

**ARVIND INFRASTRUCTURE LIMITED**

**ANNUAL ACCOUNTS**

**2010-2011**

# ARVIND INFRASTRUCTURE LIMITED

## NOTICE

NOTICE is hereby given that the THIRD Annual General Meeting of the Members of ARVIND INFRASTRUCTURE LIMITED will be held on Thursday, the 22<sup>nd</sup> September, 2011 at 11.30 a.m. at the Registered Office of the Company at Arvind Limited Premises, Naroda Road, Ahmedabad-380 025 to transact the following Business:-

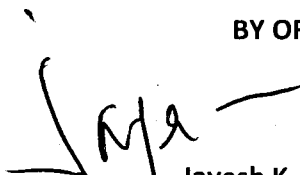
### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kamal Singal, who retires by rotation in terms of Article 149 of the Articles of Association of the Company and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company to hold office up to the conclusion of the next Annual General Meeting and to fix their remuneration.

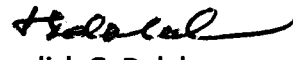
**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**

Registered Office :  
Arvind Limited Premises,  
Naroda Road,  
Ahmedabad-380 009

BY ORDER OF THE BOARD



Jayesh K. Shah  
(Director)



Jagdish G. Dalal  
(Director)

Date : 30<sup>th</sup> April, 2011  
Place : Ahmedabad

# ARVIND INFRASTRUCTURE LIMITED

Arvind Limited Premises, Naroda Road, Ahmedabad-380 025

## DIRECTORS' REPORT

To  
The Members  
Arvind Infrastructure Limited  
Ahmedabad.

Your Directors have pleasure in presenting their Third Annual Report together with the Audited Accounts of the company for the year ended 31st March, 2011.

### 1. Financial Results:

Particulars	2010-11	2009-10
Profit Before Tax and Depreciation	17,44,290	2,52,040
Less: Depreciation	1,60,192	674
Profit Before Taxes	15,84,098	2,51,370
Less: Provision for Taxes	8,99,313	80,510
Profit After Tax	6,84,785	1,70,860
Balance Brought Forward from Previous Year	1,70,860	Nil
Balance Carried Forward to Balance Sheet	8,55,645	1,70,860

### 2. Operations

During the year ended on March 31, 2011, the company has earned revenue of Rs. 31,12,32,361/- as compared to Rs. 3,97,089/- for the year ended on March 31, 2010. Profit After Tax was Rs. 6,84,785/- as against Rs. 1,70,860/- in previous year.

### 3. Dividend

In order to conserve the resources for the future development of the Company, the Directors have decided to plough back the profits and not to declare dividend for the Financial Year 2010-2011

### 4. Directors

Mr. Kamal Singal, the Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

### 5. Deposit

The Company has not accepted any deposit from public.

### 6. SUBSIDIARY

The Company is a wholly owned subsidiary of Arvind Limited.

### 7. Particulars of Employees

The Company does not have any employee covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## 8. Directors Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, the Board of Directors of the company confirms:

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- (iii) that the directors have taken proper and sufficient care 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.
- (iv) that the director had prepared the annual accounts on a going concern basis.

## 9. Conservation of energy, technology absorption and foreign exchange earnings and outgo:

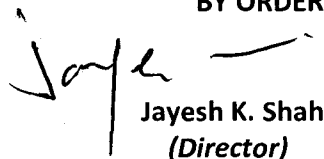
Information in accordance with the provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rule, 1988 regarding Conservation of Energy and Technology Absorption are not given as the Company has not undertaken any manufacturing activity.

There were no Foreign Exchange Earnings or Outgo during the period under review.

## 10. Auditors

M/s. G. K. Choksi & Co., Chartered Accountants, Ahmedabad, retire at the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for reappointment. You are requested to appoint Auditors and to fix their remuneration.

