

# THE GROWTH STORY

KOLTE - PATIL DEVELOPERS LTD.

ANNUAL REPORT

2011-12



**KOLTE • PATIL**

Creation, not Construction



नैनं छिन्दन्ति शस्त्राणि नैनं दहति पावकः।

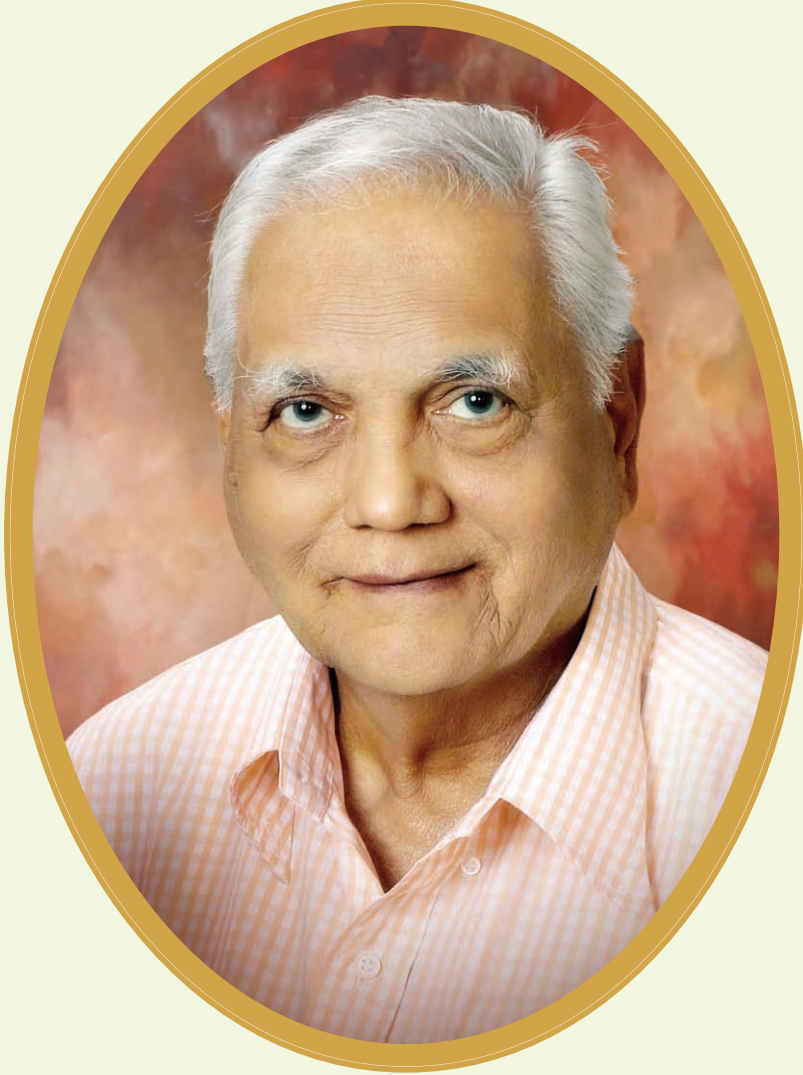
न चैनं क्लेदयन्त्यापो न शोषयति मारुतः॥

The Soul is eternal, steady and ever existing.  
Weapons cannot destroy him nor can fire burn him.

Water cannot wet him nor air can dry him up.

The Soul is immortal.

The Bhagwad Geeta 2- 23



Late **Shri Aniruddha Vishwanath Patil**

16.06.1937 ~ 18.05.2012

(Founder of Kolte-Patil Group)

**You have shown us the light of virtuousness and wisdom.  
Your teachings have always been our inspiration and will guide us forever.**

## Glimpse of CSR Activities



Construction of road  
at Punyadham Ashram, Pune



Blood Donation Program  
at Life Republic, Hinjewadi



School for Children of Labours  
at Ivy Estate Project



School for Children of Labours  
at Glitterati Project



**This isn't just another growth story,  
but an extraordinary one.**

**It's a story about innovation  
and creative thinking driving change.**

**It's a story that unveils  
how change leads to new possibilities.**

**And it's a story which ends  
with a new beginning, every time.**



## LETTER TO SHAREHOLDERS

**Dear Shareholders,**

Kolte-Patil Developers Limited (KPDL) was started as a family managed enterprise. Today it has evolved as a Public Listed Company catering to diverse customer segments across the real estate value chain.

We are currently operating in a market where innovation is the key to making an impact and adding value to our brand. In a business environment where there is a buyer at every price point, we consider our diversity as our strength in catering to different segments across commercial, residential and integrated large scale developments. Currently, we have a strong presence in the affordable segment and the Company has successfully completed its pilot project, 'Umang Homes.' Now in the current year the Company will launch a few more projects under affordable segment at various locations in Pune. While the market has made an aggressive move towards tier II and tier III cities we continue to face macro-economic and sector specific challenges which test our strength to innovate and succeed.

In the FY 2011-12, the first phase of our township project, 'Life Republic' was launched in the Hinjewadi vicinity and has received

an overwhelming response. We are constantly pursuing projects which add new dimensions to our business portfolio and we shall continue to add to our strength to successfully overcome market challenges and make the most of the opportunities.

KPDL has made marked progress in our luxury segment offering. With strong global bench marking and meticulous selection of consultants, we are sure to deliver nothing but the best. True to our business philosophy 'Creation Not Construction,' we are working on pioneering concepts in the residential and commercial space. From current financial year onwards, every year we are expecting to deliver 3 million sq.ft. while exploring strong markets like Mumbai to our fold as we continue to strengthen our position as a leader in Pune and Bengaluru.

We feel privileged to have earned the trust and confidence of all our stakeholders: Customers, Shareholders, Lenders, Suppliers and various Government Authorities over the years. I would like to take this opportunity to thank each one of you for your valuable contribution in the growth and progress of KPDL. I look forward to your continued patronage.

With best wishes,

Sd/-

Rajesh Patil

Chairman & Managing Director



**COMPANY INFORMATION****BOARD OF DIRECTORS:**

Mr. Rajesh Patil	:	Chairman and Managing Director
Mr. Naresh Patil	:	Vice Chairman
Mr. Milind Kolte	:	Executive Director
Mrs. Sunita Kolte	:	Executive Director
Mrs. Vandana Patil	:	Non-Executive Director
Mr. Manish Doshi	:	Independent Director
Mr. G. L. Vishwanath	:	Independent Director
Mr. Achyut Watve	:	Independent Director
Mr. Jayant Pendse	:	Independent Director
Mrs. Manasa Vishwanath	:	Independent Director

**ASST. COMPANY SECRETARY AND COMPLIANCE OFFICER:** Mr. Abhijit Barje

**REGISTERED OFFICE:**

2<sup>nd</sup> Floor, City Point,  
Dhole Patil Road,  
Pune – 411001  
Tel. No. +91-20-66226500  
Fax No. +91-20-66226511  
Website: - [www.koltepatil.com](http://www.koltepatil.com)

**REGIONAL OFFICE:**

22/11, 1<sup>st</sup> Floor,  
Park West, Vittal Malya Road,  
Bangalore- 560001  
Tel. No.: +91-80-22243135, 22242803  
Fax No. +91-80-22120654

**BANKERS:**

IDBI Bank Limited  
ICICI Bank Limited  
HDFC Bank Limited  
Axis Bank Limited

**STATUTORY AUDITORS:**

M/s. S P C M & Associates  
(Formerly known as Bora Kasat & Co.)  
Chartered Accountants,  
Firm Registration No. 112165W,  
1211/B, Shukrawar Peth, Subhash Nagar,  
Pune- 411002  
Tel. No. +91-20-24479119  
Fax No. +91-20-24486663  
Email:- [accounts@spcm.co.in](mailto:accounts@spcm.co.in)

**REGISTRAR AND SHARE TRANSFER AGENT:**

Bigshare Services Private Limited  
E/2 &3, Ansa Industrial Estate  
Sakivihar Road, Sakinaka,  
Andheri (E), Mumbai- 400072  
Tel. No. +91-22-40430200  
Fax No. +91-22-28475207  
Website: - [www.bigshareonline.com](http://www.bigshareonline.com)  
Email: - [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

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## NOTICE

Notice is hereby given that the **TWENTY FIRST ANNUAL GENERAL MEETING** of **KOLTE-PATIL DEVELOPERS LIMITED** will be held at Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016, Maharashtra, India, on Saturday, 28<sup>th</sup> July, 2012 at 12.15 p.m., to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2012 and the Statement of Profit and Loss for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares for the financial year ended on 31<sup>st</sup> March, 2012.
3. To appoint a Director in place of Mr. Manish Doshi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Achyut Watve, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

### **SPECIAL BUSINESS:**

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

**"RESOLVED THAT** Mrs. Vandana Patil, who was appointed by the Board of Directors as an Additional Director with effect from 16<sup>th</sup> January, 2012, under Section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, and pursuant to Article 174 of the Articles of Association of the Company, signifying his intention to propose Mrs. Vandana Patil's candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

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

**"RESOLVED THAT** Mrs. Manasa Vishwanath, who was appointed by the Board of Directors as an Additional Director with effect from 17<sup>th</sup> January, 2012, under Section 260 of the Companies Act, 1956 and holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 and pursuant to Article 174 of the Articles of Association of the Company, signifying his intention to propose Mrs. Manasa Vishwanath's candidature for the office of a Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

### **Registered Office:**

2<sup>nd</sup> Floor, City Point, Dhole Patil Road,  
Pune - 411001

Place: Pune  
Date: May 29, 2012

### **By Order of the Board**

**For KOLTE-PATIL DEVELOPERS LIMITED**

**Abhijit Barje**  
**Asst. Company Secretary**

**NOTES:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, on a poll, instead of himself and the proxy need not be a member of the Company. The proxy form, in order to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. Blank proxy form is attached to the Annual Report.**
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business in the notice is annexed hereto.
3. The profile of Directors seeking appointment/re-appointment, as required in terms of Clause 49 of the Listing Agreement entered into with Stock Exchanges, is annexed to this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 21<sup>st</sup> July, 2012 to Saturday, 28<sup>th</sup> July, 2012 (both days inclusive).
5. The Register of Directors' Shareholding, maintained under Section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
6. The Register of Contracts, maintained under section 301 of the Companies Act, 1956 will be available for inspection by the members at the Registered Office of the Company.
7. The Dividend would be payable on 23<sup>rd</sup> August, 2012 to the shareholders whose names appear in the Register of Members on 21<sup>st</sup> July, 2012.
8. Corporate members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
9. Members holding shares in physical form are requested to intimate the following directly to the Company's Registrar and Share Transfer Agent:
  - (a) Change if any, in their address with Pin Code Number.
  - (b) Quote their Ledger Folio No. in all their correspondence.
  - (c) Send their Share Certificates for consolidation.
  - (d) Request for nomination forms for making nominations as per Section 109A of the Companies Act, 1956, if not already intimated.
10. The Beneficial Owner(s) of dematerialized shares are requested to intimate change in their address to the concerned Depository Participant.
11. Applicants/Members wishing to claim IPO refund money or unclaimed dividend are requested to correspond with the Compliance Officer/Registrar and Share Transfer Agent of the Company i.e. Bigshare Services Private Limited. Members are requested to note that dividend and IPO refund not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account and Unpaid IPO Refund Account will be transferred to the Investor Education and Protection Fund as per Section 205C of the Companies Act, 1956.
12. **The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by permitting Companies to communicate with its Shareholders through electronic mode. For registering/changing email address, Shareholders are requested to complete the online registration form – "Form for Registering/Changing E-mail Address" on the website of the Company [www.koltepatil.com](http://www.koltepatil.com) under the Investors section.**

**REQUEST TO MEMBERS**

Members desirous of getting any information/clarification on the Accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days in advance of the meeting to the Compliance Officer so that, the same may be attended appropriately.

