transactions:** There was no material subsidiary as at 31/03/2014. Details of transactions with subsidiaries are given in Note No. 41 of Notes to Financial Statements in Balance-Sheet as at 31/03/2014.

Compliance with Non-Mandatory Requirements

Remuneration Committee: The Board has set up a Remuneration Committee, details whereof are furnished at Sr. No. 3(d) 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 in Hindi in Rashtriya Sahara.

f. Disclosures of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

g. 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) Annual General Meeting

Date 30th September, 2014
Day Tuesday
Time 1.00 P.M.
Venue Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074

(b) Dividend The Company is not declaring any dividend

(c) Financial Calendar: 1st April, 2014 to 31st March, 2015

Results for the Quarter ending 30 th June, 2014	Second week of August, 2014
Results for the Quarter ending 30 th September, 2014	Second week of November, 2014
Results for the Quarter ending 31 st December, 2014	Second week of February, 2015
Results for the Quarter ending 31 st March, 2015	Last week of May, 2015
Annual General Meeting for the year ending March, 2015	Last week of September, 2015

(d) Date of Book Closure/ Record Date : Friday, 26th September, 2014 to Tuesday, 30th September, 2014 (both days inclusive).

(e) Listing on Stock Exchanges

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

(f) Annual Listing Fee : Paid to the Stock Exchanges for the year 2014-15

(g) ISIN Number for NSDL & CDSL : INE744101034

(h) 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, 2013	2.00	1.60	1.99	1.68
May, 2013	2.00	1.50	2.16	1.62
June, 2013	1.85	0.60	1.97	0.70
July, 2013	1.15	0.55	1.18	0.61
August, 2013	0.95	0.75	0.94	0.78
September, 2013	1.50	0.75	1.51	0.78
October, 2013	1.30	1.00	1.33	1.02
November, 2013	1.25	1.10	1.23	1.03
December, 2013	1.75	1.15	1.80	1.15
January, 2014	1.50	1.25	1.50	1.22
February, 2014	1.40	1.00	1.43	1.15
March, 2014	1.30	0.95	1.36	0.92

Source: www.nseindia.com

Source: www.bseindia.com

(i) Distribution of Shareholding/Shareholding Pattern as on 31/03/2014
(a) Distribution Schedule

SHAREHOLDING OF NOMINAL Value of		NO. OF SHAREHOLDERS		NO. OF EQUITY SHARES	
Rs.	Rs.	TOTAL	% OF TOTAL SHAREHOLDERS	TOTAL	% OF TOTAL SHARES
1	- 5000	11,612	94.96	79,97,225	1.33
5001	- 10000	291	2.38	21,51,629	0.36
10001	- 20000	134	1.10	19,86,532	0.33
20001	- 30000	41	0.34	10,32,829	0.17
30001	- 40000	20	0.16	7,06,093	0.11
40001	- 50000	14	0.11	6,35,077	0.11
50001	- 100000	30	0.25	21,74,544	0.36
100001	and above	86	0.70	58,45,59,271	7.23
TOTAL		12,228	100.00	60,12,43,200	100.00

(b) Shareholding Pattern

S.No.	Category	No. of shares	% of Shareholding
(A)	Promoters	35,28,32,525	58.68
(B)	Public Shareholding		
(a)	Institution		
(i)	Mutual Funds/ UTI	49,600	00.01
(ii)	Financial Institutions/ Banks	2,93,66,889	04.88
(b)	Non-Institution		
(i)	Bodies Corporate	20,04,81,827	33.35
(ii)	Individuals	1,79,52,810	02.99
(iii)	Clearing Member	20,296	0.00
(iv)	Any Other (NRIs/ OCBs)	5,39,253	0.00
Sub Total(B)		24,84,10,675	41.32
Grand Total (A+B)		60,12,43,200	100.00

(j) Shares Transfer System

The shares of the company are tradable compulsorily in de-mat 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.

(k) 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 31st March, 2014, 59,89,51,536 Equity Shares constituting 99.62% of total Equity of the Company were held in dematerialized form with both the depositories namely NSDL and CDSL.

(l) Outstanding GDRs/ADRs/Warrants etc.

The Company has no outstanding GDRs/ADRs/ Warrants as on 31/03/2014.

(m) Registrar and Share Transfer Agent

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

(n) Investors' correspondence can also be addressed to

Ms. Chetna Tyagi
Company Secretary & Compliance Officer
MVL Limited,
Millennium Plaza, Tower-A,
Ground Floor, Sushant Lok-I, Sector-27,
Gurgaon –122002 (Haryana).
Ph: 0124-4525100
Fax: 0124-4525135
E-mail: coporates@yahoo.com
Website: www.mvl.in

(o) CEO/CFO Certification

As required by Clause 49 of the Listing Agreement, the CEO/ CFO certification is given in the Annual report.

(p) Compliance of Code of Conduct

Your Company has laid down a Code of Conduct for all Board Members and senior Management as stipulated in Clause 49 I (D) of the Listing Agreement. All Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2014. The declaration signed by Mr. Prem Adip Rishi, Managing Director is given hereunder: -

Declaration under Clause 49 (I) (D) of Code of Conduct

As per the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has laid down a Code of Conduct for its Board of Directors and Senior Management.

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 : 25th August, 2014**

**Sd/
Prem Adip Rishi
Managing Director**

CEO/CFO CERTIFICATION

We, Prem Adip Rishi, Managing Director and Rakesh Gupta, Whole Time Director certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2014 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.

Place : New Delhi
Date : 25th August, 2014

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

(Sd/-)
(Rakesh Gupta)
Whole Time Director

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

To the members of **MVL Limited**

I have examined the compliance of conditions of corporate governance by MVL Limited for the year ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of my information and according to the explanation given to me, I certify that the Company has complied with the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

Place : New Delhi
Date : 25th August, 2014

Sd/-
R.S. Bhatia
Company Secretary in practice
C.P. No. 2514

INDEPENDENT AUDITOR'S REPORT

The Shareholders,
MVL LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of **MVL LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit & Loss and also the Cash Flow Statement of the company for the year ending on 31.03.2014 and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of financial position and financial performance of the company in accordance with the Accounting Standards referred to in sub section (3C) of section 211 of the Company Act 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

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

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

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

6. Basis for Qualified Opinion

Reference is invited to

- **Note No. 37 regarding non availability of confirmations in respect of some of the debit and/or credit balances of trade receivables, trade payable, loans, advances, bank account and deposits. 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.**

7. 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 , 6 above – on the basis of qualified opinion , the financial statements give a true and fare view :-

- i) In the case of the Balance sheet, of the state of affairs of the company as at 31st March 2014;
- ii) In the case of statement of Profit and Loss of the Profit for the year ending on 31st March, 2014.
- iii) In the case of the Cash Flow Statement, of the Cash flow for the year ending on 31st March, 2014

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the order.
9. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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 Financial statements 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 sub-section (3C) of section 211 of the Companies Act, 1956 *Except provision of leave encashment made on own estimate, rather than on actuarial valuation basis in terms of Accounting standard AS-15 .*
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the companies act, 1956

**For ARUN KISHORE & COMPANY
CHARTERED ACCOUNTANTS
(ICAI Regd.No. 001898 N)**

**Place : New Delhi
Date : 30th May 2014**

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

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 8 of the our report of even date to the members of MVL Limited on the financial statements for the year ended 31st March, 2014

- I) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b) The fixed assets have been physically verified by the management at reasonable intervals, as informed to us which in our opinion, is considered reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification. During the year company has not disposed off substantial part of fixed assets which affects its going concern assumption.
- II) a) The Inventory includes lands, under construction projects, construction and development material and development rights in identified lands. Physical verification of inventory have been conducted at reasonable intervals by the management.
- b) In our opinion the procedure for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business;
- c) The company has maintained proper records of inventory. As explained to us no sizeable discrepancies were noticed on physical verification of inventory as compared with the book records;
- III) In respect of unsecured loans, granted to the Companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956 according to the information and explanations given to us;
 - a) The company has granted loan to its subsidiary, as at the year end, the outstanding balance of such loan was Rs 312.37 Lacs and the maximum outstanding at any time during the year was Rs. 321.64 Lacs.
 - b) The loan is repayable on demand. There is no provision in respect of interest payable.
 - c) Since the loan is repayable on demand and there is no stipulation for repayment, regularity of payments can not be commented upon.
 - d) As per the information and explanations 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 301 of the Companies Act, 1956.
 - 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 2003 are not applicable.
- IV) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and for sale of goods and services. During the course of audit, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures given to us.
- V) a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Act have been so entered
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained in pursuance of section 301 of the Act and exceeding the value of rupees five lacs in respect of any party during the year have been made, at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- VI) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- VII) In our opinion and according to the information and explanations provided to us, the Company has an internal audit system commensurate with its size and nature of its business.