BY ORDER OF THE BOARD

  
Jayesh K. Shah  
(Director)

  
Jagdish G. Dalal  
(Director)

Date : 30<sup>th</sup> April, 2011  
Place : Ahmedabad

# *G. K. Choksi & Co.*

*Chartered Accountants*

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.  
Dial : 91 - 79 - 30012009 Fax : 91 - 79 - 26569929 E-mail : gkchoksi@hotmail.com

## **AUDITORS' REPORT**

To:  
The Members,  
**Arvind Infrastructure Limited**  
Ahmedabad.

1. We have audited the attached Balance Sheet of Arvind Infrastructure Limited as at 31st March, 2011 and also Profit and Loss Account and Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis evidence supporting, the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
  - a. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account have been kept by the Company as required by law so far as appears from our examination of those books.
  - c. The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d. In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e. On the basis of written representation received from the directors of the company as at March 31<sup>st</sup>, 2011 and taken on record by the board of directors, we report that none of the directors is disqualified from being appointed as director of company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

601, Raheja Chambers, Free Press Journal Road, Nariman Point, MUMBAI - 400 021.  
Dial : 91-22-66324446/47 FAX : 91-22-22882133 Email : mumbai@gkcco.com

'Surya Bhavan', Station Road, PETLAD - 388 450. Dial : 91-2697-224108

Branches : 'Kirti Kunj', Station Road, NADIAD - 387 001. Dial : 91-268-2584279

515, Tolstoy House, Tolstoy Marg, Janpath, New Delhi - 110 001



- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view; in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011;
  - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date and
  - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**FOR G. K. CHOKSI & CO.**  
Firm Registration No. 101895W  
*Chartered Accountants*

*Rohit K. Choksi*

**ROHIT K. CHOKSI**  
*Partner*

Membership No. 31103

Place : Ahmedabad  
Date : 30<sup>th</sup> April, 2011



**ANNEXURE TO THE AUDITORS' REPORT**

**Re: Arvind Infrastructure Limited**  
(Referred to in paragraph 3 of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The Company has not disposed of any substantial part of its fixed assets during the period as would affect its going concern status.
- (ii) (a) Inventory comprising of unsold developed plots have been physically verified by the management during the period under review. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification 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 is maintaining proper records of inventories. There were no discrepancies between the physical stocks and the book records.
- (iii) The Company has neither taken nor granted any loans, secured or unsecured, from / to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the clauses 4(iii) (a) to 4(g) of the order are not applicable.
- (iv) In our opinion and according to information and explanations given to us; there is adequate internal control system commensurate with the size of the Company and the nature of the business, with regard to purchase of fixed assets, inventories comprising of plots and sale of plots.

During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.

- (v) (a) According to the information and explanations given to us, we are of the opinion that there are no contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (b) According to the information and explanations given to us, since there are no such contracts and arrangements, paragraph 4(v)(b) of the order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA or other relevant provisions of the Act and the rules framed there under.
- (vii) The share capital of the company does not exceed Rs. 50 lacs and the average turnover of the company for the preceding three financial years does not exceed Rs. 5 Crores. Accordingly related to internal audit is not applicable.
- (viii) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209(1)(d) of the Companies Act, 1956.



- (ix) (a) The Company is generally regular in depositing undisputed statutory dues with appropriate authorities.
- (b) According to the information and explanations given to us, the Company had no disputed outstanding statutory dues as at 31st March, 2011.
- (x) Since the company has not completed five years of incorporation, the clause 4(iii)(x) is not applicable.
- (xi) According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.
- (xii) As per the information and explanations given to us, the Company has not granted any loan or advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to Chit fund, Nidhi or Mutual Benefit Funds/Societies are not applicable to the Company.
- (xiv) According to the information and explanation given to us, the Company does not deal or trade in shares, securities, debentures and other investments.
- (xv) The company has not given guarantees for loans taken by others from banks or financial institutions.
- (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, we report that the Company has not utilised any funds raised on short term basis for long term investments.
- (xviii) The Company has not made any preferential allotment to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the period under review.
- (xx) The Company has not raised any money by public issues during the period under review.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under review.