***Members are requested to bring the Attendance Slip duly filled in for attending the meeting, with identity proof.***



## **Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956**

### **Item No. 6**

The Board of Directors appointed Mrs. Vandana Patil as an Additional Director of the Company with effect from 16<sup>th</sup> January, 2012 under Section 260 of the Companies Act, 1956 and pursuant to the provisions of Articles of Association of the Company. As per Section 260 of the Companies Act, 1956, an Additional Director holds office upto the date of Annual General Meeting. The Company has received a notice and Deposit as required under Section 257 of the Companies Act, 1956 from a member of the Company signifying his intention to propose the appointment of Mrs. Vandana Patil as a Director of the Company, liable to retire by rotation.

None of the Directors of the Company, other than Mr. Rajesh Patil, Mr. Naresh Patil and Mrs. Sunita Kolte, being the relatives of Mrs. Vandana Patil are interested in the said Resolution.

The Board of Directors are confident that her vast knowledge and experience will be of great value to the Company and hence commends the resolution No. 6 for your approval.

### **Item No. 7**

The Board of Directors appointed Mrs. Manasa Vishwanath as an Additional Director of the Company with effect from 17<sup>th</sup> January, 2012 under Section 260 of the Companies Act, 1956 and pursuant to the provisions of Articles of Association of the Company. As per Section 260 of the Companies Act, 1956, an Additional Director holds office up to the date of Annual General Meeting. The Company has received a notice and deposit as required under Section 257 of the Companies Act, 1956 from a member of the Company signifying his intention to propose the appointment of Mrs. Manasa Vishwanath as a Director of the Company, liable to retire by rotation.

None of the Directors of the Company, other than Mr. G. L. Vishwanath, being relative of Mrs. Manasa Vishwanath is interested in the said Resolution.

Your Board considers that in view of the experience and expertise possesses by Mrs. Manasa Vishwanath, it would be in the interest of the Company to appoint Mrs. Manasa Vishwanath as a Director of the Company, liable to retire by rotation. Hence, the Board recommends her appointment for your approval.

### **Profile of the Directors being appointed/re-appointed as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges.**

<b>Particulars</b>	<b>Mr. Manish Doshi</b>	<b>Mr. Achyut Watve</b>	<b>Mrs. Vandana Patil</b>	<b>Mrs. Manasa Vishwanath</b>
Age (Years)	50	59	40	52
Date of Appointment	26.12.2006	26.12.2006	16.01.2012	17.01.2012
Qualification	Graduate in Pharmacy and Master in Finance	B. E. (Civil)	B.Com	B.A., LL.B
Expertise in specific functional areas	Business Management & Finance	Structural Engineering	Cost Management and Human Resource Development	Corporate Laws and Consumer Law.
Directorship held in other Public Limited Companies	NIL	NIL	1) PNP Retail Private Limited 2) PNP Agrotech Private Limited	NIL
Membership of Committees	NIL	NIL	NIL	NIL
Relationship with other Directors	NA	NA	Wife of Mr. Naresh Patil, Vice-Chairman, Brother's wife of Mr. Rajesh Patil, Chairman and Managing Director and Mrs. Sunita Kolte, Executive Director	Wife of Mr. G. Vishwanath, Director
Number of shares held	56,111	10,000	69,45,519	NIL

## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting 21<sup>st</sup> Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended on 31<sup>st</sup> March, 2012.

The Company is engaged in various segments namely Real Estate Development, Hospitality and Retail. However, in the financial year 2011-12, there was only one reportable segment namely Real Estate Development.

### Financial Highlights

(₹ in Lakhs)

Particulars	2011-12	2010-11
<b>Net Sales and Other Income</b>	<b>11,430.29</b>	<b>15,144.51</b>
Less: Expenditure	6,561.24	7,074.79
Less: Financial Charges	620.47	466.27
Less: Depreciation/Amortization	127.37	116.56
<b>Profit Before Tax</b>	<b>4,121.21</b>	<b>7,486.89</b>
Less: Provision for taxation	1,084.39	2,222.29
<b>Profit After Tax</b>	<b>3,036.82</b>	<b>5,264.60</b>
Add: Balance of Profit and Loss Account brought forward from the previous year	29,804.79	26,349.29
<b>Profit available for appropriation</b>	<b>32,841.61</b>	<b>31,613.89</b>
Appropriations:		
Transfer to General Reserve	367.72	400.00
Proposed Dividend (includes tax on dividend)	1,409.08	1,409.08
Balance carried to Balance Sheet	31,064.81	29,804.81

### Performance Review

Your Company has always endeavored to enhance lives by creating great places to live and work. Your Company is one of the leading real estate developers with over two decades of real estate experience. From last 21 years, it has been engaged in the development of integrated townships and other large mixed-use and stand-alone developments in the residential, commercial and retail segments. It has taken lead in promoting the affordable housing segment of the residential property market. The business is being carried on by the Company on its own as well through various joint venture partners.

During the year under review, the total revenue of the Company stood at ₹ 11,430.29 Lakhs as compared to ₹ 15,144.51 Lakhs in the previous year. In the last year's total revenue, there was one off item i.e. sale of plot of ₹ 6,661 Lakhs. The Profit Before Tax for the year ended 31<sup>st</sup> March, 2012 stood at ₹ 4,121.21 Lakhs as compared to ₹ 7,486.89 Lakhs in the corresponding period of the previous year. The Profit After Tax was ₹ 3,036.82 Lakhs, compared to ₹ 5,264.60 Lakhs during 2010-11.

### Dividend

Your Directors have recommended a dividend of ₹ 1.60 per equity share on 75774909 equity shares of ₹ 10 each. This dividend is subject to the approval of the members at the forthcoming 21<sup>st</sup> Annual General Meeting to be held on 28<sup>th</sup> July, 2012.

### Projects

**Glitterati** is an ongoing project of the Company which is located at just 4 kms away from Pune's major IT hub, Hinjewadi Infotech Park, offers irresistible super lavish couture homes, flaunting unfathomable reservoir of luxury, style and beauty having total saleable area of approx. 455,000 sq. ft. During the year under review, the Company had received a good response for the project.

**Green Olive** is a 2 and 3 BHK Luxurious Apartments project which is located at Hinjewadi, where style and luxury merge beautifully to form the perfect home for you.



**Utsav Raaga** thoughtfully designed, competitively priced quality homes comprising 2 & 3 BHK on Kannur Road near Thanissandra, Bangalore. Raaga is spread over 4.5 acres and will comprise 12 blocks to be built in two phases. These 590 homes offer optimal value in terms of location, convenience, lifestyle and price. The excavation work completed and the footing work is under progress for phase I.

**City Bay** is a commercial project of the Company situated at Boat Club Road, Pune with total saleable area of approximately 95,000 sq. ft. The Construction of the project has been started. The Company had received a good response for the project.

**Alyssa** is a commercial project of the Company located on the plush Richmond Road at Bangalore with total saleable area of approximately 43,000 sq. ft. The ground and mezzanine floor is being considered as showroom space and the upper floors for office use. The building will be ready for fit-outs by June 2012.

**Kormangala** is a commercial project located on Sarjapura Main Road, Koramangala III Block, Bangalore. The building consists of double basement plus ground plus 9 floors and having total saleable area of approximately 1,98,000 sq. ft. The excavation work completed and the footing work is under progress.

### **Joint Venture Projects**

**Corolla Realty Limited** is developing a project namely Umang and IVY Estate which is located at Wagholi, Pune comprising of mixed Development of 1 BHK to Independent Villas. It is spread across over approx. 73 acres of lush green surroundings. The Phase-I is almost sold out and two phases have been delivered namely Umang-I and Ivy villas are ready for possession. During the year under review, the Company has received an encouraging response for Ivy Estate. The Phase-I of Ivy Estates is almost half completed and the Company is planning to deliver another 1200 units possession by next year. Your Directors foresee good response for the next phase of Ivy Estate.

**Kolte-Patil I-Ven Townships (Pune) Limited** is developing approx. 400 acres township named as "Life Republic" at Jambhe, Near Hinjewadi, Pune. During the year under review, the phase I (approx. 150 acres) of the project has been launched consisting 1/2/3 BHK Apartments, Row Houses, Twin Bungalows. The Phase I of the Project is divided into various sectors such as Sector R2 consisting Twin Bungalows, Sector R4 consisting 2/3 BHK Apartments, Sector R6 consisting 1 BHK Apartments and Sector R7 consisting 2/3 BHK Apartments. During the year under review, the Company has received the overwhelming response for the project.

### **Directors**

During the year under review, the Board has appointed Mrs. Vandana Patil and Mrs. Manasa Vishwanath as an additional Director with effect from 16<sup>th</sup> January, 2012 and 17<sup>th</sup> January, 2012 respectively. Both the Directors hold office upto the date of forthcoming 21<sup>st</sup> Annual General Meeting. The approval of members is sought for their appointment.

Pursuant to Section 256 of the Companies Act, 1956 read with the Article 167 of Articles of Association of the Company, Mr. Manish Doshi and Mr. Achyut Watve; Directors, retire by rotation and being eligible, have offered themselves for re-appointment at the ensuing Annual General Meeting.

The Profile of Directors seeking appointment and re-appointment, as required under Clause 49 of the Listing Agreement, has been annexed to the Notice of the 21<sup>st</sup> Annual General Meeting.

### **Subsidiary Companies**

The Company has 14 subsidiary Companies as on 31<sup>st</sup> March 2012 namely, Regenesi Project Management Company Private Limited, Sylvan Acres Realty Private Limited, Yashowardhan Promoters and Developers Private Limited, Tuscan Real Estate Private Limited [Formerly known as I-Ven Kolte-Patil Projects (Pune) Private Limited], Regenesi Facility Management Company Private Limited, Oakwoods Hospitality Private Limited, Olive Realty Private Limited, Lilac Hospitality Private Limited, Jasmine Hospitality Private Limited, Bellflower Properties Private Limited, PNP Retail Private Limited, Kolte-Patil Real Estate Private Limited, Snowflower Properties Private Limited and PNP Agrotech Private Limited.

### **Particulars under section 212 of the Companies Act, 1956**

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss Account of its subsidiaries to its Annual Report. However, Ministry of Corporate Affairs has vide its General Circular No. 2/2011 dated 8<sup>th</sup> February 2011 granted exemption for not attaching Annual Report of Subsidiary Companies provided that, such Companies publish the Audited Consolidated Financial Statement in the

Annual Report. Your Company has complied with all the requirements of the circular of Ministry and accordingly, the Annual Report does not contain the Financial Statements of the above Subsidiary Companies. The Consolidated Financial Statements present a full and fair picture of the state of affairs and the financial condition. The audited annual accounts and related information of subsidiaries will be made available upon request. These documents will also be available for inspection during business hours at our Registered Office in Pune, Maharashtra, India.

The financial details of the Subsidiary Companies, as well as the extent of holding as required under the aforesaid General Circular, are provided in Annexure III to the Directors' Report.

A brief summary of the activities carried out by the Subsidiary Companies are as follows:

**Kolte-Patil Real Estate Private Limited** is a Joint Venture Company for the development of project at Kharadi, Pune. During the financial year under review, the Company has completed its Victorious Kidss Education School, (IB School) project. The residential and commercial projects of the Company at Kharadi, Pune have been prelaunch during the year. The Company has received a very good response for the residential project.

**Tuscan Real Estate Private Limited** [formerly known as I-Ven Kolte-Patil Projects (Pune) Private Limited] is a Joint Venture Company which is developing a residential project- "Tuscan Estate" admeasuring approximately 12 acres in Kharadi, Pune. The project is located on the eastern side of the Pune city having many IT companies in vicinity. The project consists of 3 BHK Luxury Apartments and 4 BHK penthouses. The total saleable area is approx. 129,400 sq. ft. During the year under review, the Company had received a good response, especially because of the quality of the product and location. The project is being promoted as "Collage Homes" which is collage of many features like location, internal planning, specifications, elevation, landscaping etc.