- VIII) According to the information given to us, the central government has not prescribed maintenance of cost record under clause (d) of sub-section (1) of section 209 of the companies Act, 1956 in respect of the activities of the company.
- IX) a) According to the records of the company, the Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other material statutory dues as applicable with the appropriate authorities, the undisputed statutory dues outstanding for a period of more than six months from the date they become payable are Rs. 200.01 Lacs (Previous period Rs. 230.91lacs) as at the date of balance sheet .
- b) According to the information and explanations given to us, demands for Income Tax for Assessment Year 2010-11 amounting to Rs. 86.95 Lacs and for Assessment Year 2011-12 amounting to Rs.57.91 Lacs raised upto the date of balances sheet, against which appeals are pending with CIT (Appeals) New Delhi. The company has not accepted them as payable on account of pending disputes.
- X) The Company does not have any accumulated losses as at the year end and has not incurred cash losses during the current year and immediately preceding year.
- XI) According to the information and explanations given to us and in our opinion, the company has over dues amounting to Rs. 41.60 crores towards banks. These defaults have occurred on different dates starting from July, 2012. However, the company has applied for restructuring of these loans and the proposals are under consideration of the respective Banks. The Company has no liability for debentures.
- XII) Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII) The Company is not a chit fund or a nidhi / mutual benefit fund / society.
- XIV) In our opinion and according to the information and explanations given to us, the company is not a dealer or trader of securities and other investments. Investments in equity share of unlisted companies and mutual funds are held in its own name.
- XV) According to the information and explanations given to us, and the representation made by the management, the guarantees given by the company for loans taken by others from banks, in our opinion are prima facie, not prejudicial to the interest of the company.
- XVI) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- XVII) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, funds raised on a short-term basis have not been used for long-term investment.
- XVIII) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained u/s 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the order are not applicable.
- XIX) During the year, the company has not issued any warrant or debentures.
- XX) The Company has not raised any money by public issue during the year.
- XXI) During the course of the audit carried out and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed nor reported during the year nor have we been informed of such case by the management.

**For ARUN KISHORE & COMPANY
CHARTERED ACCOUNTANTS
(ICAI Regd.No. 001898 N)**

**Place : New Delhi
Date : 30th May 2014**

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

Balance Sheet as at 31st March, 2014

PARTICULARS	NOTE NO'S	AS AT 31 st Mar 2014 (Amount in Rs.)	AS AT 31 st Mar 2013 (Amount in Rs.)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS:			
Share Capital	2	601,243,200	601,243,200
Reserves and Surplus	3	<u>1,094,946,031</u>	<u>1,012,800,239</u>
		1,696,189,231	1,614,043,439
NON-CURRENT LIABILITIES			
Long-Term Borrowings	4	1,559,246,790	1,247,714,802
Deferred Tax Liabilities (Net)		1,081,615	1,622,573
Other Long Term Liabilities	5	306,678,876	89,617,714
Long-Term Provisions	6	<u>4,063,886</u>	<u>1,862,535</u>
		1,871,071,167	1,340,817,624
CURRENT LIABILITIES			
Short Term Borrowings	7	752,480,249	581,715,226
Trade Payables	8	47,324,815	63,625,736
Other Current Liabilities	9	79,172,017	87,726,332
Short-Term Provisions	10	<u>25,381,704</u>	<u>199,671,263</u>
		904,358,785	932,738,557
TOTAL:		<u>4,471,619,183</u>	<u>3,887,599,620</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible Assets		99,860,340	77,938,130
Intangible Assets		52,748	122,748
Capital Work-in-Progress		<u>2,411,577</u>	<u>-</u>
		102,324,665	78,060,878
Non-Current Investments	12	20,785,434	119,552,227
Long-Term Loans and Advances	13	989,327,735	203,385,093
Other Non-Current Assets	14	<u>28,132</u>	<u>401,122</u>
		1,010,141,301	323,338,442
CURRENT ASSETS			
Inventories	15	963,562,063	930,713,075
Trade Receivables	16	2,216,560,180	2,397,559,582
Cash and Cash Equivalents	17	69,909,113	116,266,350
Short-Term Loans and Advances	18	109,121,861	41,661,293
Other Current Assets		<u>-</u>	<u>-</u>
		3,359,153,217	3,486,200,300
TOTAL:		<u>4,471,619,183</u>	<u>3,887,599,620</u>
Significant Accounting Policies	1		

The note referred to above from as 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 Regn. No. : 001898N)

Sd/-
CA Arun Kishore
Partner
Membership No.10770

For and on behalf of the Board of Directors

Sd/-
(Prem Adip Rishi)
Managing Director

Sd/-
(Rakesh Gupta)
Director

Sd/-
(Chetna Tyagi)
Company Secretary

Place : New Delhi
Date : 30th May, 2014

Statement of Profit & Loss for the year ended 31st March, 2014

PARTICULARS	NOTE NO'S	FOR THE YEAR ENDED 31/03/2014 (Amount in Rs.)	FOR THE PERIOD ENDED 31/03/2013 (Amount in Rs.)
INCOME			
Revenue from operations	19	702,654,905	824,384,842
Other Income	20	17,391,206	29,541,000
TOTAL		<u>720,046,111</u>	<u>853,925,842</u>
EXPENSES			
Cost of Construction / Development	21	355,451,209	250,378,208
(Increase)/Decrease in Stock	22	(32,848,989)	414,894,916
Employees Benefits Expenses	23	47,008,294	52,045,392
Finance Cost	24	144,643,202	53,616,720
Other Expenses	25	195,378,616	67,664,819
Depreciation and amortization	11	5,132,612	4,980,301
TOTAL		<u>714,764,944</u>	<u>843,580,356</u>
Profit/(Loss) from Ordinary activities before Exceptional Item		5,281,167	10,345,486
Exceptional Items Dr/(Cr)		-	-
Profit/(Loss) from Ordinary activities before Tax		5,281,167	10,345,486
Tax Expenses			
Current Tax		2,500,000	5,000,000
Deferred Tax		(540,958)	(2,244,894)
Profit/(Loss) from Ordinary activities after Tax		3,322,125	7,590,380
Write back of Excess Provisions		(78,823,667)	(89,350,909)
Net Profit for the Period from Ordinary activities after Tax		82,145,792	96,941,289
Extra Ordinary Items (Net of Tax)		-	-
Net Profit for the Period		82,145,792	96,941,289
Earing per equity share (Nominal value of shares Rs. 1/- each)			
Basic (in Rs.)		0.14	0.16
Diluted (in Rs.)		0.14	0.16
Significant Accounting Policies	1		

The note referred to above from as 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 Regn. No. : 001898N)

Sd/-
CA Arun Kishore
Partner
Membership No.10770

For and on behalf of the Board of Directors

Sd/-
(Prem Adip Rishi)
Managing Director

Sd/-
(Rakesh Gupta)
Director

Sd/-
(Chetna Tyagi)
Company Secretary

Place : New Delhi

Date : 30th May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014

S. PARTICULARS No.	FOR THE YEAR ENDED 31.03.2014 (RS. IN LACS)	FOR THE PERIOD ENDED 31.03.2013 (RS. IN LACS)
A) Cash flow from Operating activities		
Net profit before taxation & extraordinary items	52.81	103.45
Adjustment for Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and Amortisation	51.33	49.80
Revenue Exp./other claims written off	363.82	22.55
Profit/(Loss) on sale of Fixed Assets	2.99	8.33
Interest expense	1,442.47	530.61
Lease rent / hire purchase expense	3.96	5.55
Interest income	(171.92)	(291.36)
Other misc income	(1.99)	(4.04)
Operating Profit before working capital changes	1,743.47	424.89
Movement in working capital		
Increase/(Decrease) in Trade Payables	(163.01)	(18,137.66)
(Increase)/Decrease in Long Term Liabilities & Provisions	2,192.63	(3,995.95)
Increase/(Decrease) in Other current liabilities and short term Provisions	(71.72)	(1,534.00)
Increase/(Decrease) in Trade Receivable	1,809.99	21,021.49
(Increase)/Decrease in Inventories	(328.49)	4,148.95
(Increase)/Decrease in Long Term Loan and Advances	(7,960.52)	(127.93)
(Increase)/Decrease in Short Term Loan and Advances	(674.60)	373.19
Increase/(Decrease) in Other Non Current Assets	3.73	30.32
Cash generated from / (used in) operations	(3,448.52)	2,203.30
Direct Taxes paid (net of refunds)	(1,781.71)	(893.51)
Cash Flow before extraordinary items	(5,230.23)	1,309.79
Extraordinary items - write back	424.41	870.96
Net cash flow from / (used in) Operative Activities (A)	(4,805.82)	2,180.75
B. Cash Flow from investing activities.		
Purchase of Fixed Assets	(300.51)	(34.93)
Sale of Non-Current Investments	987.67	9.86
Proceeds from Sale of Fixed Assets	3.55	9.70
Other Income	171.92	291.37
Other misc income	1.99	4.04
Net cash flow from / (used in) Investing Activities (B)	864.62	280.04
C. Cash Flow from Financing Activities		
Interest expense	(1,442.47)	(530.61)
Lease rent / hire purchase expense	(3.96)	(5.55)
Increase / (Decrease) in Long Term Borrowing	3,115.32	(1,372.15)
Increase / (Decrease) in Short Term Borrowing	1,707.65	-
Net cash flow from / (used in) Finance Activities (C)	3,376.54	(1,908.31)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(564.66)	552.48
Cash and Bank Equivalent at the beginning of the year	692.60	140.12
Cash and Bank Equivalent at the end of the year	127.94	692.60
Components of Cash and Cash Equivalents		
Cash in Hand	1.37	576.51
In Current Accounts	126.57	116.09
	127.94	692.60

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

FOR ARUN KISHORE & COMPANY

For and on behalf of the Board of Directors

Chartered Accountants

(ICAI Regn. No. : 001898N)

Sd/-

CA Arun Kishore

Partner

Membership No.10770

Place : New Delhi

Date : 30th May, 2014

Sd/-

(Prem Adip Rishi)

Managing Director

Sd/-

(Rakesh Gupta)

Director

Sd/-

(Chetna Tyagi)

Company Secretary

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014**1. Significant Accounting Policies****(a) Basis of Accounting**

The financial statements are prepared under the historical cost convention, using accrual basis of accounting, unless otherwise stated under Note No.1 (c) iv, in accordance with the generally accepted accounting principles in India, the accounting standards notified under the companies (Accounting Standard) Rules 2006 (as amended) and the relevant provisions of the Companies Act, 1956 (The Act)

(b) 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.