FOR G. K. CHOKSI & CO.  
[Firm Registration No. 101895W]  
Chartered Accountants

*Rohit K. Choksi*

ROHIT K. CHOKSI  
Partner

Membership No. 31103

Place : Ahmedabad  
Date : 30<sup>th</sup> April, 2011





**ARVIND INFRASTRUCTURE LIMITED**

**Balance Sheet as at 31st March, 2011**

Particulars	Schedule	As at 31st March, 2011		As at
		Amount (Rs.)	Amount (Rs.)	31/03/2010 Amount (Rs.)
<b>SOURCES OF FUNDS</b>				
<b>Shareholders' Funds</b>				
Share Capital	1		5 00 000	5 00 000
<b>Reserves and Surplus</b>				
Profit and Loss Account			8 55 645	1 70 860
<b>Loan Funds</b>				
Secured Loan	2	3 00 00 000		7 00 00 000
Unsecured Loans		21 96 24 793		0
			24 96 24 793	7 00 00 000
Deferred Tax Liability			5 14 823	510
<b>Total :</b>			25 14 95 261	7 06 71 370
<b>APPLICATION OF FUNDS</b>				
<b>Fixed Assets</b>				
Gross Block	3	66 87 027		29 400
Less: Accumulated Depreciation		1 60 866		674
			65 26 161	28 726
<b>Investments</b>	4		16 66 03 964	0
<b>Current Assets, Loans and Advances</b>				
Inventories	5	2 76 96 030		27 09 32 001
Sundry Debtors		61 47 098		0
Cash and Bank Balances		74 70 289		1 38 27 826
Loans and Advances		4 12 20 315		9 80 145
		8 25 33 732		28 57 39 972
<b>Less : Current liabilities and provisions</b>	6			
Current liabilities		37 03 596		21 50 17 328
Provision		4 65 000		80 000
		41 68 596		21 50 97 328
<b>Net Current Assets :</b>			7 83 65 136	7 06 42 644
<b>Total :</b>			25 14 95 261	7 06 71 370

Significant Accounting Policy 11  
Notes forming part of accounts 12

As per our attached report of even date

FOR G. K. CHOKSI & CO.

Firm Registration No. 101895W

Chartered Accountants

*Rohit Choksi*  
ROHIT K. CHOKSI

Partner

Place: Ahmedabad.

FOR ARVIND INFRASTRUCTURE LIMITED

*Director*  
Director

*Director*  
Director

Place : Ahmedabad

**ARVIND INFRASTRUCTURE LIMITED**

**Profit and Loss Account for the year ended on 31st March, 2011**

Particulars	Schedule	For the year ended 31/03/2011 Amount (Rs.)	For the year ended 31/03/10 Amount (Rs.)
<b>INCOME</b>			
Income from Operations	7	29 80 76 879	0
Other Income	8	1 31 55 482	3 97 089
		<u>31 12 32 361</u>	<u>3 97 089</u>
<b>EXPENDITURE</b>			
Project Development Expenses			
Opening Work-in Progress		27 09 32 001	0
Add : Project Development Expenses	9	6 56 31 463	27 09 32 001
		<u>33 65 63 464</u>	<u>27 09 32 001</u>
Less : Closing Work In Progress / Stock of unsold developed plots		2 76 96 030	27 09 32 001
		<u>30 88 67 434</u>	<u>0</u>
Administration and Other Expenses	10	5 23 674	1 45 045
Loss from Limited Liability Partnership		96 963	0
Depreciation		1 60 192	674
		<u>30 96 48 263</u>	<u>1 45 719</u>
<b>Profit Before Tax</b>		<b>15 84 098</b>	<b>2 51 370</b>
<b>Provision</b>			
Current Tax		3 85 000	80 000
Deferred Tax		5 14 313	510
		<u>8 99 313</u>	<u>80 510</u>
<b>Profit/(Loss) After Tax</b>		<b>6 84 785</b>	<b>1 70 860</b>
Balance Carried from Previous Year		1 70 860	0
<b>Balance Carried to Balance Sheet</b>		<b>8 55 645</b>	<b>1 70 860</b>
Basic and Diluted Earnings per Equity Share (Refer Note No. 2 of Schedule - '12')		13.70	3.42

Significant Accounting Policy 11  
Notes forming part of accounts 12


As per our attached report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

*Rohit K. Choksi*  
ROHIT K. CHOKSI  
Partner



Place: Ahmedabad.