**Bellflower Properties Private Limited** is Joint Venture Company developing the residential project at NIBM Road, Pune. The Company had completed its phase I i.e. Margosa Heights. During the year, the Company had launched the Phase II of the project named as "Florence" comprising of saleable area approx. 540,000 sq. ft. The Company had received a good response for the project as it offers ambience of natural beauty while being closely connected to the essential necessities of life.

**Yashowardhan Promoters and Developers Private Limited** is a Wholly Owned Subsidiary which is developing a residential project at Vishrantwadi, Pune. The Company had received a good response for the phase II of its residential project "Dew Drops".

**PNP Retail Private Limited** is a Subsidiary Company. PNP Retails are neighborhood stores that cater to the daily and weekly top-up shopping needs of customers regarding fruits and vegetables, food and non-food fast moving consumer goods, staple and frozen food items, personal and home care products.

**Regenesis Project Management Company Private Limited** is a Wholly Owned Subsidiary which has been set up primarily to provide project management services.

**Sylvan Acres Realty Private Limited** is a Joint Venture Company set up for investment in Township project at Pune.

**Lilac Hospitality Private Limited** is a Wholly Owned Subsidiary set up for providing hospitality management services to hotel projects.

**Olive Realty Private Limited** is Wholly Owned Subsidiary set up, to carry on the business of real estate development at Phursungi, Pune.

**Jasmine Hospitality Private Limited** is a Joint Venture Company set up for developing a hotel at Bengaluru.

**Oakwoods Hospitality Private Limited** is a Joint Venture Company set up for developing a residential project at Pune. The Company plans to launch the residential project during the current financial year 2012-13.

**Regenesis Facility Management Company Private Limited** is a Wholly Owned Subsidiary Company set up to provide facility management and property maintenance services.

**Snowflower Properties Private Limited** is a Wholly Owned Subsidiary Company which proposes to invest in land in order to start its new real estate project.

**PNP Agrotech Private Limited** is a Wholly Owned Subsidiary Company set up for developing the hi-tech horticulture project at village Thavarakari, Taluka Denkanikottai, District Krishnagiri, Tamil Nadu.



### **Fixed Deposits**

Your Company had launched Fixed Deposit Scheme and has been accepting Fixed Deposits for a period of 1 year, 2 years and 3 years. The Company has received an overwhelming response from the investors. Shareholders of the Company, Senior Citizens, Flat Owners of Kolte-Patil group, Handicapped Persons, Armed Force Personnel and Employees of Kolte-Patil Group are entitled to receive an additional 0.50% rate of interest on the deposits invested with the Company. The Management of the Company is thankful to all the investors for participating in the scheme and for the faith reposed in the Company.

The fixed Deposits accepted as on 31<sup>st</sup> March, 2012 stood at ₹ 909.22 Lakhs as against ₹ 610.10 Lakhs in the previous year. For the year ended 31<sup>st</sup> March, 2012, your Company has mobilized deposits aggregating to ₹ 510.85 Lakhs (Previous year ₹ 602.10 Lakhs). None of the deposits which have matured and claimed have remained unpaid.

### **Investors' Relation and Grievances**

Investor Relations have been cordial during the year. The Company has a Shareholders' and Investors' Grievance Committee which addresses the issues relating to investors. There were no investor grievances pending as on 31<sup>st</sup> March, 2012. A confirmation to this effect has been obtained from the Company's Registrar and Share Transfer Agent. The details regarding the investor complaints received and resolved during the year are mentioned in the Report on Corporate Governance annexed to this report.

### **Directors' Responsibility Statement**

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

- In preparation of these accounts, the accounting standards made applicable by Institute of Chartered Accountants of India have been followed.
- We selected appropriate accounting policies which have been applied consistently and have made judgments and estimates that are reasonable and prudent so as to ensure that the accounts give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2012 and of the profit of the Company for the year ended on that date.
- We have taken a proper and sufficient care for maintenance of appropriate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- The accompanying financial statements of the Company have been prepared on a going concern basis.

### **Auditors**

The Auditors of the Company M/s. SPCM & Associates (Firm Registration No. 112165W), Chartered Accountants, Pune (Formerly known as Bora Kasat & Co.) retire at the ensuing Annual General Meeting. They have confirmed their eligibility and willingness to accept appointment, if re-appointed. Your Directors recommend their re-appointment.

### **Human Resources**

For Kolte-Patil, the most valued asset is the people working in the organization who individually and collectively contribute to achieve the objectives of the Company. One of the most important objectives of the Kolte-Patil is continuous growth of organization and its people. For this, we have implemented several initiatives for our employees which help us to attract and retain the talent in the organization. Few major activities are:

- Employee engagement includes various activities that are done for the comfort and improvement of employees. To maintain the same several initiative are taken for it like celebrating special recognition of employees, birthdays, arranged New Year Party, get together and Outing on special occasions etc.
- As HR Functioning is changing with time & with this change Training & Development activities are now equally important to modify them with the changing scenario. The Company has undertaken various training programmes for the development of employees.
- Now a day's face of the Appraisal system in the organization has also changed and the focus of the organization is turning to performance management system and specifically to individual performance. Based on performance the employees are recognized in the organization.

We at Kolte-Patil are continuously striving for employee satisfaction for better productivity.

The total employee's strength at group level, as on 31<sup>st</sup> March, 2012 is 818 as compared to 539 in the previous year.

**Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo**

A statement giving information of Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is annexed hereto as Annexure I and it forms a part of this Report.

**Particulars of the Employees**

A statement required under Section 217(2A) of the Companies Act, 1956 has been furnished herein as Annexure II and forms a part of this Report.

**Report on Corporate Governance**

Your Directors adhere to the requirements set out in Clause 49 of the Listing Agreement with Stock Exchanges. Report on Corporate Governance as stipulated in the said Clause is annexed and forms a part of this Report.

**Management Discussion and Analysis Report**

Management Discussion and Analysis Report as stipulated under Clause 49 of the Listing Agreement is annexed hereto and forms a part of this Report.

**Report on Corporate Social Responsibilities**

Report on Corporate Social Responsibilities is annexed hereto and forms a part of this Report.

**Acknowledgments**

The Board of Directors take this opportunity to thank customers, fixed deposit holders, vendors, stakeholders, Central and State Governments, business associates and bankers for their consistent support and co-operation to the Company. Your Directors take this opportunity to thank all the employees for rendering high quality service to all the Company's customers. The employees have worked with the principles of honesty, integrity, fair play and helped ensure a sustained excellence in performance of the Company. Finally, the Directors would like to convey their gratitude to the members and look forward to their continued support in future.

**For and on behalf of the Board**

Pune

Date: May 29, 2012

**Rajesh Patil**

**Chairman and Managing Director**



## ANNEXURE I

Statement of Particulars under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming a part of Directors' Report for the year ended 31<sup>st</sup> March, 2012.

### 1. Conservation of Energy:

The Company's energy consumption is minimal. We continually strive to reduce energy consumption in our developments by following the highest level of energy conservation measures.

Company's projects are created with following energy conserving feature:

- i. Gearless lifts – It saves power consumption because it runs on Permanent Magnet Synchronous Technology. Due to removal of gear box, it reduces pollution. Hence it is called as **Green Elevator**. Also it reduces power loss in speed reduction.

### 2. Technology Absorption:

- i. Suspended Media Bio Reactor technology

Your Company is setting up Sewage treatment plant by using this Suspended Media Bio Reactor (SMBR) technology. In this technology oxygen from air is transferred to the liquid with the help of Air Grid or Diffusers. A specially designed plastic media filled in the tank (to the required level). This technology reduces maintenance requirement of the plant.

- ii. Dual media filtration – It is used in water treatment plant which handles the inlet suspended solids upto 100 ppm as against normal sand filter or multi grade filter below 25 ppm. The inlet water having suspended solids 25 ppm can be used for back wash.

### 3. Foreign Exchange Earnings and Outgo:

Disclosure of information relating to foreign exchange earnings and outgo as required under Rule 2(c) is given in Note No. 15 in 'Notes to Accounts' forming part of the Audited Annual Accounts.

**For and on behalf of the Board**

Pune  
Date: May 29, 2012

**Rajesh Patil**  
**Chairman and Managing Director**

## ANNEXURE II

Information as per section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2012.

Name	Designation	Qualifica- tion	Age (Years)	Joining Date	Experi- ence (Years)	Total remunera- tion (₹ in Lakhs)	Previous employment, Designation	Percentage of Equity Shares held
Mr. Rajesh Patil	Chairman and Managing Director	B .E. Civil	49	25-Nov-91	21	124.82	Promoters of the Company	20.44%
Mr. Naresh Patil	Vice Chairman	B. Com	47	25-Nov-91	21	124.82		19.73%
Mr. Milind Kolte	Executive Director	B. Com, LL. B.	51	25-Nov-91	21	124.82		8.50%
Mrs. Sunita Kolte	Executive Director	B. Com	45	15-April-95	19	58.15		7.25%

## NOTES :

- 1) Designation denotes the nature of duties also.
- 2) Total Remuneration includes salary, Company's contribution to Provident Fund, allowances, bonus, perquisites and commission but excludes Gratuity unless paid/ payable.
- 3) Nature of employment and terms and conditions: The Nature of employment in the case of Chairman and Managing Director, Vice Chairman and Executive Directors is contractual and terms of remuneration are governed by Board and Members' Resolutions.
- 4) Experience includes number of years of service elsewhere wherever applicable.

**For and on behalf of the Board**

**Rajesh Patil**  
**Chairman and Managing Director**

Pune  
Date: May 29, 2012

Annexure III-Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies

(₹ in Lakhs)

Name of the Subsidiary Company	Bellflower Properties Private Limited	Tuscan Real Estate Private Limited	Yashwardhan Promoters and Developers Private Limited	PNP Retail Private Limited	Sylvan Acres Realty Private Limited	Kolte-Patil Real Estate Private Limited	Regenesis Facility Management Company Private Limited	Oakwoods Hospitality Private Limited	Regenesis Project Management Company Private Limited	Olive Realty Private Limited	Jasmine Hospitality Private Limited	Snowflower Properties Private Limited	Lilac Hospitality Private Limited	PNP Agrotech Private Limited
1 Financial period ended	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12
2 Holding Company's Interest	50.0001% in Equity	51% in Equity	100% in Equity	99.99% in Equity	90% in Equity	51% in Equity	99.99% in Equity	51% in Equity	99.99% in Equity	99.99% in Equity	51% in Equity	100% in Equity	99.99% in Equity	99.99% in Equity
3 Shares held by the Holding Company in the Subsidiary Company	500000 equity shares of ₹ 10 each fully paid up	51000 equity shares of ₹ 100 each fully paid up	185000 equity shares of ₹ 10 each fully paid up	799999 equity shares of ₹ 10 each fully paid up	45000 equity shares of ₹ 100 each fully paid up	18631925 equity shares of ₹ 10 each fully paid up	19999 equity shares of ₹ 10 each fully paid up	872000 equity shares of ₹ 10 each fully paid up	499998 equity shares of ₹ 100 each fully paid up	99999 equity shares of ₹ 10 each fully paid up	14366200 equity shares of ₹ 10 each fully paid up	50000 equity shares of ₹ 10 each fully paid up	49999 equity shares of ₹ 10 each fully paid up	4183499 equity shares of ₹ 10 each fully paid up
4 The net aggregate of profits or losses of the Subsidiary Companies for the current period so far as it concerns the members of the Holding Company														
a dealt with or provided for in the accounts of the Holding Company	148.86	(68.16)	148.01	(171.90)	4.22	22.04	36.79	14.45	3.58	-	-	-	(2.29)	(8.28)
b not dealt with or provided for in the accounts for the Holding Company	148.86	(65.48)	-	(0.02)	0.47	21.17	0.00	13.89	-	-	-	-	(0.00)	(0.00)
5 The net aggregate of profits or losses for the previous financial years of the Subsidiary Companies so far as it concerns the members of the Holding Company														
a dealt with or provided for in the accounts of the Holding Company	68.83	(27.57)	51.51	(45.97)	1.16	8.76	15.00	-	52.49	-	-	-	(1.76)	-
b not dealt with or provided for in the accounts for the Holding Company	68.83	(26.49)	-	0.005	0.13	8.42	0.001	-	(0.01)	-	-	-	(0.0002)	-