(c) 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 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 practical difficulties and 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.

(d) Cost of construction / Development

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

- a) Expenses directly related to the project.
- b) 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.
- c) Project costs in relation to a project ordinarily comprise
 - Cost of land and cost of development rights -All costs related to the acquisition of land, development rights in the land or property including cost of land, cost of development rights, rehabilitation costs, registration charges, stamp duty, brokerage costs and incidental expenses.
 - Borrowing Costs – In accordance with Accounting Standard (AS) 16, Borrowing Costs which are incurred directly in relation to a project or which are apportioned to a project.
 - 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.

(e) Inventory

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

- a) Work-in-progress comprises of land, materials, services and other overheads related to project under construction and is valued at cost.
- b) Stock of building material is valued at cost.
- c) Completed units remaining unsold are valued at lower of cost or market value.

(f) 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.

(g) Depreciation

- a) Depreciation on fixed assets is provided on the straight line method at the rates and in the manner specified in Schedule XIV of the Act.
- b) Depreciation on additions/ deletions to/from fixed assets is provided on pro-rata basis from the date the asset is put to use/ discarded.
- c) Individual Assets costing less than Rs.5000.00 are depreciated in full in the year of purchase.

(h) 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 statement of Profit and Loss. 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.

(i) 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.

(j) Borrowing Cost

- a) 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.
- b) 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.
- c) All other borrowing costs are charged to revenue in the year in which they are incurred

(k) Taxation

a) 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 31st March 2014.

b) 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.

(l) 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 THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	AS AT 31/03/2014	AS AT 31/03/2013
2	SHARE CAPITAL		
	AUTHORISED CAPITAL		
	73,00,00,000 Equity shares of Re.1/- each	730,000,000	730,000,000
	ISSUED,SUBSCRIBED & PAID-UP CAPITAL:-		
	60,12,43,200 Equity Shares of Re.1/- each fully paid up.	<u>601,243,200</u>	<u>601,243,200</u>
		601,243,200	601,243,200
	(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 st March 2014		As at 31 st March 2013	
	No. of Shares	% held	No. of Shares	% held
1 MVL Industries Limited	56,764,596	9.44	55,815,436	9.28
2 Media Magnetic Cassettes Limited	158,040,934	26.29	191,540,934	31.86
3 MVL Credits Holdings & Leasing Limited	40,015,023	6.66	32,128,297	5.33
4 Media Holding Private Limited	32,847,560	5.47	32,847,560	5.47

NOTE NO.	PARTICULARS	AS AT 31/03/2014	AS AT 31/03/2013
3	RESERVES & SURPLUS:-		
	(a) General Reserve		
	Opening Balances	108,897,892	103,897,892
	Add : Provided during the year	5,000,000	5,000,000
	Less: Amalgamation Adjustment	<u>-</u>	<u>-</u>
		113,897,892	108,897,892
	(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	664,620,085	572,678,796
	Add : Profit / (Loss) for the Year	82,145,792	96,941,289
	Less : Transfer to General Reserve	5,000,000	5,000,000
	Closing Balance	<u>741,765,877</u>	<u>664,620,085</u>
		1,094,946,031	1,012,800,239
4	LONG-TERM BORROWINGS		
	Term Loans - Secured		
	Canara Bank	774,941,286	620,247,429
	(Repayable in 4 Quarterly installments starting from December 2014.)		
	UCO Bank	446,153,618	434,788,523
	(Repayable in 8 Quarterly installments starting from December 2013.)		
	Dena Bank	269,985,144	316,000,000
	(Repayable in 8 Quarterly installments starting from August 2012.)		
	Sicom Limited	276,258,139	-
	(Repayable in 54 Monthly installments starting from October 2014.)		
	IFCI Limited	538,507,857	-
	(Repayable in 60 Monthly installments starting from July 2013.)		
	Term Loans - Unsecured		
	From Others	5,880,995	4,004,719
	[Secured against hypothecation of vehicles]		
		2,311,727,039	1,375,040,671
	Less : Current maturities of Long Term Borrowings included under Note No. 7 "Short Term Borrowings"	<u>752,480,249</u>	<u>127,325,869</u>
		1,559,246,790	1,247,714,802

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	AS AT 31/03/2014	AS AT 31/03/2013
5	OTHER LONG-TERM LIABILITIES		
	Security Received	6,399,959	6,697,666
	Advances Received from Customers	300,278,917	82,920,048
		306,678,876	89,617,714
6	LONG-TERM PROVISIONS		
	Provision for Gratuity	4,063,886	1,862,535
		4,063,886	1,862,535
7	SHORT TERM BORROWINGS		
	Current Maturities of Long Term Borrowings (Refer Note 4)	752,480,249	127,325,869
	IFCI Limited	-	450,255,918
	IFCI Ventures Limited	-	4,133,439
		752,480,249	581,715,226
8	TRADE PAYABLES		
	For Construction & Purchase	47,324,815	63,625,736
		47,324,815	63,625,736
9	OTHER CURRENT LIABILITIES		
	Duties & Taxes Payable	34,393,197	36,420,364
	Expenses & Others	44,458,473	50,985,620
	Unclaimed Dividend	320,347	320,347
		79,172,017	87,726,332
10	SHORT-TERM PROVISIONS		
	Provision for Tax	20,041,769	195,713,221
	Provision for Bonus	1,588,526	1,268,480
	Provision for LTA	1,260,729	1,049,211
	Provision for Leave Encashment	2,490,680	1,640,351
		25,381,704	199,671,263

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014
Note - 11

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 01-04-2013	Additions	Delection/ Sale	Cost as on 31-03-2014	Total upto 01-04-2013	Current Year	Adjustment for deletion/ Sale	Total upto 31-03-2014	As at 31-03-2014	As at 31-03-2013
(A) Tangible Assets :										
LAND *	38,353,400	-	-	38,353,400	-	-	-	-	38,353,400	38,353,400
OFFICE BUILDING *	21,512,487	-	-	21,512,487	4,366,062	718,517	-	5,084,579	16,427,908	17,146,425
VEHICLE	22,688,987	15,848,986	1,306,173	37,231,800	7,551,494	2,411,992	651,708	9,311,778	27,920,022	15,137,493
OFFICE EQUIPMENT	4,873,767	4,137,555	-	9,011,322	997,516	391,251	-	1,388,767	7,622,555	3,876,251
COMPUTER	2,532,428	2,612,520	-	5,144,948	1,734,577	883,664	-	2,618,241	2,526,707	797,851
COMPUTER SERVER	-	398,092	-	398,092	-	132,684	-	132,684	265,408	-
FURNITURE & FIXTURE	3,784,800	4,642,134	-	8,426,934	1,158,090	524,504	-	1,682,594	6,744,340	2,626,710
TOTAL (A)	93,745,869	27,639,287	1,306,173	120,078,983	15,807,739	5,062,612	651,708	20,218,643	99,860,340	77,938,130
(B) INTANGIBLE ASSETS										
COMPUTER SOFTWARE	210,000	-	-	210,000	87,252	70,000	-	157,252	52,748	122,748
TOTAL (B)	210,000	-	-	210,000	87,252	70,000	-	157,252	52,748	122,748
(C) CAPITAL WORK IN PROGRESS										
ASSETS UNDER INSTALLATION	-	2,411,577	-	2,411,577	-	-	-	-	2,411,577	-
TOTAL (C)	-	2,411,577	-	2,411,577	-	-	-	-	2,411,577	-
TOTAL (A)+(B)+(C)	93,955,869	30,050,864	1,306,173	122,700,560	15,894,991	5,132,612	651,708	20,375,895	102,324,665	78,060,878
Previous Year	94,407,415	3,492,995	3,944,541	93,955,869	13,056,521	4,980,301	2,141,831	15,894,991	78,060,878	81,350,894

* 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 31/03/2014	AS AT 31/03/2013
12	NON-CURRENT INVESTMENTS		
	Equity Shares (Long Term) (Unquoted at cost)		
	Investment in Subsidiaries		
	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	100,000
	Udyan Horticultures Private Limited		
	10000 Equity shares of Rs. 10/- each	100,000	100,000
	Investment in Other than Subsidiaries		
	MVL Constructions Limited		
	9994 Equity shares of Rs. 10/- each	99,940	99,940
	MVL Solar Power Limited		
	24700 Equity Shares of Rs. 10/- each	247,000	247,000
	MVL Telecom Limited		
	(For diminution in the value of permanenet nature Refer Note No. 39)	980,000	98,000,000
	9800000 Equity Shares of Rs. 10/- each		
	Shri Tirupati Balaji Electronics Private Limited		
	1123490 Equity Shares of Rs. 10/- each	11,234,900	11,234,900
	Mutual Funds (Quoted at cost)		
	94295 units of Rs.10/- each of Mutual Fund - DSP Black Rock	1,000,000	1,000,000
	Others		
	Investment - Precious Metals	5,923,594	7,670,387
		20,785,434	119,552,227
	Market Value of quoted Securities		
	Mutual Funds	950,684	950,684