FOR ARVIND INFRASTRUCTURE LIMITED

*S. Dalal*  
Director

*[Signature]*  
Director

Place : Ahmedabad

**ARVIND INFRASTRUCTURE LIMITED**

**Cash Flow Statement for the year ended 31st March, 2011**

[Amount in Rs.]

Particulars	For the year ended 31/03/2011	For the year ended 31/03/2010
<b>A. Cash flow from operating activities:</b>		
Profit/(Loss) for the year before taxation and exceptional items	15 84 098	3 04 801
Adjustments for :		
Loss from LLP	96 963	0
Depreciation and Amortization	1 60 192	674
Interest Expenses	2 45 96 889	0
Interest Income	( 94 29 632)	( 3 97 089)
Operating profit before working capital changes	<u>1 70 08 510</u>	<u>( 91 614)</u>
Adjustments for:		
Trade and other receivables	(4 53 16 430)	( 9 39 848)
Inventories	24 32 35 971	(27 09 32 001)
Trade payables	<u>(21 13 13 731)</u>	<u>21 49 84 247</u>
Cash generated from operations	36 14 321	(5 69 79 216)
Direct taxes Refund/(paid)	<u>( 10 70 839)</u>	<u>( 40 297)</u>
<b>Net cash from operating activities</b>	<b>[A] 25 43 482</b>	<b>(5 70 19 513)</b>
<b>B. Cash flow from investing activities</b>		
Investments	(16 66 03 964)	0
Purchase of fixed assets	( 66 57 627)	( 29 400)
Loss from LLP	( 96 963)	0
Interest received	94 29 632	3 97 089
<b>Net cash used in investing activities</b>	<b>[B] (16 39 28 923)</b>	<b>3 67 689</b>
<b>C. Cash flow from financing activities</b>		
Procurement/(Repayment) of long/ short term borrowings	17 96 24 793	7 00 00 000
Interest Expenses	(2 45 96 889)	0
<b>Net cash flow from financial activities</b>	<b>[C] 15 50 27 904</b>	<b>7 00 00 000</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>	<b>[A+B+C] ( 63 57 537)</b>	<b>1 33 48 176</b>
Cash and cash equivalents opening	1 38 27 826	4 79 650
Cash and cash equivalents closing	<u>74 70 289</u>	<u>1 38 27 826</u>

**Explanatory Notes to Cash Flow Statement**

- The Cash Flow Statement is prepared in accordance with the format prescribed by Accounting Standard 3 as prescribed by the Institute of Chartered Accountants of India.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

**FOR G. K. CHOKSI & CO.**

[Firm Registration No. 101895W]

*Chartered Accountants*

*Ronit Choksi*  
**RONIT K. CHOKSI**  
 Partner



Place : Ahmedabad

**FOR ARVIND INFRASTRUCTURE LIMITED**

*Harshad*  
 Director

*Harshad*  
 Director

Place : Ahmedabad

**ARVIND INFRASTRUCTURE LIMITED**

**Schedule - '1' Share Capital**

Particulars	As at 31st March, 2011		As at
	Amount (Rs.)	Amount (Rs.)	31/03/2010 Amount (Rs.)
<b>Authorised :</b>			
50,000 Equity Shares of Rs.10/- each		5 00 000	5 00 000
<b>Issued, Subscribed and Paid-up :</b>			
50,000 Equity Shares of Rs.10/- each fully paid up		5 00 000	5 00 000
(The above shares are held by holding company "Arvind Limited" and its Nominees)			
<b>Total :</b>		5 00 000	5 00 000

