

Vascon Pricol Infrastructures Ltd.

ANNUAL REPORT F.Y. 2013-14



Anand Mehta & Associates CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS REPORT

To the Members of Vascon Pricol Infrastructures Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Vascon Pricol Infrastructures Limited (the "Company"), which comprises the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial performance and cash flows of the company in accordance with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 as per sub-section (3C) of section 211 of the Companies Act, 1956 of India (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from financial misstatements, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards with the Standards on Auditing issued by the Institute of Chartered Accountants of India. These Standards require that we comply with Ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
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 risks assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also include evaluating the appropriateness of accounting policies used and 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.

Opinion

- 6 In our opinion, and to the best of our information and according to the explanation given to us the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and in accordance with the accounting standards referred to in section 211(3C) of the said Act:
- In the case of the Balance Sheet , of the state of affairs of the company as at 31st March, 2014;
 - In the case of the Statement of Profit and Loss , loss for the year ended on that date; and
 - In case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

- 7 As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies(Auditor's Report)(Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the Order.
8. **As required by section 227(3) of the Act, we report that:**
- We have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - In our opinion, proper books of accounts as required by laws have been kept by the company so far as appears from our examination of those books.
 - The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub- section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - On the basis of written representation received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Act.

For *Anand Mehta & Associates*
CHARTERED ACCOUNTANTS
F.R No. 127305W

Kulin V. Mehta

Kulin V. Mehta
Partner
M. No. 38440

Pune; 16th May, 2014





Anand Mehta & Associates

Chartered Accountants

ANNEXURE TO AUDITOR'S REPORT

Annexure referred to in Paragraph 7 of the Auditor's report to the shareholders of Vascon Pricol Infrastructures Limited, for the year ended 31st March, 2014.

1. The Company did not have any fixed asset at any time during the year and therefore, the clauses (a), (b) and (c) of Paragraph 4 (i) of the Order are not applicable to the Company.

2.
 - a. The Company is engaged mainly in the construction business. Majority of the stock of the company are in form of developments/work in progress. The stock in the said form has been regularly verified by the management during the year. In our opinion the frequency of verification is reasonable.

 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.

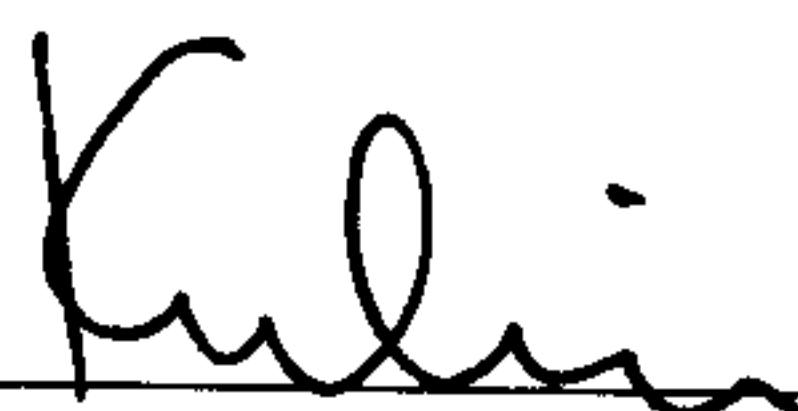
 - c. As per the information and explanations given to us, the Company has maintained proper records of inventory and the discrepancies noticed on verification between the physical stock and book records were not material in relation to the operations of the Company.

3.
 - a. The Company has granted interest free unsecured loan to a wholly owned subsidiary company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount outstanding during the year was Rs. 2,08,00,000/- and the year-end balance of the loan was Rs. 2,08,00,000/-

 - b. The rate of Interest and other terms and conditions of such loans are, in our opinion, prima facie, not prejudicial to the interests of the Company.

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- 9.
- a. According to the information and explanations given to us, the Company was regular in depositing with appropriate authority undisputed statutory dues in respect of Income Tax, Wealth tax, service tax, cess and other statutory dues as may be applicable. There was no arrears of any statutory dues which were outstanding as at year end for a period of more than 6 months from the date they became payable.
 - b. According to the information and explanations given to us, there are no dues of in respect of Income tax, Wealth tax, Service Tax, and Cess which have not been deposited on account of any dispute.
10. The Company does not have any accumulated losses at the end of the financial year. The Company has incurred cash losses during current financial year. The Company has also incurred cash losses in the immediately preceding financial year.
11. The Company has not availed any loans from financial institutions, banks or issued any debentures and therefore, the provisions of Paragraph 4(xi) of the Order are not applicable.
12. According to the explanation and information given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a Chit fund or nidhi or mutual benefit fund/society and therefore, the provisions of Paragraph 4(xiii) of the order are not applicable.
14. According to explanation and information given to us, the Company is neither dealing nor trading in shares, securities, debentures and other investments and therefore, the provisions of Paragraph 4(xiv) of the Order are not applicable.
15. According to the information and explanations given to us, the Company has given Corporate guarantee to the scheduled bank in respect of term loan borrowed by the wholly owned subsidiary company. The Terms and conditions of guarantee are not prima facie prejudicial to the interest of the Company.
16. The Company has not taken any term loan during the year and therefore clause (xvi) of Paragraph 4 of the Order is not applicable.
17. The Company has not raised any short term funds during the year and therefore clause (xvii) of Paragraph 4 of the Order is not applicable.