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	AS AT 31/03/2014	AS AT 31/03/2013
13	LONG-TERM LOANS AND ADVANCES		
	Security Deposits	1,927,535	2,135,182
	Prepaid Expenses	3,494,672	9,211,913
	Advance Income Tax	680,963	992,550
	Advances for Projects (Land)	983,120,993	190,941,876
	Advances to Contractors & Suppliers	103,572	103,572
		<u>989,327,735</u>	<u>203,385,093</u>
14	OTHER NON-CURRENT ASSETS		
	Interest accrued	28,132	-
	FDR with Dena Bank	-	401,122
		<u>28,132</u>	<u>401,122</u>
15	INVENTORIES		
	Materials at Site	572,831	4,250,097
	Project Work in Progress (At Cost)	962,989,232	926,462,978
		<u>963,562,063</u>	<u>930,713,075</u>
16	TRADE RECEIVABLES (Unsecured, Considered good unless otherwise specified)		
	Due for over six months	1,756,840,309	2,194,366,719
	Due for less than six months	459,719,871	203,192,863
		<u>2,216,560,180</u>	<u>2,397,559,582</u>
17	CASH AND CASH EQUIVALENTS		
	Cash in Hand and on Imprest	137,276	57,651,277
	Balance with Scheduled Bank (in Current A/c)	12,656,480	11,608,931
	FDR's/ Margin Money with Scheduled Banks (Pledged)	57,115,357	47,006,142
		<u>69,909,113</u>	<u>116,266,350</u>
18	SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered good unless otherwise specified)		
	Advance to Contractors & Suppliers	108,407,545	39,726,893
	Other Advnaces recoverable in cash or in kind of for value to be received	714,316	1,934,400
		<u>109,121,861</u>	<u>41,661,293</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	For the year ended 31st March 2014	For the Period ended 31st March 2013
19	REVENUE FROM OPERATIONS Sale of Projects	702,654,905	824,384,842
		702,654,905	824,384,842
20	OTHER INCOME Interest from Customers Interest from Bank FDR Misc. Income	14,339,050 2,853,551 198,605	25,320,619 3,815,884 404,497
		17,391,206	29,541,000
21	COST OF CONSTRUCTIONS / DEVELOPMENT Construction and Land & Development Costs Other Indirect Costs Total cost upto 31.03.2014	111,622,478 243,828,731 355,451,209	(173,834,694) 424,212,902 250,378,208
22	(INCREASE)/DECREASE IN STOCKS Opening Stocks Closing Stocks	930,713,075 963,562,064 (32,848,989)	1,345,607,991 930,713,075 414,894,916
23.	EMPLOYEE BENEFITS EXPENSES Salary, Allowances & Welfare Bonus Contributions to Provident Fund & ESI	44,876,014 1,359,628 772,652 47,008,294	49,299,298 1,573,759 1,172,335 52,045,392
24	FINANCE COSTS Bank Charges Interest Hire Purchases Charges	1,047,092 143,199,818 396,293 144,643,202	1,119,931 51,941,464 555,325 53,616,720
25	OTHER EXPENSES Advertisement Auditors Remuneration Balances Written off Books & Periodicals Business Promotion Conveyance Expenses Commission & Brokrage Diwali Expenses Donation Electricity Expenses Insurance Legal & Professional Charges Loss on Sale of Fixed Assets Meeting Expenses Misc. Expenses Membership Fee Office Expenses Postage & Telegram Printing & Stationery Rate, Fee & Taxes Rent Repair & Maintenance Telephone Exp. Travelling Expenses (Director) Travelling Expenses (Others) Watch & Ward Prior Period Expenses (Net)	31,918,497 589,890 36,382,417 1,900,064 8,319,868 5,572,817 43,713,300 566,473 - 3,372,261 184,664 13,499,455 299,465 133,387 - 615,379 6,268,240 389,682 1,501,845 928,483 25,706,868 1,956,439 3,238,240 2,259,256 3,438,840 2,615,743 7,043 195,378,616	5,346,238 647,381 2,255,412 1,875,610 9,138,606 4,783,715 - - 75,500 426,751 406,805 3,642,418 832,755 140,208 17,750 83,846 4,585,708 470,199 1,322,181 1,337,958 13,865,641 2,174,177 3,383,548 3,835,018 3,375,997 1,797,165 1,844,232 67,664,819

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

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 31st March 2014 are as under:-

S. No.	Particulars	Current Period		Last Year	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
I Expenses recognized in the statement of Profit and Loss account					
1	Current service cost	7,52,018	13,33,782	5,50,138	7,52,605
2	Interest cost	1,61,167	1,46,924	1,08,316	1,25,331
3	Net Actuarial (gain)/losses recognized	(4,68,599)	(1,22,993)	(55,406)	(3,58,185)
4	Past service cost	-	-	-	-
5	Settlement cost	-	-	-	-
6	Expenses recognized in the statement of profit and loss account	24,89,915	13,57,713	6,03,048	5,19,751
II Net Assets/(Liability) recognized in the Balance sheet					
1	Present value of obligation as at the end of the year	40,63,886	24,90,680	18,62,535	19,76,085
2	Fair value of Plan assets as at the end of the year		-	-	-
3	Funded status [surplus/deficit]	(40,63,886)	(24,90,680)	(1862,535)	(19,57,085)
4	Net Liability recognized in balance sheet	40,63,886	24,90,680	18,62,535	19,76,085
III Change in present value of obligation during the year					
1	Present value of obligation as at the beginning of the year	17,71,071	16,14,553	12,59,133	14,57,338
2	Acquisition adjustment		-	-	-
3	Interest cost	1,61,167	1,46,924	1,08,316	1,25,331
4	Past service cost	-	-	-	-
5	Current service cost	7,52,018	13,33,782	-	7,52,605
6	Settlement cost	-	-	5,50,138	-
7	Benefit paid	(1,97,100)	(4,81,586)	-	(1,004)
8	Actuarial (gain)/loss on obligation	(4,68,599)	(1,22,993)	(55,406)	(3,58,185)
9	Present value of obligation as at the end of the year	40,63,886	24,90,680	18,62,535	19,76,085
IV Change in the plan value of assets during the year					
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	-	-	-	-
Actuarial Assumptions:					
1	Discount rate	9.10%		8.20%	
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	28.79 Years		29.63 Years	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014
27. Accounting Standards

The Company follows all applicable accounting standards as required under Section 211 (3) (C) of the Companies Act, 1956.

NOTE NO.	PARTICULARS	For the Year Ended 31.03.14 (Rs. in Lacs)	For the Period Ended 31.03.13 (Rs. in Lacs)	
28.	Contingent Liabilities For Corporate Guarantees given For Bank Guarantees availed	1500.00 1020.46	2125.00 1020.46	
29.	Claims not acknowledged as debt For Commercial disputes	571.04	318.69	
30.	Advances considered doubtful of recovery for which no provision has been made	1.03	369.53	
31.	Deferred Tax Liabilities (Net) Deferred Tax Liabilities For Fixed Assets Deferred Tax Assets For Expenses For Employees Retirement Benefits Net Liability	46.62 (23.25) (12.56) <u>(35.81)</u> 10.81	43.46 (15.87) (11.36) <u>(27.23)</u> 16.23	
32.	Auditors Remuneration Covers For Statutory Audit & Tax Audit For Taxation matters For Other Services and service tax	3.50 1.50 0.90	3.50 1.50 1.47	
33.	Directors Remuneration Covers Salaries Sitting fees Commission	46.75 1.56 -	39.76 1.95 2.65	
34.	Earning per Share (EPS)			
	Particulars	Unit	For the Year Ended 31.03.14	For the Period Ended 31.03.13
	Profit attributable to equity share holder (numerator)	"A"	Rs. 821.45 Lacs	969.41 Lacs
	No. of equity shares at the beginning of the year	Nos.	60,12,43,200	60,12,43,200
	No. of equity shares allotted during the year	Nos.	-	-
	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.	0.14	0.16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

35. Previous year figures have been regrouped and rearranged, wherever necessary.
36. 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.**
37. Some of the Debit and credit balances of Trade Receivables, Trade Payable, Loans, advances, bank account and deposits are subject to confirmation and consequent adjustment if any arising from reconciliation. The Management however is of the view that there will be no material adjustments in this regard.
38. 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.
39. During the year, decline in the value of long term investment in the shares of an unlisted company, has been recognized as that of "other than temporary nature" and value of said investment has been reduced by Rs. 970.20 Lacs by debiting to Statement of Profit and Loss.
40. Interest on loan from banks has been provided as per the last sanction letter. In case of defaults liability for unascertained value of penal interest has not been provided on account of restructuring proposal pending as on the date of balance sheet.
41. 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.
 - Parisar Property Developers Pvt. Ltd.
 - b) **Associates (Group – B)**
 - Shri Balaji Tirupati Electronics Pvt. Ltd.
 - Falcon Technosystems Ltd.
 - c) **Key Managerial Personnel (Group – C)**
 - Mr. Prem Adip Rishi – Chairman
 - Mr. Rakesh Gupta – Director
 - Mr. Sushil Aggarwal – Vice President (Company Affairs & Legal)
 - 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 his relatives have substantial interest/significant influence (Group – E)**
 - Media Holding Pvt. Ltd.
 - Media Magnetic Cassettes Ltd.
 - Icon Satellite Ltd.
 - MVL Credits Holdings & Leasing Ltd.
 - Noesis Industries Ltd.
 - Risbro Technical Equipment Pvt. Ltd.
 - Cardinal Infratech Ltd.
- Note : - List of related parties has been identified by the management and relied upon by the auditors