**Schedule - '2' : Loan Funds**

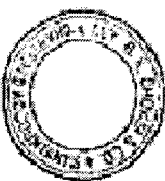
<b>Secured Loans</b>			
Housing Development Finance Corporation Limited (Secured against mortgage of property "Arvind Alcove" being land on survey nos. 28 and 38/P at Sanavad, further secured by receivable including booking amounts arising out of or in connection with the project and corporate guarantee by holding company)		3 00 00 000	7 00 00 000
<b>Unsecured Loans</b>			
Inter Corporate Loans		21 96 24 793	0
<b>Total :</b>		24 96 24 793	7 00 00 000



ARVIND INFRASTRUCTURE LIMITED

Schedule - '3' : Fixed Assets

Name of Assets	GROSS BLOCK (At cost)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01/04/2010 Rs.	Additional Adjustments Rs.	Deductions Adjustments Rs.	As at 31/03/2011 Rs.	Up to 31/03/2010 Rs.	For the year Rs.	Deductions Adjustments Rs.	Up to 31/03/2011 Rs.	As at 31/03/2011 Rs.	As at 31/03/2010 Rs.
<b>Tangible Assets</b>										
Site Equipments	0	44,39,981	0	44,39,981	0	41,671	0	41,671	13,98,310	0
Office Equipments	29,400	(30,688)	0	60,098	674	(2,485)	0	(3,159)	(68,827)	(29,726)
Computers	0	(3,36,578)	0	(3,36,578)	0	4,000	0	4,000	3,31,919	0
Furniture & Fixtures	0	(51,475)	0	(51,475)	0	(2,620)	0	(2,552)	(48,823)	0
Vehicles	0	8,01,325	0	8,01,325	0	37,544	0	37,544	5,63,784	0
	29,400	24,90,046	0	24,89,446	674	88,912	0	89,598	23,99,660	29,726
<b>Intangible Assets</b>										
Computer Software	0	41,97,591	0	41,97,591	0	71,290	0	71,290	41,26,301	0
<b>Total :</b>	29,400	86,57,927	0	86,57,927	674	1,60,192	0	1,60,866	95,26,161	29,726
Previous Year :	0	29,400	0	29,400	0	674	0	674	28,726	



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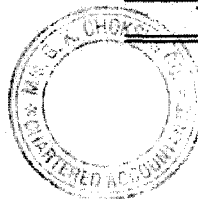
**ARVIND INFRASTRUCTURE LIMITED**

**Schedule - '4' Investments (At cost)**

Particulars	As at 31st March, 2011		As at
	Amount (Rs.)	Amount (Rs.)	31/03/2010 Amount (Rs.)
<b>Capital Contribution In Limited Liability Partnership</b>			
Ahmedabad East Infrastructure LLP		29 42 806	0
Arvind Bsafal Homes LLP		16 36 61 158	0
<b>Total :</b>		<u>16 66 03 964</u>	<u>0</u>

**Schedule - '5' Current Assets, Loans and Advances**

<b>Inventories</b>			
Stock in trade (Land at Motibhoayan)	0		9 10 00 000
Stock of unsold developed plots	2 76 96 030		0
Project Development work in progress (Sanavad)	0		17 99 32 001
		2 76 96 030	<u>27 09 32 001</u>
<b>Sundry Debtors (Unsecured Considered Good)</b>			
For the period exceeding six months	0		0
Others	61 47 098		0
		61 47 098	<u>0</u>
<b>Cash and Bank Balances</b>			
Cash Balance	27 605		644
Cheques on hand	0		1 09 94 504
<b>Bank Balances</b>			
In Current Account	74 27 684		24 20 448
In Fixed Deposit	15 000		4 12 230
	<u>74 42 684</u>		<u>28 32 678</u>
		74 70 289	<u>1 38 27 826</u>
<b>Loans and Advances (Unsecured Considered Good)</b>			
Advances recoverable in cash or in kind or for value to be received	3 98 80 422		9 39 848
Deposit	2 28 757		0
Advance Tax and TDS	11 11 136		40 297
		4 12 20 315	<u>9 80 145</u>
<b>Total :</b>		<u>7 63 86 634</u>	<u>28 57 39 972</u>