## Annexure III-Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Companies

(₹ in Lakhs)

Name of the Subsidiary Company	Paid-up Capital	Reserves	Loans	Total Assets	Total Liabilities	Investment			Turnover	Profit/ (Loss) before taxation	Provision for Taxation	Profit/ (Loss) after taxation
						Long Term	Current	Total				
Bellflower Properties Private Limited	100.00	484.70	5,065.26	8,546.11	8,546.11	-	-	-	5,449.15	488.98	171.26	297.72
Tuscan Real Estate Private Limited	100.00	(187.84)	6,886.22	9,388.02	9,388.02	-	430.40	430.40	3,663.38	(194.38)	(60.74)	(133.64)
Yashwardhan Promoters and Developers Private Limited	18.50	424.02	-	2,040.33	2,040.33	-	-	-	602.04	218.13	70.11	148.01
PNP Retail Private Limited	800.00	(223.94)	57.25	710.55	710.55	-	-	-	215.68	(244.83)	(72.91)	(171.92)
Sylvan Acres Realty Private Limited	500.00	(1.16)	3,500.50	16,366.47	16,366.47	5,500.00	10,819.94	16,319.94	184.81	9.31	4.63	4.68
Kolte-Patil Real Estate Private Limited	3,653.32	16,447.71	3,240.07	26,601.19	26,601.19	-	54.89	54.89	147.83	47.18	3.97	43.21
Regensis Facility Management Company Private Limited	2.00	51.81	-	111.13	111.13	-	-	-	145.43	55.90	19.11	36.79
Oakwoods Hospitality Private Limited	1,720.00	28.34	231.20	3,376.83	3,376.83	-	1,283.34	1,283.34	28.34	28.34	-	28.34
Regensis Project Management Company Private Limited	500.00	(376.24)	-	123.87	123.87	-	-	-	-	(7.39)	(10.97)	3.58
Olive Realty Private Limited	100.00	(0.86)	3,213.92	3,777.05	3,777.05	-	-	-	-	-	-	-
Jasmine Hospitality Private Limited	2,816.90	-	165.61	2,991.90	2,991.90	-	-	-	-	-	-	-
Snowflower Properties Private Limited	5.00	-	7.48	13.61	13.61	-	-	-	-	-	-	-
Lilac Hospitality Private Limited	50.00	(43.46)	22.70	30.60	30.60	-	-	-	-	(2.38)	(0.08)	(2.29)
PNP Agrotech Private Limited	418.35	(8.28)	-	417.03	417.03	-	-	-	-	(9.17)	(0.89)	(8.28)

## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

Corporate Governance may be understood as a system of structuring, operating and managing a company with a view to achieve its long term strategic goals while at the same time complying with legal and regulatory requirements. It is the implicit rule that determines management's ability to take sound decisions in the best interest of all its stakeholders, viz. shareholders, customers, employees, creditors, the state, etc. It takes a holistic view of the company and its impact on economic, legal, ecological and social environments.

Your Company believes that Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence. In order to promote good governance, the Company has followed the best practices, processes and policies based on conscience, openness, fairness, professionalism and accountability.

The Corporate Governance framework of your Company is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

In our endeavor to adopt the best Corporate Governance and disclosure practices, the Company complies with all the requirements of the Clause 49 of the Listing Agreement(s), entered with National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE).

Pursuant to Clause 49 of the Listing Agreement entered with Stock Exchanges, the Company hereby presents a Report on Corporate Governance to its members for the financial year 2011-2012.

### BOARD OF DIRECTORS

The Board of Directors provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Independent Directors are trustees of good corporate governance. They truly safeguard the rights of the shareholders of the Company. The Board of the Company comprises of a fine blend of Executive and Independent Directors.

#### a) Size and Composition of Board :

1. The Company has Ten (10) Directors with an Executive Chairman. Out of the ten Directors, five are Non-Executive and Independent Directors. The Composition of Board is in conformity with Clause 49 of the Listing Agreement entered into with Stock Exchanges.
2. None of the Directors on the Board is a member of more than ten committees or Chairman of more than five committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as on 31<sup>st</sup> March, 2012 have been made by the Directors to the Company.
3. The Names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and number of Directorships and Committee Chairmanship/Membership held by them in other Companies are given herein below. Other Directorship do not include Alternate Directorships, Directorship of Private Limited Companies, Section 25 Companies and of Companies Incorporated Outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders/ Investors Grievance Committees:-

Name of Director	Category	Number of Board Meetings held during the year 2011-2012		Whether attended last AGM held on 30 <sup>th</sup> July 2011	Number of Directorships in other Public Limited Companies	Number of Committee positions held in other Public Limited Companies	
		Held	Attended			Chairman	Member
Mr. Rajesh Patil (Chairman and Managing Director)	Executive Chairman	5	5	Yes	12	-	1
Mr. Naresh Patil (Vice Chairman)	Non-Independent Executive	5	5*	No	3	-	-

Mr. Milind Kolte (Executive Director)	Non-Independent Executive	5	5	Yes	11	1	-
Mrs. Sunita Kolte (Executive Director)	Non-Independent Executive	5	5	No	2	-	-
Mrs. Vandana Patil <sup>§</sup>	Non-Independent Non-Executive	1	1	N.A.	2	-	-
Mr. Manish Doshi	Independent Non-Executive	5	3	Yes	-	-	-
Mr. G. L. Vishwanath	Independent Non-Executive	5	2	Yes	-	-	-
Mr. Achyut Watve	Independent Non-Executive	5	5	Yes	-	-	-
Mr. Jayant Pendse	Independent Non-Executive	5	3	Yes	2	-	-
Mrs. Manasa Vishwanath <sup>@</sup>	Independent Non-Executive	1	1	N.A.	-	-	-

\* Mr. Naresh Patil was present through telecon for four (4) Board Meetings.

§ Mrs. Vandana Patil was appointed as Director w.e.f. 16<sup>th</sup> January, 2012.

@ Mrs. Manasa Vishwanath was appointed as Director w.e.f. 17<sup>th</sup> January, 2012.

4. Five Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the board meeting were held as follows :  
21<sup>st</sup> May, 2011; 30<sup>th</sup> May, 2011; 30<sup>th</sup> July 2011; 12<sup>th</sup> November, 2011 and 11<sup>th</sup> February 2012.
5. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
6. During the year, information as mentioned in Annexure 1A to the Clause 49 of the Listing Agreement has been placed before the Board for its consideration. Based on the information placed before the Board, strategic and vital decisions are taken for effective governance of the Company.
7. Among other important information, minutes of all the Committee meetings, are regularly placed before the Board in their meetings.

**b) Details of sitting fees paid to the Non-Executive Directors**

The Company does not pay any remuneration to its Independent Directors apart from sitting fees. The sitting fees paid to each Non-Executive Director is ₹ 20,000/- for each Board Meeting. The Details of sittings fees paid for the financial year 2011-12 are as follows:-

Sr. No.	Name of the Director	No. of meetings attended	Sitting fees paid (₹ in Lakhs)
1.	Mr. Manish Doshi	3	0.60
2.	Mr. Achyut Watve	5	1.00
3.	Mr. G. L. Vishwanath	2	0.40
4.	Mr. Jayant Pendse	3	0.60
5.	Mrs. Manasa Vishwanath	1	0.20
6.	Mrs. Vandana Patil	1	0.20
<b>Total</b>			<b>3.00</b>



**c) Details of remuneration paid to the Executive Directors of the Company.**

Remuneration paid to the Chairman and Managing Director, to the Vice Chairman and to the Executive Directors is within the ceiling limit, as decided by the Shareholders in their Annual General Meeting held on 31<sup>st</sup> July, 2010. Remuneration paid to the Executive Directors for the year ended 31<sup>st</sup> March, 2012 is as follows:

(₹ in Lakhs)

Name of Director	Designation	Salary, Allowances and Perquisites	Commission	Total Managerial Remuneration
Mr. Rajesh Patil	Chairman and Managing Director	58.15	66.67	124.82
Mr. Naresh Patil	Vice Chairman	58.15	66.67	124.82
Mr. Milind Kolte	Executive Director	58.15	66.67	124.82
Mrs. Sunita Kolte	Executive Director	58.15	---	58.15

The increment in remuneration is based on various criteria such as performance of the Company, industry benchmarks, etc which are recommended by the Remuneration and Compensation Committee, reviewed by the Board and approved by the Members.

**d) Shareholding of Independent Directors**

The shareholding of Independent Directors as on 31<sup>st</sup> March, 2012 is as follows:-

Sr. No.	Name of Independent Director	No. of Equity shares held (Face value ₹ 10 each)
1	Mr. Manish Doshi	56,111
2	Mr. Achyut Watve	10,000
3	Mr. G. L. Vishwanath	NIL
4	Mr. Jayant Pendse	NIL
5	Mrs. Manasa Vishwanath	NIL

**AUDIT COMMITTEE:**

The Audit Committee of the Company has been constituted in line with the provisions of Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956. The Audit Committee comprises of 5 members, in which 4 members are Independent Directors. Mr. Abhijit Barje, Asst. Company Secretary of the Company acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee is an Independent Director and was present at the last Annual General Meeting of the Company. The Managing Director and Chief Financial Officer are permanent invitees to the Audit Committee Meetings.

**a) Terms of Reference to Audit Committee**

The Audit Committee is entrusted, inter alia, with the following:

1. To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statements reflect a true and fair position and are sufficient and credible;
2. To recommend to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditor and the fixation of audit fees and also approval of payment of any other services;
3. To review, with the management, the annual financial statements prior to the submission to the Board for its approval, focusing primarily on any changes in accounting practices and policies, compliance with accounting standards, compliance with stock exchanges and legal requirements concerning financial statements, any related party transactions as per Accounting Standard - 18 among other matters;

4. To review, with the management, the quarterly financial statements before submission to the Board for its approval;
5. To review, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
6. Reviewing the Company's financial and risk management policy.
7. Disclosure of contingent liabilities.
8. Reviewing compliances as regards Company's Whistle Blower Policy.

**b) Meetings**

During the financial year 2011-2012, the Audit Committee met Five (5) times on 21<sup>st</sup> May, 2011; 30<sup>th</sup> May, 2011; 30<sup>th</sup> July, 2011; 12<sup>th</sup> November, 2011 and 11<sup>th</sup> February, 2012.

**c) Composition of Audit Committee and attendance**

The composition of the Audit Committee as on 31<sup>st</sup> March, 2012 and attendance of members in the meetings held during the financial year 2011-12 are as under:

Name of the Member	Designation	Category	No. of meetings attended
Mr. Manish Doshi	Chairman	Independent Director	3
Mr. G. L. Vishwanath	Member	Independent Director	2
Mr. Achyut Watve	Member	Independent Director	5
Mr. Jayant Pendse	Member	Independent Director	3
Mr. Milind Kolte	Member	Executive Director	5

**SHAREHOLDERS AND INVESTORS' GRIEVANCE COMMITTEE:**

The Shareholders and Investors' Grievances Committee of the Board, which is chaired by an Independent Director looks into the redressal of the investors' complaints like non-receipt of annual reports, dividend payments, change or deletion of name, issue of duplicate share certificates, dematerialization, rematerialization, transfer, transmission, consolidation, sub-division of shares, debentures and securities and other allied transactions. It delegates power to the executives of the Company and to the Registrar and Transfer Agent of the Company to accomplish aforesaid objectives. Mr. Abhijit Barje, Asst. Company Secretary acts as Compliance Officer of the Company.