18. According to the explanation and information given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures and therefore clause (xix) of Paragraph 4 of the Order is not applicable.
20. The Company has not made any issue of shares, debentures or any other securities to the public during the year under review and therefore clause (xx) of Paragraph 4 of the Order is not applicable.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For *Anand Mehta & Associates*

CHARTERED ACCOUNTANTS
Firm Registration No. 127305W

Kulin V Mehta

Kulin V Mehta
Partner
Membership No. 38440



Pune; Dated

16 MAY 2014

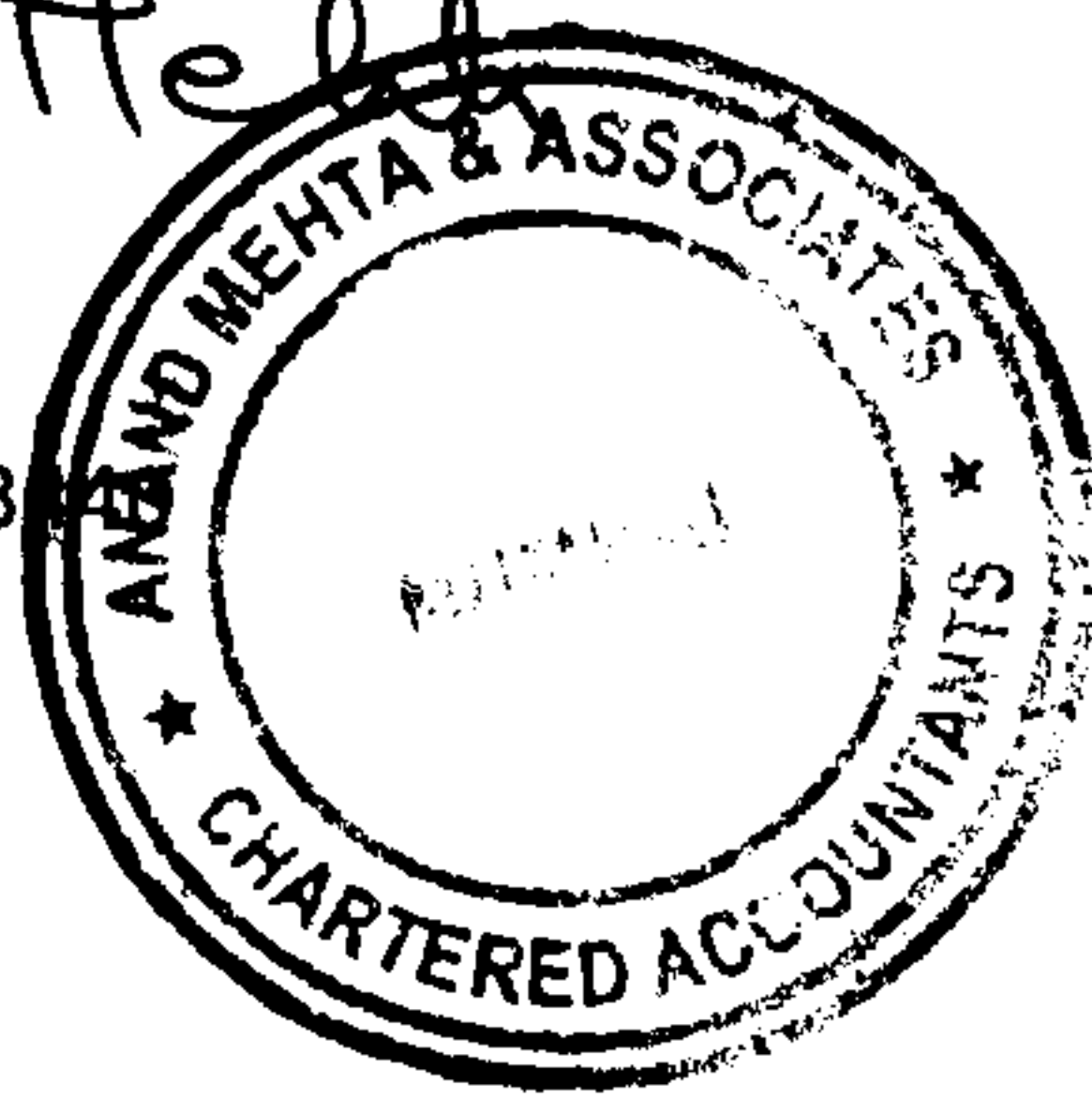
VASCON PRICOL INFRASTRUCTURES LIMITED
Balance Sheet as at March 31, 2014

Particulars	Notes	Currency Indian Rupees	
		March 31, 2014	March 31, 2013
Equity and liabilities			
Shareholders' funds			
Share capital	3	71,000,000	71,000,000
Reserves and surplus	4	22,557,132	24,094,823
Non current liabilities			
Other long term liabilities	5	171,076,536	168,505,106
Current liabilities			
Trade payables	6	145,829,291	117,079,246
Other current liabilities	7	106,103,840	143,839,126
Short term provisions	8	1,548,690	-
Total		518,115,488	524,518,301
Assets			
Non current assets			
Non Current Investments	9	180,000,000	180,000,000
Long term loans and advances	10	27,126,000	54,812,230
Current assets			
Inventories	11	290,878,414	272,312,990
Trade receivables	12	547,917	352,075
Cash and Bank Balances	13	12,588,649	8,754,618
Other current assets	14	6,974,508	8,286,389
Total		518,115,488	524,518,301
Summary of significant accounting policies	2		
Notes to Financial Statements	3 - 28		

The notes referred to above form an integral part of these financial statements.