## ARVIND INFRASTRUCTURE LIMITED

### Schedule - '6' : Current Liabilities and Provisions

Particulars	As at 31st March, 2010		As at 31/03/2009
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>Current Liabilities</b>			
Sundry Creditors	27 13 403		5 35 88 750
Other Liabilities	9 65 718		27 781
Purchasers' Consideration / Advances towards Booking of Plots	24 475		16 14 00 797
		37 03 596	21 50 17 328
Provision for Income-tax		4 65 000	80 000
<b>Total :</b>		41 68 596	21 50 97 328



**ARVIND INFRASTRUCTURE LIMITED**

**Schedule - '7' Income from Operations**

Particulars	For the year ended 31/03/2011		For the year
	Amount (Rs.)	Amount (Rs.)	ended 31/03/10 Amount (Rs.)
Income from Sale of developed land		20 43 26 879	0
Relinquishment of rights-Motibhoyan Land		9 34 50 000	0
Plot Cancellation Charges		50 000	0
Plot Transfer Fees		2 50 000	0
<b>Total :</b>		<u>29 80 76 879</u>	<u>0</u>

**Schedule - '8' Other Income**

Interest Income		1 31 39 849	3 97 089
Miscellaneous Income		15 633	0
<b>Total :</b>		<u>1 31 55 482</u>	<u>3 97 089</u>

**Schedule - '9' Project Development Expenses**

Land Purchased (Motibhoyan)	0	9 10 00 000
Land Development Rights	0	15 76 01 907
Construction Expenses for Club House	2 69 39 820	28 19 324
Compound Wall and Structure	26 76 143	59 06 520
Borewell	33 590	8 43 397
Drainage	45 643	11 57 122
Labour Charges (Others)	3 40 406	1 28 200
Paver Block and Laying	19 20 131	3 05 404
Rain Water Harvesting	0	2 65 000
Road	22 26 253	66 90 779
Swimming Pool	10 15 151	0
Gates for Plots	4 03 128	0
Site Office	10 91 694	0
Electrical Fitting Expenses	18 23 859	5 96 696
Plumbing Expenses	1 74 850	6 56 281
Plantation and Gardening	17 79 981	4 77 060
Fees and legal Expenses	5 17 122	15 32 306
Other Site Expenses	8 72 276	2 75 359
Selling Expenses	22 968	2 47 065
Vehicle Insurance	14 059	0
Interest and Finance Charges	2 45 96 889	5 37 831
		<u>6 64 93 963</u>
Less: Expenses Recovered		8 62 500
<b>Total :</b>		<u>6 56 31 463</u>
		<u>27 10 40 251</u>
		<u>1 08 250</u>
		<u>27 09 32 001</u>





# ARVIND INFRASTRUCTURE LIMITED

## Schedule - '10' Administration and Other Expenses

Particulars	For the year ended 31/03/2011		For the year ended 31/03/10
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Auditor's Remuneration		82 725	18 000
Other Expenses		4 18 949	48 614
Preliminary Expenses Written off		0	41 875
Preoperative Expenses Written off		0	11 556
Donation		22 000	25 000
<b>Total :</b>		<b>5 23 674</b>	<b>1 45 045</b>



SCHEDULE - '11': SIGNIFICANT ACCOUNTING POLICY

1. Significant Accounting Policies

(a) Accounting Conventions

These financial statements have been prepared on the accrual basis of accounting, under the historical cost convention, in accordance with the Companies Act, 1956, the applicable Accounting Standards notified by The Companies Accounting Standard Rules, 2006 and the Guidance note issued by the Institute of Chartered Accountants of India.

(b) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reported period. Differences between the actual result and estimates are recognised in the period in which the results are known/ determined.

Significant estimates made by the management in the preparation of these financial statements include computation of percentage completion for projects in progress, project cost, revenue and saleable area.

(c) Revenue Recognition

(i) *Recognition of Revenue from real estate projects*

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Income from operations is net of adjustment on account of cancellation/returns if any.