**a) Meeting**

The Company has given authority to its Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited to resolve the complaints of shareholders of the Company. The 99.99% shares of the Company are held in Dematerialized form. During the financial year 2011-2012, no Committee meeting was held since no request from the shareholder is received for dematerialization or re-materialization of the shares of the Company.

**b) Composition of Shareholders and Investors' Grievance Committee**

The constitution of the Committee is as follows:

Name of the Member	Designation	Category
Mr. G. L. Vishwanath	Chairman	Independent Director
Mr. Manish Doshi	Member	Independent Director
Mr. Achyut Watve	Member	Independent Director
Mr. Jayant Pendse	Member	Independent Director
Mrs. Sunita Kolte	Member	Executive Director

**c) Shareholders / Investors Complaint Status**

The complaint status from the 1<sup>st</sup> April, 2011 up to 31<sup>st</sup> March, 2012 is as follows:

Number of complaints received	No. of complaints resolved	Number of complaints pending
24	24	Nil

**REMUNERATION AND COMPENSATION COMMITTEE**

Remuneration and Compensation Committee of the Board looks into the appointment, re-appointment, determination, fixation of the remuneration and revision in the remuneration payable to the existing Executive Directors of the Company, grant and allotment of stock options to the eligible employees etc.

**a) Meetings of Remuneration Committee**

During the financial year 2011-2012, the meeting of Remuneration and Compensation Committee was held on 30<sup>th</sup> May, 2011 and 20<sup>th</sup> June, 2011.

**b) Composition of Remuneration and Compensation Committee and Attendance**

The following is the constitution of the committee and attendance for the Committee Meetings:

Name of the Member	Designation	Category	No. of Meetings Attended
Mr. Jayant Pendse	Chairman	Independent Director	1
Mr. Manish Doshi	Member	Independent Director	1
Mr. G. L. Vishwanath	Member	Independent Director	---
Mr. Achyut Watve	Member	Independent Director	2
Mr. Milind Kolte	Member	Executive Director	2

**c) Remuneration Policy**

The remuneration policy of the Company is performance driven and in considering the remuneration payable to the directors, the remuneration committee considers the performance of the Company, the current trends in the industry, the experience of the appointee, their past performance and other relevant factors.

**DETAILS OF THE ANNUAL GENERAL MEETINGS:**

The details of previous three Annual General Meetings of the Company are as follows:

Financial Year	Date and Time	Venue	Special Resolution passed
2008-09	31 <sup>st</sup> July, 2009 at 12.30 p.m.	Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016	1
2009-10	31 <sup>st</sup> July, 2010 at 12.00 noon	Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016	1
2010-11	30 <sup>th</sup> July, 2011 at 12.00 noon	Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016	---



**DISCLOSURES****a) Subsidiary Companies**

The Company does not have a material non-listed Indian subsidiary whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding and its subsidiaries in the immediately preceding accounting year.

**b) Insider Trading Code**

The Company has adopted the Employee Share Dealing Code in terms of the SEBI (Prohibition of Insider Trading) Regulations 1992. This code is applicable to all directors and designated employees of the Company. The Code seeks to prevent dealing in Company's shares by persons having access to unpublished price sensitive information.

The Company regularly monitors the transactions in terms of the Employee Share Dealing Code undertaken by the employees of the Company. The Company also informs the stock exchange(s) periodically about the transaction(s) undertaken by the designated employees and their share holdings as per the regulations.

**c) Materially Significant Related Party Transactions**

All related party transactions form part of the notes to the balance sheet. Saving those, there were no materially significant related party transactions with its promoters, directors or its management, their subsidiaries or relatives, etc. that had a potential conflict with the interest of the Company.

**d) Accounting Treatment**

No treatment different from that prescribed in an Accounting Standards has been followed by the Company.

**e) Non-compliance/strictures/penalties**

There was no instance of non-compliance by the Company on any matter related to capital markets and therefore, no penalties and/or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority during the last three years.

**f) Details of Utilization of IPO Proceeds**

The details of utilization of IPO proceeds up to 31<sup>st</sup> March, 2012 are as under:

(₹ In Lakhs)

Particulars	Current Quarter as on 31 <sup>st</sup> March, 2012	Previous Quarter as on 31 <sup>st</sup> December, 2011
Issue Proceeds	27,554.30	27,554.30
Utilization		
a. Payment towards IPO Expenses	2,195.29	2,195.29
b. Payment towards development and construction of Projects	3,860.95	3,177.67
c. Payment towards Land Purchases	19,799.60	19,390.41
Total Fund Utilized	25,855.84	24,763.37
Balance (Unutilized) (Invested in Liquid Assets viz. Fixed Deposits and Mutual Funds)	1,698.46	2,790.93

**g) Whistle Blower Mechanism**

The Company seeks to maintain the highest ethical and business standards in the course of its business and has put in place mechanism of reporting illegal or unethical behavior. Directors, employees, vendors or customers may report violations of the laws, rules, regulations or unethical conducting by writing to the notified person. The report received from employees will be reviewed by Audit Committee. The Directors and Management Personnel are obligated to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practices. No person has been denied access to the Audit Committee. Whistle Blower Policy is also hosted on the website of the Company - [www.koltepatil.com](http://www.koltepatil.com)

**h) Adoption of Mandatory and Non-Mandatory Requirements**

The Company has complied with all the mandatory requirements and has adopted the following non-mandatory requirements of Clause 49 of the Listing Agreement.

**Whistle Blower Policy**

The Company has adopted a Whistle Blower Policy to provide a mechanism for its Employees, Directors, Vendors or Customers to disclose any unethical and/or improper practice(s) taking place in the Company for appropriate action and reporting. This policy provides the necessary safeguards to all the whistle blowers for making disclosures in good faith. The disclosures can be made in writing to the Chairman of the Company or Executive Director. The Chairman of the Audit Committee is duly authorized to investigate/oversee any disclosures reported under this policy.

**i) Code of Conduct**

Board of Directors of your Company have laid down its code of conduct and ethics for all Board Members and Senior Management personnel of the Company and the same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the code. A declaration signed by the Chairman and Managing Director is annexed to this report.

**MEANS OF COMMUNICATION**

The quarterly, half yearly and annual results of the Company are published in leading newspapers in India which include Navshakti and Free Press Journal. The results are also displayed on Company's website [www.koltepatil.com](http://www.koltepatil.com).

The "Investors" section on the Company's website keeps the investors updated on the material developments in the Company by providing key and timely information like details of Directors, Financial Results, Shareholding Pattern, Annual Reports, and procedure and forms for transfer/transmission of shares and request of NECS etc.

The Management Discussion and Analysis Statement is part of the Company's Annual Report.

**GENERAL SHAREHOLDER INFORMATION**

**a) AGM Information and Financial Year**

Day, Date and Time of AGM	:	Saturday, 28 <sup>th</sup> July, 2012 at 12.15 p.m.
Venue	:	Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune 411 016, Maharashtra, India.
Financial Year	:	1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March 2012.
Date of Book Closure	:	Saturday, 21 <sup>st</sup> July, 2012 to Saturday, 28 <sup>th</sup> July, 2012 (both days inclusive)
Dividend Payment Date	:	Thursday, 23 <sup>rd</sup> August, 2012.

**b) Listing on Stock Exchanges and Scrip Code**

The Company's shares have been listed on the following exchanges:

- i. National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051
  - ii. Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
- a) Annual listing fees have been paid for the financial year 2012 – 2013 to NSE & BSE.
  - b) Annual custodian charges/issuers fees have been paid for the financial year 2012 – 2013 to NSDL & CDSL.

Scrip Code	BSE Code : 532924 NSE Code : KOLTEPATIL
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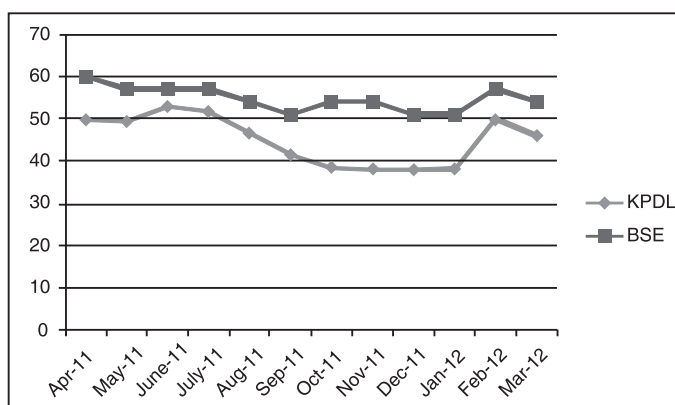
### c) Market Price Data

The monthly high and low quotations and volume of shares traded on BSE and NSE from 1<sup>st</sup> April, 2011 up to 31<sup>st</sup> March, 2012 is as follows:

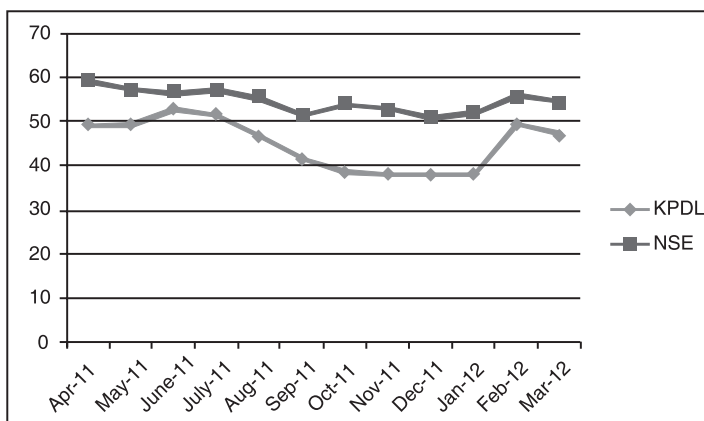
Month	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
	High (₹)	Low (₹)	No. of shares	High (₹)	Low (₹)	No. of shares
April 2011	49.70	43.70	843568	49.30	44.00	1694743
May 2011	49.40	41.05	445425	49.40	40.35	818306
June 2011	52.95	42.25	1232556	53.00	42.10	2192597
July 2011	51.70	45.00	499998	51.70	44.45	739771
August 2011	46.70	35.20	296891	46.75	34.50	496480
September 2011	41.40	35.05	236338	41.50	34.00	403379
October 2011	38.40	30.40	353959	38.60	33.15	864500
November 2011	38.05	29.10	198944	37.95	29.20	1572611
December 2011	37.95	26.40	502732	38.00	29.05	1416723
January 2012	38.15	30.05	353963	38.00	30.15	808322
February 2012	49.90	34.50	1562318	49.50	34.50	3330684
March 2012	46.00	36.60	264988	47.40	37.10	636052

### d) Performance in comparison to the Broad-based Indices

#### Performance in comparison to BSE Sensex



#### Performance in comparison to NSE Nifty





**e) Registrar & Share Transfer Agent and Share Transfer System**

Bigshare Services Private Limited is the Registrar & Share Transfer Agent (RTA) of the Company in respect of the equity capital in demat and physical mode. They process share transfer and transmission on fortnightly basis. Their address is as follows:

Bigshare Services Private Limited,  
Unit: Kolte-Patil Developers Limited,  
E/2 & 3, Ansa Industrial Estate, Sakivihar Road,  
Sakinaka, Andheri (E), Mumbai - 400 072  
Tel: +91-22-40430200  
Fax: +91-22-28475207  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)  
E-Mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Our Registrar & Transfer Agent M/s Bigshare Services Private Limited has Gen-Next Investor Module “i’Boss” the most advanced tool to interact with shareholders. Please login into “i’Boss” ([www.bigshareonline.com](http://www.bigshareonline.com)) and help them to serve you better.