As per our report of even date
For *Anand Mehta & Associates*
Chartered Accountants
Firm Registration No. 127305W

Kulin V Mehta
Kulin V Mehta
Partner
Membership No. 38
Pune Dated



For and on behalf of the Board of Directors

Dr. Santosh Sundararajan
Dr. Santosh Sundararajan
Director

D Santhanam
D Santhanam
Director

Pune Dated

16 MAY 2014

16 MAY 2014

VASCON PRICOL INFRASTRUCTURES LIMITED
Statement of Profit and Loss for the Year ended March 31, 2014

Particulars	Note	Currency Indian Rupees	
		March 31, 2014	March 31, 2013
Revenue from operations	15	84,261,856	24,232,539
Other income	16	237,364	87,397
Total revenue		84,499,220	24,319,936
Construction Expenses	17	101,851,651	113,189,152
Changes in inventories of Development and Construction material	18	(18,641,407)	(92,262,453)
Finance costs	19	-	5,477,832
Other expenses	20	1,274,974	5,173,239
Total expenses		84,485,218	31,577,770
Profit/(Loss) before Prior Period Adjustments and Tax		14,002	(7,257,834)
Prior period (expenses) / income (net)		-	1,738,896
Profit / (Loss) before tax		14,002	(5,518,938)
Tax expense:			
Current tax		3,000	-
Excess / short provision for tax of earlier periods		1,548,690	1,387,810
		1,551,690	1,387,810
Profit / (loss) for the Year		(1,537,688)	(6,906,748)
Earnings per equity share: (Nominal Value per share of Rs.10/- each) Basic and Diluted.	21	(0.22)	(0.97)
Summary of significant accounting policies	2		
Notes to Financial Statements	3 - 28		

The notes referred to above form an integral part of these financial statements.

As per our report of even date

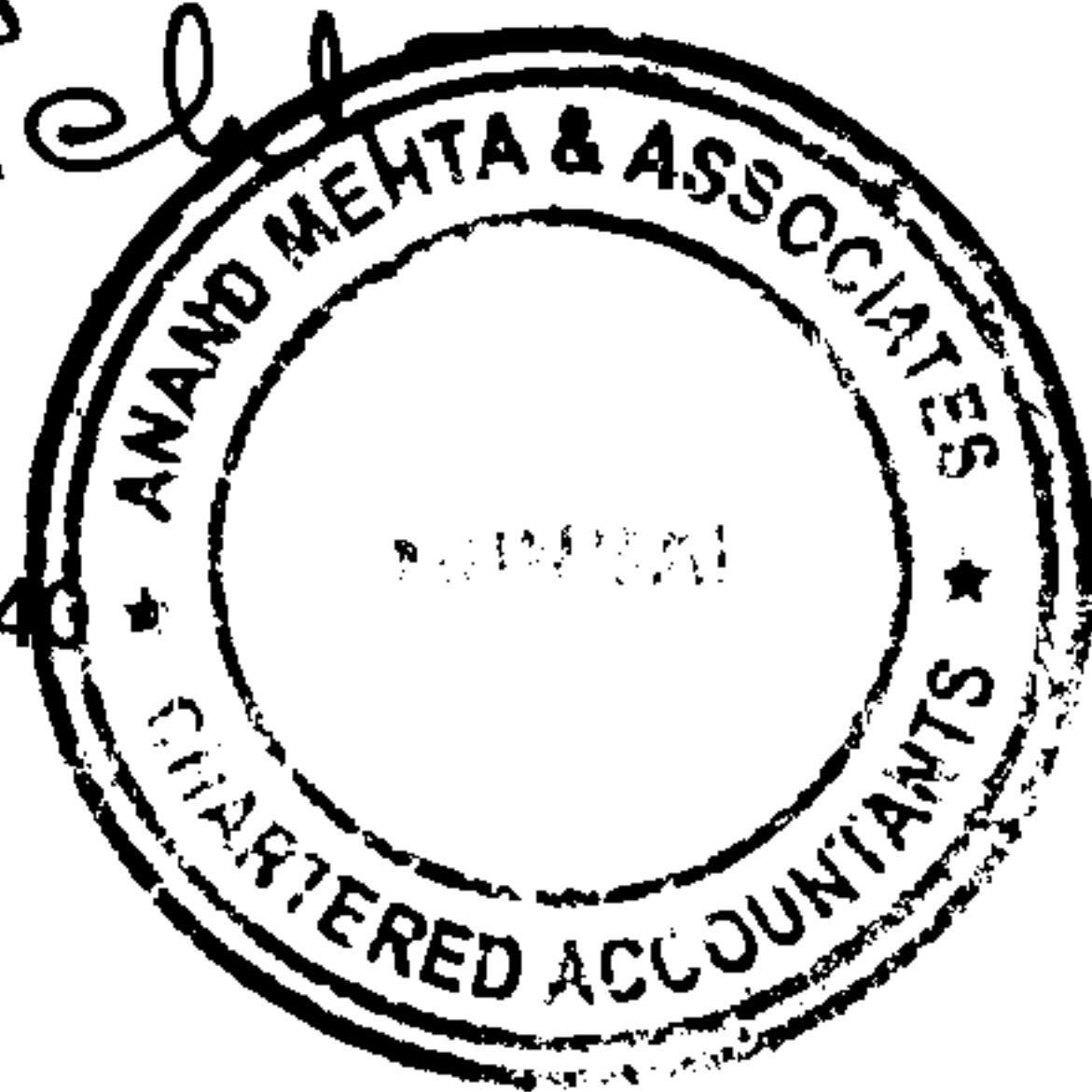
For Anand Mehta & Associates

Chartered Accountants

Firm Registration No. 127305W

Kulin V. Mehta

Kulin V Mehta
Partner
Membership No. 38440
Pune Dated



16 MAY 2014

For and on behalf of the Board of Directors

Dr. Santosh Sundararajan

Dr. Santosh Sundararajan
Director

D Santhanam

D Santhanam
Director

Pune Dated

16 MAY 2014

VASCON PRICOL INFRASTRUCTURES LIMITED
Cash Flow for the Year ended March 31, 2014