Revenue from sale of developed property is recognized upon transfer of all significant risks and rewards of ownership of such property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the allotment letter/agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

Revenue from projects is recognized when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

(ii) *Interest income*

Income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.



**(d) Fixed Assets**

Fixed Assets are stated at their original cost including incidental expenses related to acquisition and installation, less accumulated depreciation. Cost comprises of the purchase price and any other attributable cost of bringing the assets to its working condition for its intended use.

**(e) Depreciation**

- (i) Depreciation on Fixed Assets is provided on Straight Line Method at rates and in the manner specified in Schedule XIV of the Companies Act, 1956
- (ii) Depreciation on additions/deletion is provided on pro rata basis.
- (iii) Intangible assets are amortised over a period of three years.

**(f) Investments**

Investment has been stated at the cost price. Provision for diminution in the value of Long Term Investment is made only if; such decline is not temporary in nature in the opinion of the management.

**(g) Unsold Developed Plots / Work In Progress**

- (i) Unsold Developed Plots have been valued at lower of cost or realizable value.
- (ii) Work in Progress represents the cost incurred in respect of unsold area of the Project and cost incurred on Project where the revenue is yet to be recognized.

**(h) Taxation**

Current year tax is provided based on the taxable income computed in accordance with the provisions of the Income-tax Act, 1961.

Deferred income taxes are recognized for the future tax consequences attributable to timing differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities of a change in the tax rates is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax asset arising from unabsorbed depreciation or carry forward losses under tax laws are recognized only to the extent that there is virtual certainty of realization. Other deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty of realization.

**(i) Earnings per Share**

Earning per equity share (basic/diluted) is arrived at based on Net Profit after taxation available to equity shareholders to the basic/weighted average number of equity shares.

**(j) Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**ARVIND INFRASTRUCTURE LIMITED**

**SCHEDULE - '12': NOTES FORMING PARTS OF ACCOUNTS**

**1. Contingent Liabilities and Capital commitments**

[Amount in Rs.]

Particulars	2010-2011	2009-2010
Contingent Liabilities	NIL	NIL
Capital Commitments	NIL	NIL

**2. Particulars of Earning per Share:**

Particulars	2010-2011	2009-2010
Net Profit/ (Loss) for the year Rs.	6 84 785	1 70 860
Weighted Number of equity shares	50000	50000
Nominal value of the share Rs.	10	10
Earning per Share Rs.	13.70	3.42

**3. Related Party Disclosures**

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

(a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	Relationship
1	Arvind Limited	Holding Company
2	Arvind Accel Limited	Fellow Subsidiary Company
3	Ahmedabad East Infrastructure LLP	Associate Enterprise (Partner in LLP)
4	Arvind B Safal LLP	Associate Enterprise (Partner in LLP)

(b) Transactions with related parties

[Amount in Rs.]

Sr. No.	Nature of transaction	2010-2011	2009-2010
(i)	Equity Share Capital - Holding Company	--	5,00,000
(ii)	Purchase of Development Rights (Land at Sanavad) - Holding Company	--	2,68,56,180



... Continued..

(b) Transactions with related parties... *Continued..*

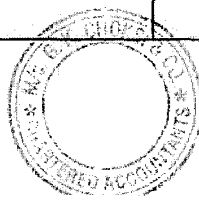
[Amount in Rs.]

Sr. No.	Nature of transaction	2010-2011	2009-2010
(iii)	Non Agriculture Charges (Land at Sanavad) - Holding Company	--	3,39,227
(iv)	Purchase of Land (Purchase of Development Right) - Holding Company	--	9,10,00,000
(v)	Construction of Road and Wall - Fellow Subsidiary Company	--	25,58,414
(vii)	Relinquishment of Rights - Holding Company	9,34,50,000	--
(viii)	Interest Income - Holding Company	1,00,10,284	--
	- Associate Enterprise	31,01,927	--
(ix)	Loans and Advances (Given during the year) - Holding Company	34,80,78,962	--
(x)	Loans and Advances (Repayment during the year) - Holding Company	33,55,78,962	--
(xi)	Capital Contributions - Associate Enterprise	16,66,03,964	--
(xii)	Share in Profit/(Loss) - Associate Enterprise	(96,963)	--

## (c) Outstanding Balances as at March, 31, 2011

[Amount in Rs.]