**f) Distribution of Shareholding / Shareholding Pattern as on 31<sup>st</sup> March, 2012**

i. The distribution of shareholding of the Company as on 31<sup>st</sup> March, 2012 is as follows:

Shareholding of nominal value	Total Holders	% of Total Holders	Total Holding	% of Total Capital
0001 - 500	64795	95.29	4999522	6.60
501 - 1000	1676	2.46	1347379	1.78
1001 - 2000	777	1.14	1168869	1.54
2001 - 3000	213	0.31	547979	0.72
3001 - 4000	114	0.17	412667	0.54
4001 - 5000	98	0.14	465337	0.61
5001 - 10000	151	0.22	1130664	1.49
10001 - 999999999	176	0.27	65702492	86.71
<b>TOTAL</b>	<b>68000</b>	<b>100.00</b>	<b>75774909</b>	<b>100.00</b>

ii. The Shareholding pattern as on 31<sup>st</sup> March, 2012 is as follows:

Category	No. of shares	Percentage (%)
Promoters (including Persons Acting In Concert)	56250000	74.23
Public	13540391	17.87
Bodies Corporate	2956951	3.90
Non-Resident Indians	2737311	3.61
Employees	201065	0.27
Financial Institutions and Insurance Companies	50398	0.07
Clearing Members & Trusts	35793	0.05
Foreign Institutional Investors	3000	0.00
<b>TOTAL</b>	<b>75774909</b>	<b>100.00</b>

**g) Dematerialization of shares and liquidity**

On 17<sup>th</sup> December, 2007, the Company got listed on the stock exchanges with 100% dematerialized shares. The shares of your Company are under the compulsory demat settlement mode and can be traded only in the demat form. International Securities Identification Number (ISIN) allotted to the Company by NSDL and CDSL is INE094I01018.

Equity shares of the Company representing 99.99% of the Company share capital are dematerlised as on 31<sup>st</sup> March 2012.

**h) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

**i) Nomination :**

Members can avail nomination facility. Blank nomination forms will be supplied on request.

**j) Address of Correspondence**

**Mr. Abhijit Barje**

Asst. Company Secretary and  
Compliance Officer

Kolte-Patil Developers Limited

2<sup>nd</sup> Floor, City Point,

Dhole Patil Road,

Pune - 411001.

Tel No.: +9120 66226500

Fax No.: +9120 66226511

E-mail: [investorrelation@koltepatil.com](mailto:investorrelation@koltepatil.com)

Website : [www.koltepatil.com](http://www.koltepatil.com)

**DECLARATIONS:**

**CEO / CFO Certification**

As required by sub clause V of the Clause 49 of the Listing Agreement entered with the Stock Exchanges, we have certified to the Board that for the financial year ended 31<sup>st</sup> March, 2012, the Company has complied with the requirements of the said sub clause.

**For Kolte-Patil Developers Limited**

**For Kolte-Patil Developers Limited**

**Rajesh Patil**

**Chairman and Managing Director**

**Vasant Gaikwad**

**Chief Financial Officer**

**May 29, 2012**

**Pune**

**Compliance with Code of Business Conduct and Ethics**

As provided under Clause 49 of the Listing Agreement entered with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the financial year ended 31<sup>st</sup> March, 2012. The Code of Conduct of the Company is available on the Website of the Company.

**For Kolte-Patil Developers Limited**

**Rajesh Patil**

**Chairman and Managing Director**

**May 29, 2012**

**Pune**

**Certificate on Corporate Governance**

To,

The Members of Kolte-Patil Developers Limited

We have examined the compliance of conditions of corporate governance, by **Kolte-Patil Developers Limited**, ('the Company') for the year ended 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mention Listing Agreement. We state that as per the records maintained, no investor grievances against the Company are pending for a period exceeding one month before Shareholders/ Investors Grievance Committee.

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

**For S. V. Deulkar & Co.**  
Company Secretaries

Pune  
Dated May 29, 2012

S. V. Deulkar  
Proprietor  
F.C.S. 1321 C. P. No. 965

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### ECONOMIC OVERVIEW

India is the second most preferred destination for foreign investors. India is a country that has been able to restore investor confidence in its markets, even during the toughest of times. Increase in capital inflows, foreign direct investments (FDI) and overseas entities' participation reflect the fact that Indian markets have fared well in recent times. Moreover, foreign companies are viewing the South-Asian nation as a strategic hub for their operations and investments owing to investor-friendly policy environment, positive eco-system and huge potential for growth. The cumulative FDI flows of for April 2011-January 2012 aggregated to US\$ 26.19 billion, exceeding the total FDI of US\$ 19.43 billion for 2010-11 fiscal.

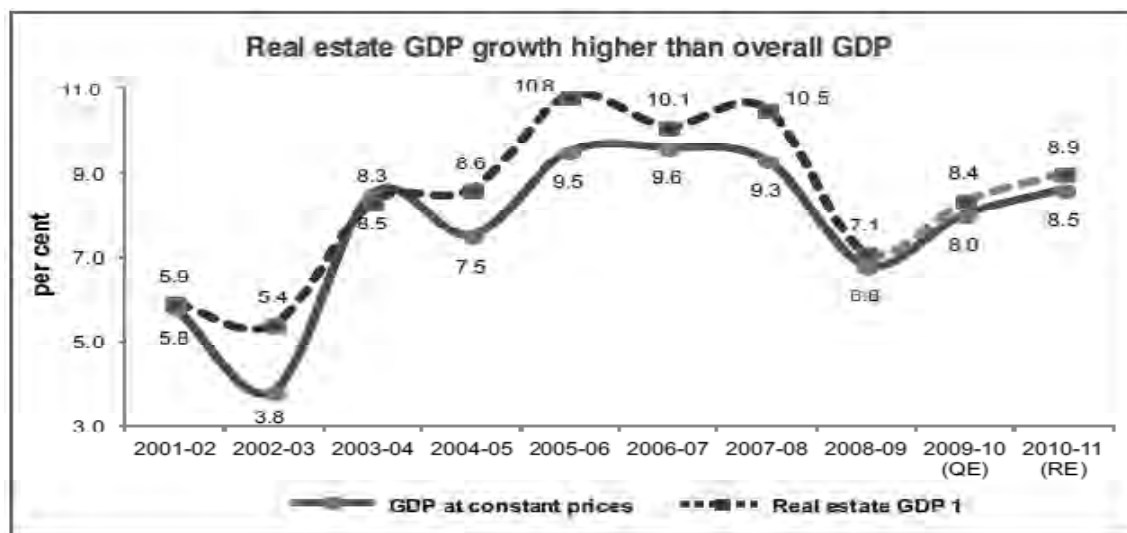
However, inflation and capital runaway has been the two main factors hurting the economy. Inflation was above 9% for most part of the year and RBI had done around 13 interest rate hike decision since December 2010 to curb inflation. Country's economic momentum has been dragging due to the monetary tightening and inflation issues. Capital outflows, domestic corruption and policy paralysis (lack of policy developments) have also given a massive blow to the economic sentiments here.

### REAL ESTATE OVERVIEW

The Indian economy has witnessed robust growth in the last few years and is expected to be one of the fastest growing economies in the coming years. Real estate in India contributes about 5 per cent to India's gross domestic product (GDP). The real estate sector in India assumed greater prominence with the liberalization of the economy, as the consequent increase in business opportunities and labour migration led to rising demand for commercial and housing space. At present, the real estate and construction sectors are playing a crucial role in the overall development of India's core infrastructure. The real estate industry's growth is linked to developments in the retail, hospitality and entertainment Industries, economic services and information technology (IT) enabled services etc. This sector happens to be the second largest employer after agriculture. The total revenue generated in 2010-11 stood at US\$ 66.8 billion and is expected to grow at the rate of 30 per cent over the next decade. The size of the Indian real estate market is expected to touch US\$ 180 billion by 2020.

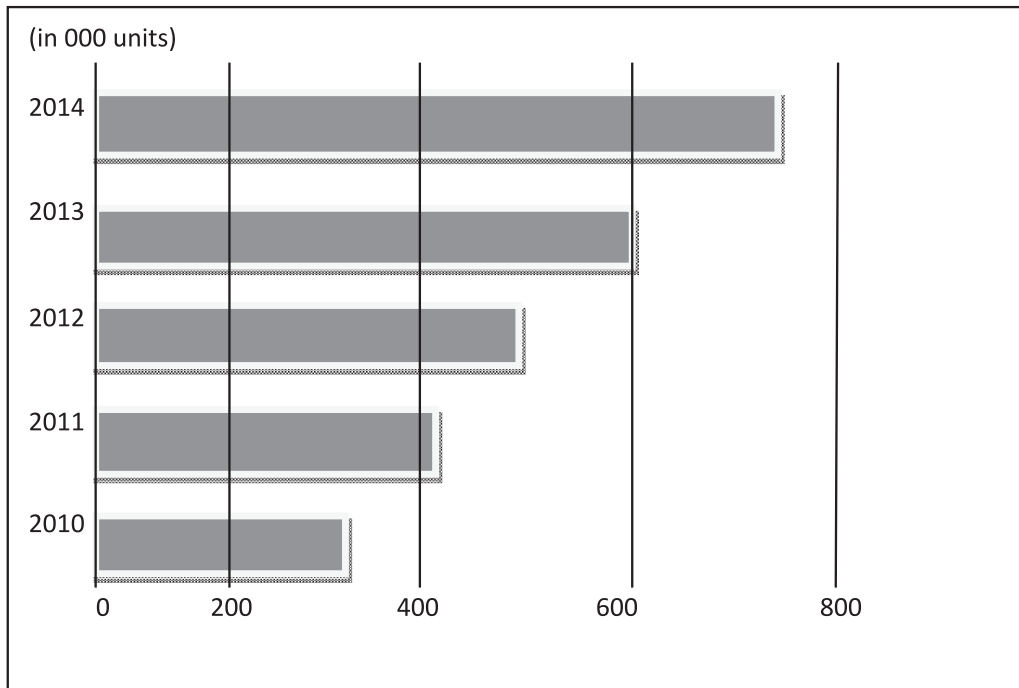
Demand is expected to grow at a compound annual growth rate (CAGR) of about 19 per cent between 2010 and 2014—Tier 1 metropolitan cities are projected to account for about 40 per cent of this. Growing requirements of space from sectors such as education, healthcare and tourism provide opportunities in the real estate sector. FDI of more than US\$ 9 billion was infused in real estate in the last decade. Real estate emerged as the popular sector for private equity funds who invested around US\$1,700 million in this sector during 2011.

Urban population has been increasing and is expected to cross 590 million by 2030. Urbanization and growing household income are some of the major factors that influence demand for residential real estate and growth in the retail sector.





Demand projections across 7 cities between 2010-2014 expecting CAGR of around 19%



### **Residential Market Overview and Outlook**

Following the global economic crisis, the residential real estate sector showed signs of recovery in India's major cities such as improved buyer confidence and increasing prices. In other residential markets, consumer demand was consistent and fueled demand, but consumer growth was affected by factors such as rising interest rates, inflation and socio-political conflicts. Due to high construction costs and inflation, several developers raised property prices, thereby impacting the sector. The RBI also increased home loan interest rates, which affected real estate consumers. Overall, higher prices and rising financing costs resulted in a decrease of property sales throughout 2011.