Particulars	Currency Indian Rupees	
	March 31, 2014	March 31, 2013
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit /(Loss) Before Taxation and prior period adjustments.	14,002	(7,257,834)
Adjustments Add/(Less):-		
Prior Period (Expenses)/Income	-	1,738,898
Depreciation	-	-
Operating Profit before working capital changes	14,002	(5,518,936)
Income Tax paid during the period	(3,000)	(8,488,810)
Changes in Working Capital		
Decrease / (Increase) in Inventories	(18,565,428)	(92,338,436)
Decrease / (Increase) in Trade Receivables	(195,843)	5,957,708
Decrease / (Increase) in Other Current Assets	(2,288,119)	22,737,984
Decrease / (Increase) in Loans and advances	27,686,230	(35,412,472)
Increase / (Decrease) in Current Liabilities and Provisions.	(6,413,811)	304,322,242
Net Cash Generated from Operating Activities.	234,032	191,259,279
B CASH FLOWS FROM INVESTING ACTIVITIES		
Long Term Investments in Shares.	-	(30,000,000)
Share Application money received /(paid)	3,600,000	(3,100,000)
NET CASH Generated/ (USED) IN INVESTING ACTIVITIES	3,600,000	(33,100,000)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Increase /(Decrease) In Current Share Application Money.	-	-
Increase/(Decrease) in Unsecured Loans.	-	(150,556,822)
Net Cash Generated/ (Used) in Financing Activities.	-	(150,556,822)
NET CASH INFLOW (OUTFLOW) (A+B+C)	3,834,032	7,602,457
Cash and Cash Equivalents at the Beginning of the Year		
a) Balances with banks in current accounts	3,427,479	1,095,137
b) Cash on hand	36,009	57,023
c) Balances with banks in deposit accounts	5,291,130	-
Sub-total	8,754,618	1,152,160
Cash and Cash Equivalents at the end of the Year		
a) Balances with banks in current accounts	5,342,618	3,427,479
b) Cash on hand	36,531	36,009
c) Balances with banks in deposit accounts	7,209,500	5,291,130
Sub-total	12,588,649	8,754,618
Net (Decrease)/ Increase in Cash and Cash Equivalents During The Period.	3,834,032	7,602,457