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

Summary of transactions carried out with related parties

(Rs. In Lacs)

Sl. No.	Nature of Transactions	Referred in 41 (a)	Referred in 41 (b)	Referred in 41 (c)	Referred in 41 (d)	Referred in 41 (e)	Total For the year ended 31/03/14	Total For the period ended 31/03/13
i	Advances paid for purchase of immovable Property	(10.00)	-	-	-	449.43	439.43	85.44
ii.	Construction Costs	-	-	-	-	711.63	711.63	1794.28
iii.	Amounts received against Debts Due	-	-	-	-	-	-	15105.51
iv.	Director remuneration/ Commission/Sitting Fees	-	-	48.31	-	-	48.31	44.37
v.	Managerial Remuneration/ contribution to PF	-	-	29.68	-	-	29.68	31.24
vi.	Rent & Fees	-	-	-	92.40	-	92.40	84.00
vii.	Refund of share application money received	-	-	-	-	-	-	99.77
viii.	Reimbursement Received	-	-	-	-	1.83	1.83	0.52
ix	Corporate Guarantee Given	-	-	-	-	1500.00	1500.00	2125.00
x	Guarantees Availed	-	-	-	425.00	5000.00	5425.00	5000.00
xi	Year End Balances							
	Receivables	-	12.84	-	-	977.68	990.52	16592.25
	Payables	-	-	-	35.56	778.13	813.68	362.14

42. Information pursuant to clause 32 of the listing agreement with stock exchanges : -

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

Particulars	Balances (Rs. in Lacs)		Maximum balance during the year (Rs. in Lacs)	
	As at 31.03.2014	As at 31.03.2013	As at 31.03.2014	As at 31.03.2013
MVL Developers Ltd. (Subsidiary)	312.37	321.64	321.64	321.64

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

b) There are no loans & advances in the nature of loans to Associate and to firms and companies in which directors are interested, other than as disclosed above.

c) There is no investment by the loanee in the shares of parent company.

43. 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

44. Information pursuant to paragraph 3 & 4 of Part-II of Schedule VI of the Act to the extent applicable is given below:

Particulars		For the Year Ended 31.03.14 (Rs. in Lacs)	For the Period Ended 31.03.13 (Rs. in Lacs)
a)	Gross Revenue (Real Estate)	7026.55	8243.85
b)	Work in progress		
	Opening balance	9264.63	13360.21
	Closing Balance	9629.89	9264.63
c)	Brokerage on Sales	436.05	131.88
d)	Earnings in Foreign Currency	Nil	Nil
e)	Expenditure in Foreign currency		
	- For Traveling	10.06	19.96
	- For others	Nil	27.57
f)	CIF Value of Imports	Nil	Nil

Signature for Note "1" to "44"

Subject to our report of even date
FOR ARUN KISHORE & COMPANY
 Chartered Accountants
(ICAI Regn. No. : 001898N)

For and on behalf of the Board of Directors

Sd/-
CA Arun Kishore
 Partner
 Membership No.10770

Sd/-
(Prem Adip Rishi)
 Managing Director

Sd/-
(Rakesh Gupta)
 Director

Sd/-
(Chetna Tyagi)
 Company Secretary

Place : New Delhi
Date : 30th May, 2014

Statement pursuant to section 212 of the Companies Act, 1956 relating to Subsidiary Company

Domestic Subsidiary

1	Name of Subsidiary Company	MVL Developers Limited	Udyan Horticultures Pvt. Ltd.	Creative Pools Developers . Pvt. Ltd	Parisar Property Developers . Pvt. Ltd
2	Financial Period of the Subsidiary ended on	31st March 2014	31st March 2014	31st March 2014	31st March 2014
3	Date from which it became subsidiary	10th December 2007	13th April 2011	09th May 2011	06th May 2011
4	No. of Equity Share held by MVL Limited and / or its Nominees as on 31st March 2014	1,00,000 Equity shares of Rs. 10/- each	10,000 Equity shares of Rs. 10/- each	10,000 Equity shares of Rs. 10/- each	10,000 Equity shares of Rs. 10/- each
5	Extent of Holding	100%	100%	100%	100%
6	Net aggregate amount of profits / losses of the Subsidiary so far as it concerns the members of MVL Limited	There is no profit or loss since all direct and indirect expenses are capitalized as project work in progress.	This is being the third year with no business activity, net administrative loss (after tax) of Rs. 39807/- was incurred during the year	This is being the third year with no business activity, net administrative loss (after tax) of Rs. 39526/- was incurred during the year	This is being the third year with no business activity, net administrative loss (after tax) of Rs. 40526/- was incurred during the year
	i. Not dealt within the accounts of MVL Limited	Nil	Nil	Nil	Nil
	a) for subsidiary's financial period ended on 31st March, 2014	Nil	Nil	Nil	Nil
	b) for previous financial years of the subsidiary since it became subsidiary of MVL Limited	Nil	Nil	Nil	Nil
	ii. Dealt within the accounts of MVL Limited	Nil	Nil	Nil	Nil
	a) for subsidiary's financial period ended on 31st March, 2014	Nil	Nil	Nil	Nil
	b) for previous financial years of the subsidiary since it became subsidiary of MVL Limited	Nil	Nil	Nil	Nil

For and on Behalf of the Board of Directors
Sd/-

(Prem Adip Rishi)
Managing Director

Place : New Delhi
Date : 30th May 2014

AUDITOR'S REPORT

The Shareholders,

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 2014, 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 mis-statements. 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. 37 regarding unconfirmed balances 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, 2014.
 - b) in the case of the Consolidated Statement of Profit and Loss of the profit 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 Regd.No. 001898 N)**

**Place : New Delhi
Date : 30th May 2014**

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

Consolidated Balance Sheet as at 31st March, 2014

PARTICULARS	NOTE NO'S	AS AT 31st Mar 2014 (Amount in Rs.)	AS AT 31st Mar 2013 (Amount in Rs.)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS:			
Share Capital	2	601,243,200	601,243,200
Reserves and Surplus	3	<u>1,094,698,486</u>	<u>1,012,672,554</u>
		1,695,941,686	1,613,915,754
NON-CURRENT LIABILITIES			
Long-Term Borrowings	4	1,559,246,790	1,247,714,802
Deferred Tax Liabilities (Net)		1,068,331	1,609,289
Other Long Term Liabilities	5	306,678,876	89,617,714
Long-Term Provisions	6	<u>4,063,886</u>	<u>1,862,535</u>
		11,871,057,883	1,340,804,340
CURRENT LIABILITIES			
Short Term Borrowings	7	752,480,249	581,715,226
Trade Payables	8	41,526,996	64,048,936
Other Current Liabilities	9	87,336,187	87,838,692
Short-Term Provisions	10	<u>25,381,704</u>	<u>199,671,263</u>
		906,725,136	933,274,117
TOTAL:		<u>4,473,724,705</u>	<u>3,887,994,211</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	11		
Tangible Assets		99,860,340	77,938,130
Intangible Assets		52,748	122,748
Capital Work-in-Progress		<u>2,411,577</u>	-
		102,324,665	78,060,878
Non-Current Investments	12	19,485,434	118,252,227
Long-Term Loans and Advances	13	989,381,735	171,375,271
Other Non-Current Assets	14	<u>28,132</u>	<u>401,122</u>
		1,008,895,301	290,028,620
CURRENT ASSETS			
Inventories	15	996,742,700	962,703,727
Trade Receivables	16	2,216,560,180	2,397,559,582
Cash and Cash Equivalents	17	71,351,146	118,732,611
Short-Term Loans and Advances	18	77,850,714	40,908,793
Other Current Assets		-	-
		3,362,504,739	3,519,904,713
TOTAL:		<u>4,473,724,705</u>	<u>3,887,994,211</u>
Significant Accounting Policies	1		

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

For and on behalf of the Board of Directors

Chartered Accountants

(ICAI Regn. No. : 001898N)

Sd/-

CA Arun Kishore

Partner

Membership No.10770

Place : New Delhi

Date : 30th May, 2014

Sd/-

(Prem Adip Rishi)

Managing Director

Sd/-

(Rakesh Gupta)

Director

Sd/-

(Chetna Tyagi)