Sr. No.	Particulars	2010-2011	2009-2010
(i)	Balance Payable <i>As Creditors</i> - Fellow Subsidiary Company	--	4,42,637
(ii)	Balance Receivable <i>As Loans and Advances</i> - Holding Company	1,25,00,000	--
(iii)	Capital Contributions - Associate Enterprises	16,66,03,964	--



4. Auditors' Remuneration is made up of:

[Amount in Rs.]

Particulars	2010-2011	2009-2010
Audit Fees (Exclusive of Service Tax)	75,000	18,000

- Balances of creditors, loans and advances are subject to confirmation by the parties concerned.
- Other information required in terms of para 4-C and 4-D of part II of Schedule VI to the Companies Act, 1956, are not applicable, hence not disclosed.
- Previous years figures have been regrouped, reworked and reclassified wherever necessary.

As per our attached report of even date.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

*Rohit K. Choksi*  
ROHIT K. CHOKSI  
Partner



Place: Ahmedabad  
Date: 30<sup>th</sup> April, 2011

FOR ARVIND INFRASTRUCTURE LIMITED

*Sudhakar*  
Director

*M. A. W.*  
Director

Place: Ahmedabad  
Date: 30<sup>th</sup> April, 2011

4. Auditors' Remuneration is made up of:

[Amount in Rs.]

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- 5. Balances of creditors, loans and advances are subject to confirmation by the parties concerned.
- 6. Other information required in terms of para 4-C and 4-D of part II of Schedule VI to the Companies Act, 1956, are not applicable, hence not disclosed.
- 7. Previous years figures have been regrouped, reworked and reclassified wherever necessary.

As per our attached report of even date.

**FOR G. K. CHOKSI & CO.**  
[Firm Registration No. 101895W]  
Chartered Accountants

*Rohit Choksi*  
**ROHIT K. CHOKSI**  
Partner



Place: Ahmedabad  
Date: 30<sup>th</sup> April, 2011

**FOR ARVIND INFRASTRUCTURE LIMITED**

*Ashok*  
Director

*MAW*  
Director

Place: Ahmedabad  
Date: 30<sup>th</sup> April, 2011

**ARVIND INFRASTRUCTURE LIMITED**

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

**I. Registration Details:**

Registration No. 55771, State Code 04  
Balance Sheet Date 31st March, 2011

**II. Capital Raised during the year (Amount in Rs. Thousand)**

Public Issue :	--	Right Issue :	--
Bonus Issue :	--	Private Placement :	--

**III. Position of mobilisation and Deployment of Funds (Amount in Rs. Thousand)**

<b>Total Liabilities</b>	<b>251495</b>	<b>Total Assets</b>	<b>251495</b>
<b>Sources of Funds</b>		<b>Application of Funds</b>	
Paid-up Capital	500	Net Fixed Assets	6526
Share Application Money	0	Investments	166604
Reserve and Surplus	856	Net Current Assets	78365
Secured Loan	30000	Misc. Expenditure	--
Unsecured Loan	219624	Accumulated Losses	--
Deferred Tax Liability	515		



**IV. Performance of Company (Amount in Rs. Thousand)**

Turnover & Other Income	311232	Total Expenditure	309648
(+) Profit/(Loss) before tax	1584	(+) Profit/(Loss) after tax	685
Earning per share (Rs.)	13.70	Dividend Rate	--

**V. Generic names of three principal products services of company (as per monetary terms)**

Product/Service Description	Item code No.
Developing and Constructing in Real Estate	Not Applicable

**FOR ARVIND INFRASTRUCTURE LIMITED**

  
 Director
   
 Director

Place : Ahmedabad  
Date : 30<sup>th</sup> April, 2011