As per our report of even date

For Anand Mehta & Associates

Chartered Accountants

Firm Registration No. 127305W

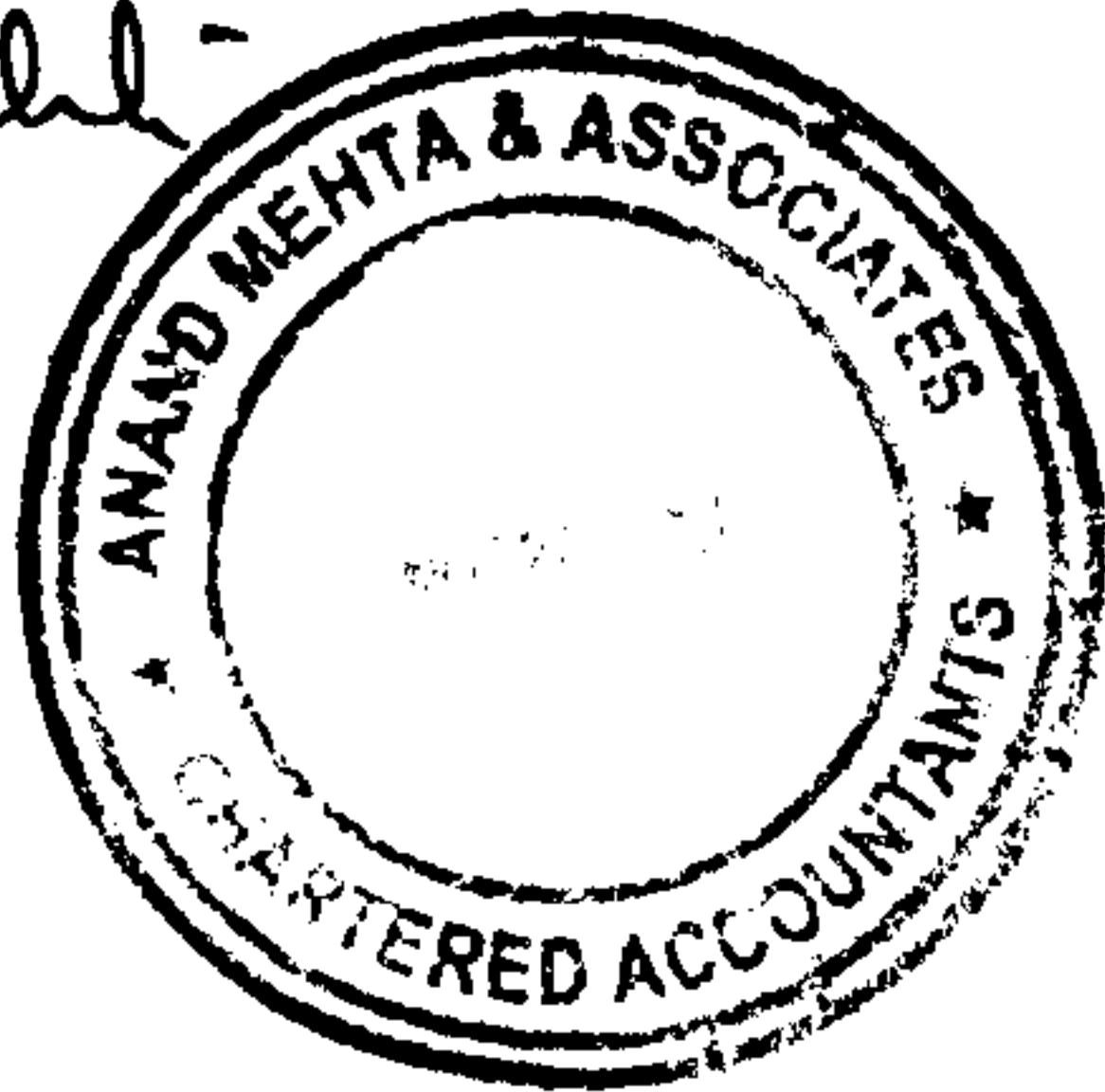
Kulin V Mehta

Kulin V Mehta

Partner

Membership No. 38440

Pune Dated



For and on behalf of the Board of Directors

Dr. Santosh Sundararajan

Dr. Santosh Sundararajan
Director

D Santhanam

D Santhanam
Director

Pune Dated

16 MAY 2014

Vascon Pricol Infrastructures Limited

Notes to the Financial Statements for the Year Ended March 31, 2014

1 The Company overview

Vascon Pricol Infrastructures Limited (Company) was incorporated on 2nd April 2007 and having CIN U45201TZ2007PLC013596. The Company is engaged in the business of Property Developers /Real Estate Developers, Builders.

2 Summary of Significant Accounting policies:

Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

Use of Estimates

The preparation of financial statements in conformity with Indian Generally GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Recognition of Revenue / Cost

Revenue from sale of units (UDS and Construction cost) is recognised as and when the underlying significant risk and rewards of ownership are transferred to the purchaser and when there is no uncertainty of the amount of consideration that will be derived and it is not unreasonable to expect ultimate collection. However, in case where the Company is obligated to perform any substantial acts after the transfer of all significant risks and rewards of ownership, revenue is recognised on proportionate basis as the acts are progressively performed, by applying the percentage of completion method as explained in AS - 7 (Revised), Construction Contracts.

Inventories

Development Work

The development work in progress represents progressive cost of work remaining incomplete/unsold as at close of the year ended is valued at lower of cost or net realisable value on the basis of technical estimate certified by the Managing Director/Expert. Finished goods comprising of constructed units ready for sale are valued at lower of cost and net realisable value.

Contingent Liabilities and Assets

Contingent liabilities, if any, have been disclosed by way of note to balance sheet. Provision has been made in respect of those, which have materialised after the period ended but before finalisation of accounts and have material effect on balance sheet date.

Contingent assets as on the balance sheet, if any, are neither recognised nor disclosed in the financial statements.

Taxes on Income

Taxes on Income are accounted in accordance with AS - 22 " Taxes on Income". Taxes on Income comprise both current tax and deferred tax.

Provision for current tax for the year ended is determined considering the disallowance, exemptions and deductions and/or liabilities / credits and set off available as laid down by the tax law and interpreted by various authorities.

Deferred tax being the tax effect of timing difference representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period (s). This is measured using substantively enacted tax rate and tax regulation.

Vascon Pricol Infrastructures Limited

Notes to the Financial Statements for the Year Ended March 31, 2014

Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Investments

Non current investments are carried at Cost . The Profit/(Loss) on sale of investments in securities/ properties is dealt with at the time of actual sale. Provision has been made in respect of diminution in the value of investments only if it is considered other than temporary in nature, in the opinion of the management.