Company Secretary

Consolidated Statement of Profit & Loss for the year ended 31st March, 2014

PARTICULARS	NOTE NO'S	FOR THE YEAR ENDED 31/03/2014 (Amount in Rs.)	FOR THE PERIOD ENDED 31/03/2013 (Amount in Rs.)
INCOME			
Revenue from operations	19	702,654,905	824,384,842
Other Income	20	17,391,206	29,541,000
TOTAL		720,046,111	853,925,842
EXPENSES			
Cost of Construction / Development	21	356,641,194	258,312,857
(Increase)/Decrease in Stock	22	(34,038,973)	406,960,267
Employees Benefits Expenses	23	47,008,294	52,045,392
Finance Cost	24	144,643,819	53,618,845
Other Expenses	25	195,497,858	67,761,194
Depreciation and amortization	11	5,132,612	4,980,301
TOTAL		714,884,804	843,678,856
Profit/(Loss) from Ordinary activities before Exceptional Item		5,161,307	10,246,986
Exceptional Items Dr/(Cr)		-	-
Profit/(Loss) from Ordinary activities before Tax		5,161,307	10,246,986
Tax Expenses			
Current Tax		2,500,000	5,000,000
Deferred Tax		(540,958)	(2,251,536)
Profit/(Loss) from Ordinary activities after Tax		3,202,265	7,498,522
Write back of Excess Provisions		(78,823,667)	(89,350,909)
Net Profit for the Period from Ordinary activities after Tax		82,025,932	96,849,431
Extra Ordinary Items (Net of Tax)		-	-
Net Profit for the Period		82,025,932	96,849,431
Earing per equity share (Nominal value of shares Rs. 1/- each)			
Basic (in Rs.)		0.14	0.16
Diluted (in Rs.)		0.14	0.16
Significant Accounting Policies	1		

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 Regn. No. : 001898N)

Sd/-

CA Arun Kishore

Partner

Membership No.10770

Place : New Delhi

Date : 30th May, 2014

For and on behalf of the Board of Directors

Sd/-

(Prem Adip Rishi)

Managing Director

Sd/-

(Rakesh Gupta)

Director

Sd/-

(Chetna Tyagi)

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014

S. PARTICULARS No.	FOR THE YEAR ENDED 31.03.2014 (RS. IN LACS)	FOR THE PERIOD ENDED 31.03.2013 (RS. IN LACS)
A) Cash flow from Operating activities		
Net profit before taxation & extraordinary items	51.61	102.47
Adjustment for Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and Amortisation	51.33	49.80
Revenue Exp./other claims written off	363.82	22.55
Profit/(Loss) on sale of Fixed Assets	2.99	8.33
Interest expense	1,442.47	530.63
Lease rent / hire purchase expense	3.96	5.55
Interest income	(171.92)	(291.36)
Other misc income	(1.99)	(4.04)
Operating Profit before working capital changes	1,742.27	423.93
Movement in working capital		
Increase/(Decrease) in Trade Payables	(225.22)	(18,137.66)
(Increase)/Decrease in Long Term Liabilities & Provisions	2,192.63	(3,995.95)
Increase/(Decrease) in Other current liabilities and short term Provisions	8.79	(1,533.22)
Increase/(Decrease) in Trade Receivable	1,809.99	21,021.49
(Increase)/Decrease in Inventories	(340.39)	4,069.60
(Increase)/Decrease in Long Term Loan and Advances	(8,281.16)	(44.02)
(Increase)/Decrease in Short Term Loan and Advances	(369.42)	380.71
Increase/(Decrease) in Other Non Current Assets	3.73	30.32
Cash generated from / (used in) operations	(3,458.78)	2,215.20
Direct Taxes paid (net of refunds)	(1,781.71)	(893.51)
Cash Flow before extraordinary items	(5,240.49)	1,321.69
Extraordinary items - write back	424.41	870.96
Net cash flow from / (used in) Operative Activities (A)	(4,816.08)	2,192.65
B. Cash Flow from investing activities.		
Purchase of Fixed Assets	(300.51)	(34.93)
Sale of Non-Current Investments	987.67	9.86
Proceeds from Sale of Fixed Assets	3.55	9.70
Other Income	171.92	291.37
Other misc income	1.99	4.04
Net cash flow from / (used in) Investing Activities (B)	864.62	280.04
C. Cash Flow from Financing Activities		
Interest expense	(1,442.47)	(530.63)
Lease rent / hire purchase expense	(3.96)	(5.55)
Increase / (Decrease) in Long Term Borrowing	3,115.32	(1,372.15)
Increase / (Decrease) in Short Term Borrowing	1,707.65	-
Net cash flow from / (used in) Finance Activities (C)	3,376.54	(1,908.31)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(574.92)	564.36
Cash and Bank Equivalent at the beginning of the year	717.27	152.91
Cash and Bank Equivalent at the end of the year	142.35	717.27
Components of Cash and Cash Equivalents		
Cash in Hand	7.76	593.27
In Current Accounts	134.59	124.00
	142.35	717.27

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

FOR ARUN KISHORE & COMPANY

Chartered Accountants

(ICAI FRN: 001898N)

Sd/-

CA Arun Kishore

Partner

Membership No.10770

Place : New Delhi

Date : 30th May, 2014

For and on behalf of the Board of Directors

Sd/-
(Prem Adip Rishi)
Managing Director

Sd/-
(Rakesh Gupta)
Director

Sd/-
(Chetna Tyagi)
Company Secretary

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014
1. Significant Accounting Policies
a) Principles of Consolidation

The consolidated accounts are prepared based on line-by-line consolidation of statement 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 Statements & 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) Basis of Accounting

The financial statements are prepared under the historical cost convention, using accrual basis of accounting, unless otherwise stated under Note No.1 (c) iv, in accordance with the generally accepted accounting principles in India, the accounting standards notified under the companies (Accounting Standard) Rules 2006 (as amended) and the relevant provisions of the Companies Act, 1956 (The Act)

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 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 practical difficulties and 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.
 - atleast 25% of estimated construction and development costs (excluding land cost) has been incurred;
 - atleast 25% of the saleable project area is secured by the Agreements to sell/application forms (containing salient terms of the agreement to sell); and
 - atleast 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: -

- a) Expenses directly related to the project.
- b) 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.
- c) Project costs in relation to a project ordinarily comprise
 - Cost of land and cost of development rights -All costs related to the acquisition of land, development rights in the land or property including cost of land, cost of development rights, rehabilitation costs, registration charges, stamp duty, brokerage costs and incidental expenses.
 - Borrowing Costs – In accordance with Accounting Standard (AS) 16, Borrowing Costs which are incurred directly in relation to a project or which are apportioned to a project.
 - 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014**f) Inventory**

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

- a) Work-in-progress comprises of land, materials, services and other overheads related to project under construction and is valued at cost.
- b) Stock of building material is valued at cost.
- c) Completed units remaining unsold are valued at lower of cost or market value.

g) 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.

h) Depreciation

- a) Depreciation on fixed assets is provided on the straight line method at the rates and in the manner specified in Schedule XIV of the Act.
- b) Depreciation on additions/ deletions to/from fixed assets is provided on pro-rata basis from the date the asset is put to use /discarded.
- c) Individual Assets costing less than Rs.5000.00 are depreciated in full in the year of purchase.

i) 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.

j) 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.

k) Borrowing Cost

- a) 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.
- b) 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.
- c) All other borrowing costs are charged to revenue in the year in which they are incurred

l) Taxation**a) 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 31st March 2014.

b) 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.

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	AS AT 31/03/2014 (Rs.)	AS AT 31/03/2013 (Rs.)
2	SHARE CAPITAL		
	Authorised 73,00,00,000 Equity shares of Re.1/- each	730,000,000	730,000,000
	Issued , Subscribed & Paid up Capital 60,12,43,200 Equity Shares of Re.1/- each fully paid up	601,243,200	601,243,200
		601,243,200	601,243,200
	<p>(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.</p> <p>(b) Shareholders Holding more then 5% shares based on legal ownership in the subscribed share capital of the company is set out below:</p>		

Name of the shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Shares	% held	No. of Shares	% held
1 MVL Industries Limited	56,764,596	9.44	55,815,436	9.28
2 Media Magnetic Cassettes Limited	158,040,934	26.29	191,540,934	31.86
3 MVL Credits Holdings & Leasing Limited	40,015,023	6.66	32,128,297	5.33
4 Media Holding Private Limited	32,847,560	5.47	32,847,560	5.47

NOTE NO.	PARTICULARS	AS AT 31/03/2014 (Rs.)	AS AT 31/03/2013 (Rs.)
3	RESERVES AND SURPLUS		
	(a) General Reserve		
	Opening Balances	108,897,892	103,897,892
	Add : Provided during the year	5,000,000	5,000,000
	Less Amalgamation Adjustment	-	-
		113,897,892	108,897,892
	(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	664,492,400	572,642,969
	Add : Profit / (Loss) for the Year	82,025,932	96,849,431
	Less : Transfer to General Reserve	5,000,000	5,000,000
	Closing Balance	741,518,332	664,492,400
		1,094,698,486	1,012,672,554