Housing shortages remain one of the biggest challenges for India. The property market in India from 2011 to 2015 is likely to witness a demand for approximately 3.94 million housing units, growing at a CAGR of 11%. Of this total demand, the mid-range housing segment is expected to drive the maximum demand of 45%. The majority of developers are concentrating on this segment which would help reduce the supply-demand gap. The supply of residential units is expected to be highest in the cities of Mumbai and the NCR in order to cater to the rising demand. Despite the expected increase in the demand and supply, the gap in Tier-I cities is likely to remain substantial, with demand exceeding supply by at least 2.5 times between 2011 and 2015.

### **Retail Market Overview**

The total retail sales will grow exponentially. Strong underlying economic growth, population expansion, the increasing wealth of individuals and the rapid construction of organised retail infrastructure are key factors behind the forecast growth. With the expanding middle and upper class consumer base, there will also be opportunities in India's tier II and III cities.

During 2010-12, around 55 million square feet (sq. ft.) of retail space was ready in Mumbai, national capital region (NCR), Bengaluru, Kolkata, Chennai, Hyderabad and Pune. Besides, between 2010 and 2012, the organised retail real estate stock had grown from the existing 41 million sq. ft. to 95 million sq. ft.

The retail real estate market in India is developing and becoming increasingly complex and competitive with consolidations and competition in pricing and promotional activities. New international, national and regional entities are expanding and reaching out to a new set of customers in India.

## Commercial Office Market Overview

The global economic turmoil has had a ripple effect on the Indian commercial property market in the past year. The commercial office markets in India have shown mixed trends. Overall, rental and capital values have been stagnant with a downward bias. The employment market in India has picked up for the IT/ITes sector, pharmaceuticals, retail and hospitality sectors, whereas sectors such as real estate, infrastructure, manufacturing, engineering etc. remain subdued for 2011–2012. With high inflation, ever growing fuel prices and high lending rates the general sentiment for both real estate investors and companies is negative.

The cumulative pan-India commercial real estate demand between 2011 and 2015 is expected to be 270 million sq. ft. Bengaluru, NCR and Mumbai are expected to constitute 45% of the total demand. Bengaluru is expected to constitute a significant portion of the demand for office space between 2011 and 2015, where demand is anticipated to exceed supply.

## Pune Real Estate Market Overview

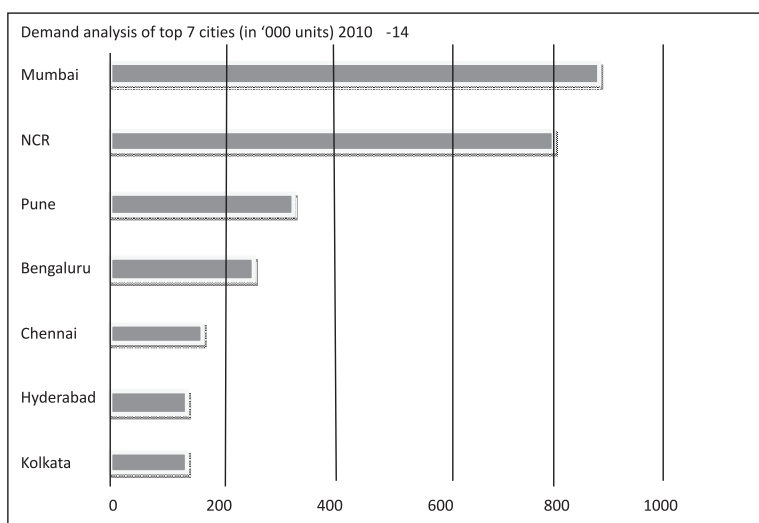
As one of the largest city in India, and as a result of its many colleges and universities, Pune has emerged as a prominent location for IT and manufacturing companies to expand. Pune has the sixth largest metropolitan economy in the country.

Pune has a resilient real estate market. The real estate prices in this micro market were corrected during the recession as buyers lost their funds in the equity markets. However, post-recession, the realty market has bounced back and is on a stronger and healthier footing.

Major micro markets in Pune can be classified as East Pune, West Pune, North Pune and South Pune. Growth in East Pune is being largely driven by Kharadi and Hadapsar (Magarpatta Cyber City). There is a mixture of BFSI, IT and BPO industries in this section of the city. West Pune is increasingly becoming an IT hub, largely concentrated in the Rajiv Gandhi InfoTech Park located in Hinjewadi. Four townships have been launched in and around this area to meet the huge demand for homes in the vicinity. The heart of the city; Central Pune is seeing a lot of redevelopment projects.

The availability of skilled manpower supported by availability of cost effective commercial real estate continues to drive demand for office properties in Pune. New multinational corporates such as Hitachi, UPS and Metro have now forayed into the city, while existing IT giants like Cognizant, KPIT & L & T Infotech continue to add to their existing operation bases in pursuit of their expansion plans. The resurgence in demand for office space in Pune has continued in 2011-12 so far.

As per the Indian Statistical report of 2011, Pune's per capita income is the second highest in Maharashtra. This clearly indicates the spending capacity of the population in the city. All this augers well for the city's flourishing retail market. Mall space in Pune is expected to double from 5.2 mn sq. ft. by end of 2011 to 10.8 mn sq. ft. by end of 2013.



Annual requirement for houses expected to grow annually by 50,000 units based on population estimated as per Pune development plan. Weighted average price in Pune has increased by about 11% CAGR in last 2 years. However, on a location level basis the appreciation is much higher. There is requirement of nearly 20 million square feet of commercial space in Pune over a period of four years (2011-14).

### **Bengaluru Real Estate Market Overview**

Amidst a tough macro-economic environment, Bengaluru has shown meaningful resilience. In the initial few months new launches were scarce due to delays in approvals, there has been great pick-up in the sales momentum since then. Approximately 40-50 new projects were launched across Bengaluru across the segment. Bengaluru's higher resilience can be attributed to rational pricing movement and large end-user buyer. The Bengaluru market has witnessed a modest 7% YoY increase in prices which has been favorable from the end users' perspective, unlike markets like Mumbai, where there has been a sharp increase in prices. Thus, overall, Bengaluru residential market is relatively better positioned in the current difficult macro environment.

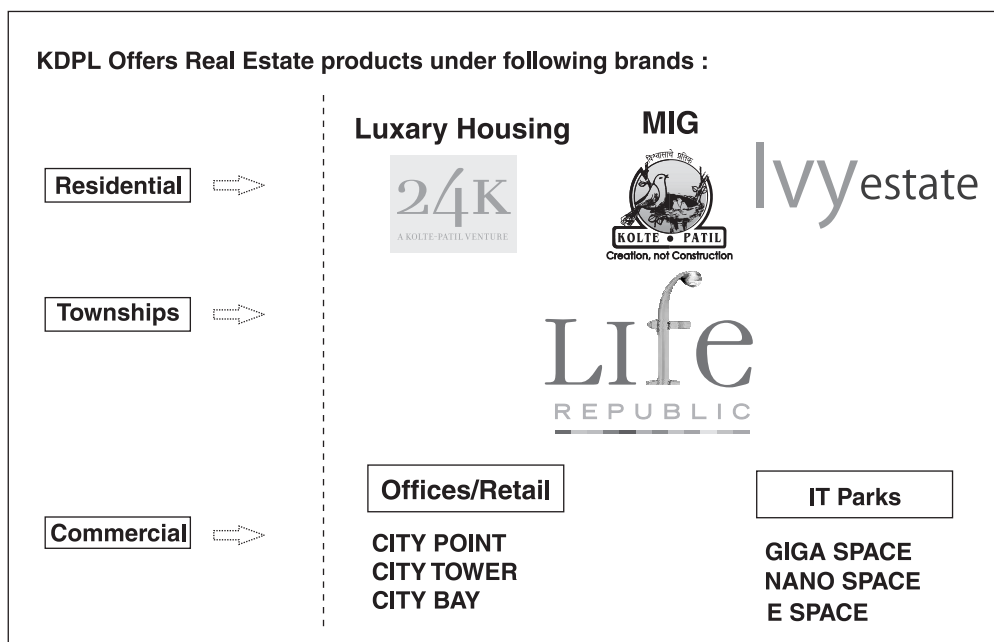
Leasing has witnessed an approximately 28% YoY jump, accompanied by a 10% increase in rentals across micro markets. In the absence of oversupply, vacancy levels declined to a comfortable level. Commercial market is expected to continue to benefit from the relatively positive outlook in the IT/ITes sector.

The 5-year outlook for the city looks at a 7-9% appreciation in capital values, which is in keeping with the country's current inflation numbers. On the supply side, there is a bunching up of large format supply across micro markets in the city, which will come into the market in 2014-15. The availability of sufficient options in each micro market is expected to keep appreciation in capital values under check.

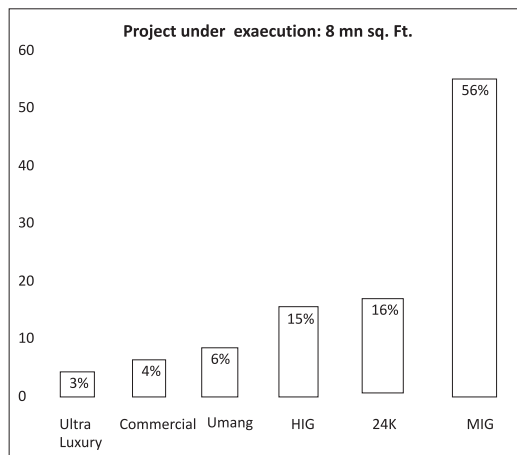
### **Product wise performance**

With a proven track record of more than two decades, Kolte-Patil Developers Ltd. is one of the most respected real estate companies in and around Pune. With expertise in all aspects of real estate business and excellent execution track record, Kolte-Patil is poised to take a quantum jump. Kolte-Patil's development focus is on high growth centers of India viz. Pune, Bengaluru and Mumbai. So far we have developed 7 million square feet of saleable area under 30 projects across Pune and Bengaluru.

Kolte-Patil offers real estate products under following brands :



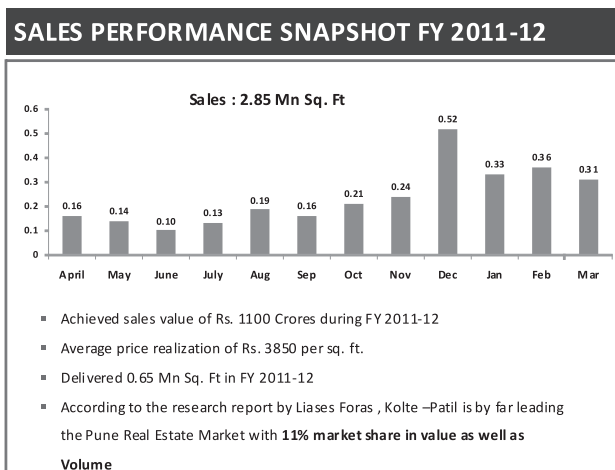
So far Kolte-Patil has developed 7 million square feet of saleable area. Currently nearly 8 million square feet is under execution. Break-up of area under execution according to product type is as shown below.



### Projectwise details for Pune Region

Area in Mn. Sq. ft.				
Sr. No.	Name of project	Total saleable area	Area sold between April 2011 to March 2012	Total area sold till March 2012
1	Life Republic	2.35	1.12	1.93
2	Green Olive	0.11	0.04	0.09
3	Glitterati	0.45	0.10	0.25
4	Corolla	1.91	0.94	1.45
5	Downtown	0.71	0.085	0.085
6	Tuscan	0.41	0.22	0.24
7	City Space	0.06	0.012	0.05
8	City Bay	0.058	0.009	0.048
9	Allura	0.52	0.08	0.13
10	Margosa	0.74	0.14	0.45
	<b>Total</b>	<b>7.32</b>	<b>2.75</b>	<b>4.70</b>

### Monthwise Sales Performance for Pune Region





## **New Projects**

### **Life Republic**

We launched our Integrated Township “Life Republic” at Hinjewadi, Pune this year. Life Republic offered a unique way of living for thinking minds. The thoughtful use of integrated media along with various collaterals helped Life Republic generate immense awareness and popularity within a short span of time and resulted in 300 plus booking on day of launch itself.