Vascon Pricol Infrastructures Limited

Notes to the Financial Statements for the Year Ended March 31, 2014

Particulars	March 31, 2014		Currency Indian Rupees March 31, 2013	
3 Share capital				
Authorised Capital				
10,000,000 (10,000,000) equity shares of Rs. 10/- each	100,000,000		100,000,000	
	<u>100,000,000</u>		<u>100,000,000</u>	
Issued subscribed and paid up				
7,100,000 (7,100,000) equity shares of Rs. 10/- each fully paid up	71,000,000		71,000,000	
	<u>71,000,000</u>		<u>71,000,000</u>	
Reconciliation of the Number of shares				
Description	Number of shares	Amount	Number of shares	Amount
No. of Equity shares outstanding at the beginning of the year.	7,100,000	71,000,000	7,100,000	71,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
No of Equity shares outstanding at the end of the year.	<u>7,100,000</u>	<u>71,000,000</u>	<u>7,100,000</u>	<u>71,000,000</u>
Shareholders holding more than 5 percent shares in the Company				
Name of the shareholder	Number of shares	% of Holding	Number of shares	% of Holding
Vascon Engineers Limited	4,970,000	70%	4,970,000	70%
Pricol Properties Limited	2,130,000	30%	2,130,000	30%
Total	<u>7,100,000</u>	<u>100%</u>	<u>7,100,000</u>	<u>100%</u>
The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote per share.				
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after discharge of liabilities and distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.				
4 Reserves and surplus				
Surplus/(Deficit) in the statement of Profit and Loss				
At the commencement of the year		24,094,820		31,001,571
Add /(Less) :-Profit/(Loss) transferred for the year		(1,537,688)		(6,906,748)
Net Surplus /(deficit) in the statement of Profit and Loss		<u>22,557,132</u>		<u>24,094,823</u>
5 Other long term liabilities				
Procurement Advances				
Vascon Engineers Limited		119,794,376		119,794,376
Pricol Properties Limited		51,282,160		48,710,730
		<u>171,076,536</u>		<u>168,505,106</u>
6 Trade payables				
Trade Payables (Refer Note No.26)				
		145,829,291		117,079,246
		<u>145,829,291</u>		<u>117,079,246</u>

Vascon Pricol Infrastructures Limited

Notes to the Financial Statements for the Year Ended March 31, 2014

Particulars	March 31, 2014	Currency Indian Rupees March 31, 2013
7 Other current liabilities		
Statutory and other liabilities	4,134,760	1,400,247
Advance from customers	20,409,895	15,132,529
Less: related unbilled revenue	<u>(1,392,686)</u>	<u>(743,556)</u>
	19,017,209	14,388,973
Unearned receivables	103,154,554	149,527,065
Less: related debtors	<u>(24,941,161)</u>	<u>(21,477,159)</u>
	78,213,393	128,049,906
Others	4,738,478	-
	<u>106,103,840</u>	<u>143,839,126</u>
8 Short term provisions		
Taxation(Net of advance Tax & TDS)	1,548,690	-
	<u>1,548,690</u>	<u>-</u>
9 Non Current Investments		
Others: (At Cost)		
Investment in equity instruments		
Wholly owned subsidiary		
Caspia Hotels Private Limited	180,000,000	180,000,000
18,000,000 (18,000,000) equity shares of Rs. 10/- each fully paid up		
	<u>180,000,000</u>	<u>180,000,000</u>
10 Long term loans and advances		
(Unsecured considered good unless otherwise stated)		
Security deposits	6,326,000	54,812,230
Add / (less) : provision for doubtful loans and advances	<u>-</u>	<u>-</u>
	6,326,000	54,812,230
Advances / loans to subsidiaries	20,800,000	-
	<u>27,126,000</u>	<u>54,812,230</u>
11 Inventories (At cost)		
Construction materials / tools	-	75,983
Developments	243,297,429	224,656,022
Plot of Land*	47,580,985	47,580,985
	<u>290,878,414</u>	<u>272,312,990</u>
* The land is given as collateral security for the term loan borrowed by wholly owned subsidiary Caspia Hotels Pvt Ltd.		
12 Trade receivables		
(Unsecured Considered Good, Unless Otherwise Stated)		
Outstanding for period exceeding six months	21,803,675	-
Others	3,685,403	21,829,234
	<u>25,489,078</u>	<u>21,829,234</u>
(Less) : related unearned receivables	(24,941,161)	(21,477,159)
(Less) : bills discounted accepted by customers		
	<u>547,917</u>	<u>352,075</u>

Vascon Pricol Infrastructures Limited**Notes to the Financial Statements for the Year Ended March 31, 2014**Currency Indian Rupees
March 31, 2013

Particulars	March 31, 2014	March 31, 2013
13 Cash and Bank Balances		
a) Cash and Cash Equivalents		
Balances with banks in current accounts	5,342,618	3,427,479
Balances with banks in deposit accounts with original maturity of less than 3 months	-	5,291,130
Cash on hand	36,531	36,009
b) Other Bank Balances		
Balances with banks in short term deposit accounts.	7,209,500	-
	<u>12,588,649</u>	<u>8,754,618</u>
14 Other current assets		
Trade Advance	1,118,100	2,437,770
Advance income tax	59,364	-
Unbilled revenue	1,824,412	1,928,011
(Less) : related advance payment received	<u>(1,392,686)</u>	<u>(743,556)</u>
	431,726	1,184,455
Prepaid expenses	-	14,725
Statutory dues recoverable	5,322,892	1,049,439
Other recoverables and receivables	42,426	-
Share application money paid	-	3,600,000
	<u>6,974,508</u>	<u>8,286,389</u>