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	AS AT 31/03/2014 (Rs.)	AS AT 31/03/2013 (Rs.)
4	LONG TERM BORROWINGS		
	Term Loans - Secured		
	Canara Bank (Repayable in 4 Quarterly installments starting from December 2014.)	774,941,286	620,247,429
	UCO Bank (Repayable in 8 Quarterly installments starting from December 2013.)	446,153,618	434,788,523
	Dena Bank (Repayable in 8 Quarterly installments starting from August 2012.)	269,985,144	316,000,000
	Sicom Limited (Repayable in 54 Monthly installments starting from October 2014.)	276,258,139	-
	IFCI Limited (Repayable in 60 Monthly installments starting from July 2013.)	538,507,857	-
	Term Loans - Unsecured	-	-
	From Others [Secured against hypothecation of vehicles]	5,880,995	4,004,719
		<u>2,311,727,039</u>	<u>1,375,040,671</u>
	Less : Current maturities of Long Term Borrowings included under Note No. 7 "Short Term Borrowings"	752,480,249	127,325,869
		<u>1,559,246,790</u>	<u>1,247,714,802</u>
5	OTHER LONG-TERM LIABILITIES		
	Security Received	6,399,959	6,697,666
	Advances Received from Customers	300,278,917	82,920,048
		<u>306,678,876</u>	<u>89,617,714</u>
6	LONG-TERM PROVISIONS		
	Provision for Gratuity	4,063,886	1,862,535
		<u>4,063,886</u>	<u>1,862,535</u>
7	SHORT-TERM BORROWINGS		
	Current Maturities of Long Term Borrowings (Refer Note 4)	752,480,249	127,325,869
	IFCI Limited	-	450,255,918
	IFCI Ventures Limited	-	4,133,439
		<u>752,480,249</u>	<u>581,715,226</u>
8	TRADE PAYABLES		
	For Construction & Purchase	41,526,996	64,048,936
		<u>41,526,996</u>	<u>64,048,936</u>
9	OTHER CURRENT LIABILITIES		
	Duties and Taxes Payable	34,393,197	36,420,364
	Expenses & Others	52,622,643	51,097,980
	Unclaimed Dividend	320,347	320,347
		<u>87,336,187</u>	<u>87,838,692</u>

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	AS AT 31/03/2014 (Rs.)	AS AT 31/03/2013 (Rs.)
10	SHORT-TERM PROVISIONS		
	Provision for Tax	20,041,769	195,713,221
	Provision for Bonus	1,588,526	1,268,480
	Provision for LTA	1,260,729	1,049,211
	Provision for Leave Encashment	2,490,680	1,640,351
		25,381,704	199,671,263

Note - 11

Particulars	Gross Block				Depreciation				Net Block	
	Cost as on 01-04-2013	Additions	Delection/ Sale	Cost as on 31-03-2014	Total upto 01-04-2013	Current Year	Adjustment for deletion/ Sale	Total upto 31-03-2014	As on 31-03-2014	As on 31-03-2013
(A) Tangible Assets :										
LAND *	38,353,400	-	-	38,353,400	-	-	-	-	38,353,400	38,353,400
OFFICE BUILDING *	21,512,487	-	-	21,512,487	4,366,062	718,517	-	5,084,579	16,427,908	17,146,425
VEHICLE	22,688,987	15,848,986	1,306,173	37,231,800	7,551,494	2,411,992	651,708	9,311,778	27,920,022	15,137,493
OFFICE EQUIPMENT	4,873,767	4,137,555	-	9,011,322	997,516	391,251	-	1,388,767	7,622,555	3,876,251
COMPUTER	2,532,428	2,612,520	-	5,144,948	1,734,577	883,664	-	2,618,241	2,526,707	797,851
COMPUTER SERVER	-	398,092	-	398,092	-	132,684	-	132,684	265,408	-
FURNITURE & FIXTURE	3,784,800	4,642,134	-	8,426,934	1,158,090	524,504	-	1,682,594	6,744,340	2,626,710
TOTAL (A)	93,745,869	27,639,287	1,306,173	120,078,983	15,807,739	5,062,612	651,708	20,218,643	99,860,340	77,938,130
(B) INTANGIBLE ASSETS										
COMPUTER SOFTWARE	210,000	-	-	210,000	87,252	70,000	-	157,252	52,748	122,748
TOTAL (B)	210,000	-	-	210,000	87,252	70,000	-	157,252	52,748	122,748
(C) CAPITAL WORK IN PROGRESS										
ASSETS UNDER INSTALLATION	-	2,411,577	-	2,411,577	-	-	-	-	2,411,577	-
TOTAL (C)	-	2,411,577	-	2,411,577	-	-	-	-	2,411,577	-
TOTAL (A)+(B)+(C)	93,955,869	30,050,864	1,306,173	122,700,560	15,894,991	5,132,612	651,708	20,375,895	102,324,665	78,060,878
Previous Year	94,407,415	3,492,995	3,944,541	93,955,869	13,056,521	4,980,301	2,141,831	15,894,991	78,060,878	81,350,894

* 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 THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	AS AT 31/03/2014 (Rs.)	AS AT 31/03/2013 (Rs.)
12	NON-CURRENT INVESTMENTS		
	Equity Shares (Long Term) (Unquoted at cost)		
	<u>Investment in Other than Subsidiaries</u>		
	MVL Constructions Limited		
	9994 Equity shares of Rs. 10/- each	99,940	99,940
	MVL Solar Power Limited		
	24700 Equity Shares of Rs. 10/- each	247,000	247,000
	MVL Telecom Limited		
	(For diminution in the value of permanent nature Refer Note No. 39)	980,000	98,000,000
	9800000 Equity Shares of Rs. 10/- each		
	Shri Tirupati Balaji Electronics Private Limited		
	1123490 Equity Shares of Rs. 10/- each	11,234,900	11,234,900
	Mutual Funds (Quoted at cost)		
	94295 units of Rs.10/- each of Mutual Fund - DSP Black Rock	1,000,000	1,000,000
	Others		
	Investment - Precious Metals	5,923,594	7,670,387
		19,485,434	118,252,227
	Market Value of quoted Securities		
	Mutual Funds	950,684	950,684
13	LONG-TERM LOANS AND ADVANCES		
	Security Deposits	1,927,535	2,135,182
	Prepaid Expenses	3,494,672	9,211,913
	Advance Income Tax	680,963	992,550
	Advances for Projects (Land)	983,174,993	158,932,054
	Advances to Contractors & Suppliers	103,572	103,572
		989,381,735	171,375,271
14	OTHER NON-CURRENT ASSETS		
	Interest accrued	28,132	-
	FDR with Dena Bank	-	401,122
		28,132	401,122
15	INVENTORIES		
	Materials at Site	572,831	4,250,097
	Project Work in Progress (At Cost)	996,169,869	958,453,630
		996,742,700	962,703,727
16	TRADE RECEIVABLES		
	(Unsecured, Considered good unless otherwise specified)		
	Due for over six months	1,756,840,309	2,194,366,719
	Due for less than six months	459,719,871	203,192,863
		2,216,560,180	2,397,559,582
17	CASH AND CASH EQUIVALENTS		
	Cash in Hand and on Imprest	776,724	59,327,333
	Balance with Scheduled Bank (in Current A/c)	13,459,065	12,399,136
	FDR's/ Margin Money with Scheduled Banks (Pledged)	57,115,357	47,006,142
		71,351,146	118,732,611
18	SHORT-TERM LOANS AND ADVANCES		
	(Unsecured, Considered good unless otherwise specified)		
	Advance to Contractors & Suppliers	77,136,398	38,974,393
	Other Advances recoverable in cash or in kind of for value to be received	714,316	1,934,400
		77,850,714	40,908,793

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	For the year ended 31st March 2014	For the Period ended 31st March 2013
19	REVENUE FROM OPERATIONS		
	Sale of Projects	702,654,905	824,384,842
		<u>702,654,905</u>	<u>824,384,842</u>
20	OTHER INCOME		
	Interest from Customers	14,339,050	25,320,619
	Interest from Bank FDR	2,853,551	3,815,884
	Misc. Income	198,605	404,497
		<u>17,391,206</u>	<u>29,541,000</u>
21	COST OF CONSTRUCTIONS / DEVELOPMENT		
	Construction and Land & Development Costs	111,622,478	(165,967,824)
	Construction and Land & Land Development Cost	1,101,230	-
	Other Indirect Costs	243,917,486	424,280,681
	Total cost upto 31.03.2014	<u>356,641,194</u>	<u>258,312,857</u>
22	(INCREASE) DECREASE IN STOCKS		
	Opening Stocks	962,703,727	1,369,663,994
	Closing Stocks	996,742,700	962,703,727
		<u>(34,038,973)</u>	<u>406,960,267</u>
23	EMPLOYEE BENEFITS EXPENSES		
	Salary, Allowances & Welfare	44,876,014	49,299,298
	Bonus	1,359,628	1,573,759
	Contributions to Provident Fund & ESI	772,652	1,172,335
		<u>47,008,294</u>	<u>52,045,392</u>
24	FINANCE COSTS		
	Bank Charges	1,047,709	1,122,056
	Interest	143,199,818	51,941,464
	Hire Purchases Charges	396,293	555,325
		<u>144,643,819</u>	<u>53,618,845</u>