Vascon Pricol Infrastructures Limited

Notes to the Financial Statements for the Year Ended March 31, 2014

Particulars	Currency Indian Rupees	
	March 31, 2014	March 31, 2013
15 Revenue from operations		
Contract revenue recognised / sales (gross)		
- Sale of unit	84,261,856	24,232,539
	<u>84,261,856</u>	<u>24,232,539</u>
16 Other income		
Interest income	62,364	81,630
Miscellaneous income	175,000	5,767
	<u>237,364</u>	<u>87,397</u>
17 Construction Expenses		
Cost of material consumed	101,851,651	113,189,152
	<u>101,851,651</u>	<u>113,189,152</u>
18 Changes in inventories of Development and Construction material		
Opening Stock of Developments	272,237,007	179,974,555
Closing Stock of Developments	290,878,414	272,237,007
	<u>(18,641,407)</u>	<u>(92,262,453)</u>
19 Finance costs		
Interest expense	-	5,477,832
	<u>-</u>	<u>5,477,832</u>
20 Other expenses		
Auditors Remunerations	89,888	89,888
Advertisement	4,725	211,613
Bank charges	3,703	8,723
Brokerage / commission	301,660	-
Electricity charges	242,987	356,524
Insurance	14,725	1,512
Other expenses	70,590	610,860
Postage and telephone	86,347	85,672
Printing and stationery	71,886	52,918
Rates and taxes	136	5,737
Repairs and Maintenance	-	53,789
Sales promotion expenses	-	3,181,802
Travelling expenses	-	19,885
Service charges/professional fees/retainers	388,327	494,316
	<u>1,274,974</u>	<u>5,173,239</u>
Auditors Remunerations :		
Audit Fee	55,000	55,000
Tax Audit Fees	25,000	25,000
Total	<u>80,000</u>	<u>80,000</u>
(Fees mentioned above does not includes service tax and education cess thereon)		
Tax expense:		
Current tax	3,000	-
Excess / short provision for tax of earlier years	1,548,690	1,387,810
	<u>1,551,690</u>	<u>1,387,810</u>
The components of deferred tax assets and liabilities are as follows:		
21 Earning per share (EPS)		
Net Profit / (Loss) as per Statement of Profit and Loss	(1,537,688)	(6,906,748)
Weighted average number of shares outstanding	7,100,000	7,100,000
Face Value per share	10	10
Earning Per Share - Basic and Diluted	(0.22)	(0.97)

Vascon Pricol Infrastructures Limited

Notes to the Financial Statements for the Year Ended March 31, 2014

22 Contingent Liabilities :

Particulars	March 31, 2014	March 31, 2013
Corporate Guarantee given for Caspia Hotels Private Limited	346,200,000	346,200,000

23 Related Party Disclosure

The related parties as defined by accounting standard 18 'Related party disclosure' issued by the institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons taken on record by the Board.

Names of related parties

1. Holding Company
- Vascon Engineers Limited

2. Joint Venturer

- Pricol Properties Limited

3. Fellow Subsidiaries

- Marvel Housing Private Limited
- Grey Stone Premises Private Limited
- Vascon Dwellings Private Limited
- IT CIII Info Park Private Limited
- Windflower Properties Private Limited
- GMP Technical Solution Private Limited
- Floriana Properties Private Limited
- Vascon Renaissance EPC Limited Liability Partnership
- Just Homes India Private Limited
- Almf Corporation Limited
- Marathawada Realtors Private Limited

4. Subsidiary Company

- Caspia Hotels Private Limited

5. Stepdown Fellow Subsidiary

- GMP Technical solutions Middle East (FZE)

6. Key Management Personnel

- D. Santhanam
- M. Krishnamurthi

Transactions with related parties:

Name of related party	Nature of relations	Type of transaction	Transaction Amount (Rs.)
Vascon Engineers Limited	Holding Co.	Loan Taken	0 (58,89,000)
Vascon Engineers Limited	Holding Co.	Loan repaid	0 (114,78,337)
Vascon Engineers Limited	Holding Co.	Project Loans and Advances Taken	0 (1,20,78,337)
Vascon Engineers Limited	Holding Co.	Purchase (Contract for Construction)	94,61,540 (1,05,89,201)
Vascon Engineers Limited	Holding Co.	Interest on Loan taken (Incl. TDS)	0 (3,87,183)
Pricol Properties Limited	Investing co.	Interest on Loan taken (Incl. TDS)	0 (1,60,764)
Pricol Properties Limited	Investing co.	Loan Taken	0 (2,10,000)
Pricol Properties Limited	Investing co.	Loan Repaid	0 (48,69,249)
Pricol Properties Limited	Investing co.	Project Loans and Advances Taken	2,57,143 (48,71,730)
Caspia Hotels Private Limited	Subsidiary co.	Share appln. money paid	0 (33,10,000)
Caspia Hotels Private Limited	Subsidiary co.	Share appln. money received back	3,60,000 (0)
Caspia Hotels Private Limited	Subsidiary co.	Unsecured Loans Given	2,08,00,000 (0)
Caspia Hotels Private Limited	Subsidiary co.	Allotment of Equity Shares recd.	0 (30,00,000)
Caspia Hotels Private Limited	Subsidiary co.	Expenses Reimbursement.	352,720 (0)
Vascon Engineers Limited	Holding Co.	Expenses Reimbursement.	449,629 (832,625)
Caspia Hotels Private Limited	Subsidiary co.	Corporate Gurantee Given on behalf of Subsidiary	34,62,00,000 (34,62,00,000)

Vascon Pricol Infrastructures Limited

Notes to the Financial Statements for the Year Ended March 31, 2014

Particulars	Type of transaction	Due to Company	Due by Company
Vascon Engineers Limited	Expenses reimbursement	824,076	NIL
Vascon Engineers Limited	Creditors	Nil	134,942,081
Vascon Engineers Limited	Project Advance	Nil	119,794,376
Caspia Hotels Private Limited	Share Application Money	Nil	Nil
Caspia Hotels Private Limited	Unsecured Loans	20,800,000	Nil
Caspia Hotels Private Limited	Expenses reimbursement	352,720	Nil
Pricol Properties Limited.	Project Advance	Nil	51,282,160

24 Segment Reporting

Business Segments :- The Company is solely engaged in Real Estate business as of the Balance sheet date. The entire operation are governed by the same set of risk and returns, hence the same has been considered as representing a single primary segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard-17 on Segment reporting.

Geographical Segments :- The Company sells its products and services within India with nil income from overseas markets and do not have any operations in economic environments with different set of risk and returns. Hence it is considered operating in a single geographical segment.

25 In absence of virtual certainty of taxable income in subsequent periods no provision for deferred tax assets in respect of carried forward business losses has been made.

Particulars	March 31, 2014	March 31, 2013
Components of deferred tax assets are as follows:		
On account of carried forward losses	(1,700,705)	(1,705,031)
Net deferred tax asset	(1,700,705)	(1,705,031)

26 The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006. [MSMED Act] is as under:

Particulars	March 31, 2014	March 31, 2013
Principal amount payable to suppliers at the Yearend	-	-
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the Year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

Details of Earnings and Expenditure in Foreign Currency	March 31, 2014	March 31, 2013
Earnings	-	-
Expenditure	-	-

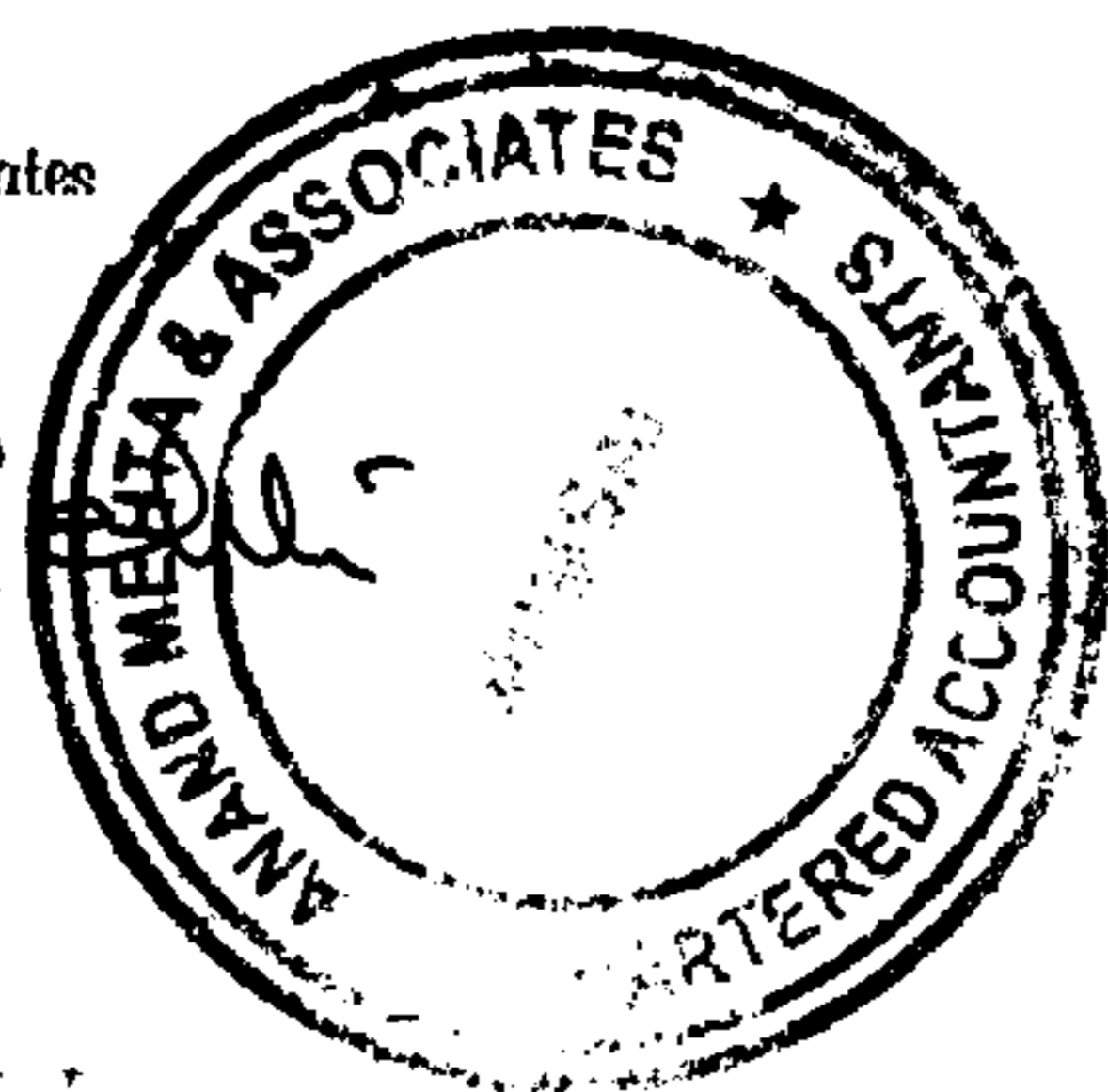
28 Previous Year figures have been regrouped, reclassified and shown in bracket where ever necessary to confirm current Year classification.

As per our report of even date

For Anand Mehta & Associates
Chartered Accountants
Firm Registration No. 127305W

Kulin V. Mehta

Kulin V Mehta
Partner.
Membership No. 38440
Pune Dated



For and on behalf of the Board of Directors

Dr. Santosh Sundararajan

Dr. Santosh Sundararajan
Director

D. Santhanam

D. Santhanam
Director

Pune Dated

16 MAY 2014