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

NOTE NO.	PARTICULARS	For the year ended 31st March 2014	For the Period ended 31st March 2013
25	OTHER EXPENSES		
	Advertisement	31,918,497	5,346,238
	Auditors Remuneration	674,160	697,943
	Balances Written off	36,382,417	2,255,412
	Books & Periodicals	1,900,064	1,875,610
	Business Promotion	8,319,868	9,138,606
	Conveyance Expenses	5,572,817	4,783,715
	Commission & Brokrage	43,713,300	-
	Diwali Expenses	566,473	-
	Donation	-	75,500
	Electricity Expenses	3,372,261	426,751
	Insurance	184,664	406,805
	Legal & Professional Charges	13,530,827	3,670,147
	Loss on Sale of Fixed Assets	299,465	832,755
	Meeting Expenses	133,387	140,208
	Misc. Expenses	-	17,750
	Membership Fee	615,379	83,846
	Office Expenses	6,268,240	4,585,708
	Postage & Telegram	389,682	470,199
	Printing & Stationery	1,501,845	1,322,181
	Rate, Fee & Taxes	932,083	1,356,042
	Rent	25,706,868	13,865,641
	Repair & Maintenance	1,956,439	2,174,177
	Telephone Exp.	3,238,240	3,383,548
	Travelling Expenses (Director)	2,259,256	3,835,018
	Travelling Expenses (Others)	3,438,840	3,375,997
	Watch & Ward	2,615,743	1,797,165
	Prior Period Expenses (Net)	7,043	1,844,232
		195,497,858	67,761,194

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014
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 31st March 2014 are as under:-

S. No.	Particulars	Current Period		Last Year	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
I Expenses recognized in the statement of Profit and Loss account					
1	Current service cost	7,52,018	13,33,782	5,50,138	7,52,605
2	Interest cost	1,61,167	1,46,924	1,08,316	1,25,331
3	Net Actuarial (gain)/losses recognized	(4,68,599)	(1,22,993)	(55,406)	(3,58,185)
4	Past service cost	-	-	-	-
5	Settlement cost	-	-	-	-
6	Expenses recognized in the statement of profit and loss account	24,89,915	13,57,713	6,03,048	5,19,751
II Net Assets/(Liability) recognized in the Balance sheet					
1	Present value of obligation as at the end of the year	40,63,886	24,90,680	18,62,535	19,76,085
2	Fair value of Plan assets as at the end of the year		-	-	-
3	Funded status [surplus/deficit]	(40,63,886)	(24,90,680)	(1862,535)	(19,57,085)
4	Net Liability recognized in balance sheet	40,63,886	24,90,680	18,62,535	19,76,085
III Change in present value of obligation during the year					
1	Present value of obligation as at the beginning of the year	17,71,071	16,14,553	12,59,133	14,57,338
2	Acquisition adjustment		-	-	-
3	Interest cost	1,61,167	1,46,924	1,08,316	1,25,331
4	Past service cost	-	-	-	-
5	Current service cost	7,52,018	13,33,782	-	7,52,605
6	Settlement cost	-	-	5,50,138	-
7	Benefit paid	(1,97,100)	(4,81,586)	-	(1,004)
8	Actuarial (gain)/loss on obligation	(4,68,599)	(1,22,993)	(55,406)	(3,58,185)
9	Present value of obligation as at the end of the year	40,63,886	24,90,680	18,62,535	19,76,085
IV Change in the plan value of assets during the year					
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	-	-	-	-
Actuarial Assumptions:					
1	Discount rate	9.10%		8.20%	
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	28.79 Years		29.63 Years	

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014
27. Accounting Standards

The Company follows all applicable accounting standards as required under Section 211 (3) (C) of the Companies Act, 1956.

Note No.	Particulars		For the Year Ended 31.03.14 (Rs. in Lacs)	For the Period Ended 31.03.13 (Rs. in Lacs)
28	Contingent Liabilities			
	For Corporate Guarantees given		1500.00	2125.00
	For Bank Guarantees availed		1020.46	1020.46
29	Claims not acknowledged as debt			
	For Commercial disputes		571.04	318.69
30	Advances considered doubtful of recovery for which no provision has been made		1.03	369.53
31	Deferred Tax Liabilities (Net)			
	Deferred Tax Liabilities			
	For Fixed Assets		<u>46.62</u>	<u>43.46</u>
	Deferred Tax Assets			
	For Expenses		(23.25)	(15.87)
	For Employees Retirement Benefits		<u>(12.56)</u>	<u>(11.36)</u>
			<u>(35.81)</u>	<u>(27.23)</u>
	Net Liability		10.81	16.23
32	Auditors Remuneration Covers			
	For Statutory Audit & Tax Audit		3.50	3.50
	For Taxation matters		1.50	1.50
	For Other Services and service tax		0.90	1.47
33	Directors Remuneration Covers			
	Salaries		46.75	39.76
	Sitting fees		1.56	1.95
	Commission		-	2.65
34	Earning per Share (EPS)			
	Particulars	Unit	For the Year Ended 31.03.14	For the Period Ended 31.03.13
	Profit attributable to equity share holder (numerator)	"A" Rs.	820.26 Lacs	968.49 Lacs
	No. of equity shares at the beginning of the year	Nos.	60,12,43,200	60,12,43,200
	No. of equity shares allotted during the year	Nos.	-	-
	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.	0.14	0.16

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

35. Previous year figures have been regrouped and rearranged, wherever necessary.
36. 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.**
37. Some of the Debit and credit balances of Trade Receivables, Trade Payable, Loans, advances, bank account and deposits are subject to confirmation and consequent adjustment if any arising from reconciliation. The Management however is of the view that there will be no material adjustments in this regard.
38. 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.
39. During the year, decline in the value of long term investment in the shares of an unlisted company, has been recognized as that of "other than temporary nature" and value of said investment has been reduced by Rs. 970.20 Lacs by debiting to Statement of Profit and Loss.
40. Interest on loan from banks has been provided as per the last sanction letter. In case of defaults liability for unascertained value of penal interest has not been provided on account of restructuring proposal pending as on the date of balance sheet.
41. Disclosure of Related Party Transactions in accordance with Accounting Standard (AS)- 18 "Related Party Disclosures".
- a) **Associates (Group – A)**
 Shri Balaji Tirupati Electronics Pvt. Ltd.
 Falcon Technosystems Ltd.
- b) **Key Managerial Personnel (Group – B)**
 Mr. Prem Adip Rishi – Chairman
 Mr. Rakesh Gupta – Director
 Mr. Sushil Aggarwal – Vice President (Company Affairs & Legal)
 Mr. Dhiraj Suri – Vice President Operations
- c) **Relatives of Key Managerial Personnel Relative (Group – C)**
 Mr. Arjun Rishi
 Mr. Prem Adip Rishi (HUF)
 Mrs. Anuradha Rishi
- d) **Companies/Parties in which key management Person or his relatives have substantial interest/significant influence (Group – D)**
 Media Holding Pvt. Ltd.
 Media Magnetic Cassettes Ltd.
 Icon Satellite Ltd.
 MVL Credits Holdings & Leasing Ltd.
 Noesis Industries Ltd.
 Risbro Technical Equipment Pvt. Ltd.
 Cardinal Infratech Ltd.

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

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

Summary of transactions carried out with related parties

(Rs. In Lacs)

Sl. No.	Nature of Transactions	Referred in 41 (a)	Referred in 41 (b)	Referred in 41 (c)	Referred in 41 (d)	Total For the year ended 31/03/14	Total For the period ended 31/03/13
i	Advances paid for purchase of immovable Property	-	-	-	449.43	449.43	85.44
ii.	Construction Costs	-	-	-	711.63	711.63	1794.28
iii.	Amounts received against Debts Due	-	-	-	-	-	15105.51
iv.	Director remuneration/ Commission/Sitting Fees	-	48.31	-	-	48.31	44.37
v.	Managerial Remuneration/ contribution to PF	-	29.68	-	-	29.68	31.24
vi.	Rent & Fees	-	-	92.40	-	92.40	84.00
vii.	Refund of share application money received	-	-	-	-	-	99.77
viii.	Reimbursement Received	-	-	-	1.83	1.83	0.52
ix	Corporate Guarantee Given	-	-	-	1500.00	1500.00	2125.00
x	Guarantees Availed	-	-	425.00	5000.00	5425.00	5000.00

xi Year End Balances

Receivables	12.84	-	-	977.68	990.52	16592.25
Payables	-	-	35.56	778.13	813.68	362.14

42. 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.

43. Information pursuant to paragraph 3 & 4 of Part-II of Schedule VI of the Act to the extent applicable is given below:

Particulars		For the Year Ended 31.03.14 (Rs. in Lacs)	For the Period Ended 31.03.13 (Rs. in Lacs)
a)	Gross Revenue (Real Estate)	7026.55	8243.85
b)	Work in progress		
	Opening balance	9584.54	13300.77
	Closing Balance	9961.70	9584.54
c)	Brokerage on Sales	436.05	131.88
d)	Earnings in Foreign Currency	Nil	Nil
e)	Expenditure in Foreign currency		
	- For Traveling	10.06	19.96
	- For others	Nil	27.57
f)	CIF Value of Imports	Nil	Nil

Signature for Note "1" to "43"

Subject to our report of even date
FOR ARUN KISHORE & COMPANY
 Chartered Accountants
 (ICAI Regn. No. : 001898N)

Sd/-
CA Arun Kishore
 Partner
 Membership No.10770
 Place : New Delhi
 Date : 30th May, 2014

For and on behalf of the Board of Directors

Sd/-
(Prem Adip Rishi)
 Managing Director

Sd/-
(Rakesh Gupta)
 Director

Sd/-
(Chetna Tyagi)
 Company Secretary

BOOK POST

MVL Limited

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Registered Office:

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New Delhi-110019 T: +91-11-41662674