This Integrated Township offers variety of residential options with top-class physical as well as social infrastructure. The execution has already started with focus on creativity, sensitivity and sustainability.

The nerve of this Township would be its ‘Spine Boulevard’ (the main internal road) which would be nearly as wide as the Pune – Mumbai expressway.

### **Downtown**

We have planned an integrated development in Kharadi to create a haven of luxuries and convenience for you. Adorned with exquisite beautification of landscapes, water garden and podium gardens will raise the bar of expectations of every Puneite. It will be a stunning destination to LIVE, WORK, SHOP, DINE & HANGOUT. All that you wish for- From smart homes to luxurious abodes PROJECT KHARADI has it all.

Downtown is consists of project like Beryl comprising of 2 & 3 BHK apartment ranging from area of 1555-1755 sq. ft. Next is Cheryl comprising of 2 & 3 BHK trendy apartments with the area of 1565-1630 sq. ft. Langston is another project which offers 2 & 3 BHK budget apartment of 1144-1507 sq. ft. Fall in love with nature downtown present Senona with the beauty of nature surrounding you at every beat, Senona is a place where you feel much closer to nature with your own beautiful garden balcony. Spread across 4 acres of land Senona offers 3 BHK area size of 1880-2035 sq. ft.

### **Tuscan Estate**

Tuscan Estate, exquisite 3 BHK Apartments & 4 BHK Penthouses, for those who want to capture those moments the small intimacies of life. With amazing highlights and alluring lifestyle; the Collage Homes at Tuscan Estate reminds you constantly of the moments that speak for itself, the moments that you don't want to miss, the moments that defines who you are, the moments that you have captured deep inside your heart. It's a collage of elevation, location, amenities, space & specification. The collage homes vary from 1605-1820 sq. ft.

### **Florence**

Florence, the very name imbibes a sense of prosperity set within a flourishing environment Here's an impressive ensemble of all it takes to create an uber-class life style. It's about taking pleasure in unimaginable luxuries. You are invited to luxuriate in your very own sanctuary to choose from 2, 3 & 4 BHK Apartments ranging from 1000 to 1630 sq. ft. and experience sheer exclusivity that will entice the world.

### **Alyssa**

Alyssa is one of the most premium commercial spaces to house ventures in Bangalore. A boutique place in three floors on Richmond Road, Bengaluru. Alyssa boasts state of the art amenities to do business in style. Designed with elegant décor, swanky interiors and classic architecture, this magnificent property is well set to shine as a gem in the crown of the city. The building consists of basement, ground, mezzanine and 3 upper floors. The ground and mezzanine floor is being considered as showroom space and the upper floors for office use. The total saleable area of the building is approx. 43,000 sq. ft, having 75 car parks at the basement.

### **Kormanagala Commercial Project**

The project is strategically located on Sarjapura Main Road, Koramangala III Block, Bengaluru. This mixed use commercial project is coming up in the land area of approx. 58,000 sq. ft.

### **Utsav Raaga – Kannur road**

Utsav brings back a concept in living that has always been a part of life in India i.e. a life that has always been celebrated as a community. Utsav offers an entire spectrum of homes under a single umbrella - value homes, luxury homes, villas and gated communities that celebrate life and living.

The first of the offerings under Utsav is Raaga- thoughtfully designed, competitively priced quality homes on Kannur Road near Thanissandra. Raaga is spread over 4.5 acres and will comprise 12 Blocks to be built in II Phases. These 590 homes offer optimal value in terms of location, convenience, lifestyle and price.

Raaga's strategic location is one of its major pluses, as it is in the heart of North Bangalore one of the hottest real estate destinations today.

Within easy reach of the International Airport, close proximity to many educational institutions of repute (Vidyashilp Academy, Reva Engineering College, Delhi Public School), excellent hospitals, leisure avenues and great connectivity to prime locations like Hebbal, Manyata Tech Park, Hennur, Old Madras Road, Raaga offers an option in living that is guaranteed to garner appreciation and returns in equal measure.

### **Horamavu Residential Project**

It is located 10 km from M. G. Road, Brigade Road and Commercial Street and in the vicinity of the Outer Ring Road, which connects to Hebbal, Manyata Tech Park, Baghmane Tech Park, ITPL, Old Madras Road, Whitefield and the International Airport.

It is spread over 7 acres of land with seven towers of B + G + 12 floors having 618 units. This residential complex consists of two, three, four bedroom & penthouse apartments with a host of luxury amenities. It is a Joint Development project with Dinesh Ranka and KPDL is having 70% share in the project.

### **Awards**

Life republic has recently received an award by **Realty Plus Excellence Award 'West'** for its **"Innovative Real Estate Marketing Campaign of the year."**

### **Opportunities**

- **Affordability**

The rise in income opportunities and quality of jobs coupled with availability of home finance has brought down the average age of first time buyers of residential property considerably. Even as interest rates for home loans have increased significantly in the last two years, these rates are still much lower than the highs of 18 per cent in the mid-1990s. Together, these factors have brought about a substantial increase in the affordability of a residential property. Home affordability which is measured as number of years of income required to own a house is around 5 years as compared to 22 years in the mid-1990s.

- **Growing number of first time buyers**

India has a much younger population compared to most other economies. Given that a majority of the population would still be young, the per capita income generation capability of India would continue to remain robust. With the average age of home buyers declining fast the young working population would further push demand for housing units higher. First-time home buyer numbers have multiplied over the years and the median age of home buyers has reduced from 38 years in the early 1990s to about 28 years today.

- **Favourable demographic situation - large working population and rapid urbanisation levels**

Currently, 63% of India's population is in the age group of 15-59 years and only 30 per cent of India's population is urban. Both these numbers are going to increase in the future. Besides, reduction in household sizes due to preference for nuclear families and urban migration will further boost demand for housing. Given these trends, the opportunity in the residential segment, especially in the affordable and mid-market category continues to be favourable.

- **Healthcare Infrastructure**

Growing at a compound annual growth rate of 16 per cent the Indian healthcare sector is expected to grow to about US\$ 78.6 billion by the year 2016. The healthcare infrastructure market in the country is expected to grow at 14.5 per cent over the next few years. The total investment required to reach the optimum target of 1.85 beds per thousand populations would be US\$ 77.9 billion out of which US\$ 69.7 billion is expected to come from the private sector. Over 150 hospitals are scheduled to open their doors over the next four years alone and this will by itself account for approximately 22.5 million square feet healthcare related real estate.

- **Retail market**

The Indian retail market will once again emerge as a major force driving Indian real estate. Organised retailing accounts for a small but fast-growing share of the total industry. Several factors such as increasing disposable incomes, rising consumption due to increasing use of credit cards and easy finance options and shopping convenience have further driven the growth of organised retail. This rate of growth is going to translate into massive additional requirements for retail space over coming years. If we factor in the spiraling aspirations of Indian shoppers, the constant development of new residential catchments, townships and satellite cities, the real estate demand from Indian retail by 2020 will rise further.

● **Hospitality**

With increased domestic travel and foreign tourist coming to India, the hospitality sector will require additional 50,000 to 60,000 new rooms. The hotel and hospitality sector is growing fast in India due to higher disposable income. The renowned foreign hotel brands are coming to India to set up hotels here and become a part of growth. The growth expected in hospitality segment augurs well for the Company's hotel projects.

● **Increased outright purchase of commercial properties**

Most commercial markets across India saw a greater decline in capital values than rental values. With this the value of purchasing against renting has improved and has led to a rise in the share of outright purchases in India's commercial real estate sector. This trend is likely to continue in FY 12 as well. As your company has a significant amount of commercial real estate project in pipeline, it will benefit from this trend.

● **New sources of capital**

One of the most anticipated policy developments for the Indian real estate sector has been the entry of Real Estate Mutual Funds (REMFs) and Real Estate Investment Trusts (REITs). These measures will open up the sector to cheaper capital, increase the capital raising options available to developers and also improve transparency. Additionally, developers will welcome alternate channels, as policymakers are becoming increasingly risk averse and have tightened bank financing norms to the sector.

**Outlook on Risks & Concerns**

The real estate business is impacted by, inter alia, regulatory and monetary policies and investment outlook. The Company's operations and its ability for future development has to be viewed in light of the above and resultant factors such as the availability of real estate financing, uncertainty on monetary and fiscal policy actions, changes in government regulations, foreign direct investments, approval processes, environment laws, actions of government land authorities and legal proceedings. Other business risks could be replenishment of land reserves, lack of ability in identifying consumer requirements in a timely manner, over-dependence in a particular market/region, input price increases including labour cost, scarcity of land, high inflation, interest rate hikes in the economy, liquidity/availability of credit and various other risks that may be attributable to real estate.

**Internal control systems and their adequacy:**

The internal control systems of the Company are adequate with size and nature of operations of the Company. The internal control systems helps to achieve effectiveness and efficiency of operations, reliability of financial reporting and the compliance with applicable laws and regulations. The Company has increased the scope of internal auditors to improve efficiency and introducing greater controls over various aspects of the procedures and the systems of the Company.

**Financial and Operational Performance (Consolidated)**

**Profit and Loss Analysis:**

A comparative table showing synopsis of Financial Year 2011-12 (FY 12) v/s Financial Year 2010-11 (FY 11) Profit and Loss Account is provided below:

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2012	March 31, 2011
Income from Operations	24924	20280
Other Income	1046	622
<b>Total Income</b>	<b>25970</b>	<b>20902</b>
Operating Cost & other expenses	15880	9712
Employee Cost	1806	1632
Depreciation/Amortization	678	653
<b>Profit Before Interest and Tax</b>	<b>7606</b>	<b>8905</b>
Interest and Finance Cost	2625	683
<b>Profit Before Tax</b>	<b>4981</b>	<b>8222</b>
Taxes	1405	2976
<b>Profit After Tax</b>	<b>3576</b>	<b>5246</b>

**i) Income from Operations**

The Total Operating Income of the Company for FY12 was ₹ 24924 Lakhs as compared to previous year ₹ 20280 Lakhs. The Income from Operations for FY12 mainly comprises ₹ 23400 (₹ 18992 Lakhs) for sale of flats and sale of lands. Other Operating Income for FY 12 was ₹ 1524 Lakhs (₹ 1288 Lakhs) comprises of lease rent of ₹ 106 Lakhs (₹ 138 Lakhs), project management fees of ₹ 186 Lakhs (₹ 52 Lakhs) and other operating income of ₹ 1232 Lakhs (₹ 1098 Lakhs).

**ii) Other Income:**

The Other Income for FY 12 stood at ₹ 1046 Lakhs (for previous year ₹ 622 Lakhs) which primarily comprises income from treasury operations on deployment of surplus funds.

**iii) Operating Costs and other expenses:**

The Total Operating Cost for FY12 was ₹ 15880 Lakhs (for previous year ₹ 9711 Lakhs). This comprises cost of raw material consumed and other administrative and general expenses of the projects.

**iv) Manpower Costs:**

The Total Employee Cost for FY12 was ₹ 1806 Lakhs (for previous year ₹ 1632 Lakhs). The increase was primarily due to commencement of operations of various projects like Life Republic, Ivy Estates, Tuscan Estates and expansion of retail outlets of PNP Retail.

**v) Interest and Finance Cost:**

The Total interest and finance cost for FY12 was ₹ 2625 Lakhs (for previous year ₹ 683 Lakhs). The project finance is taken for the ongoing various projects due to which the interest cost is increased.

**Material Developments in Human Resources**

As the Organization continues to grow exponentially and takes significant strides towards being a Global major, there is an increasingly sharper focus on the HR functional alignment with the business and building people capability. Keeping in view the need of the current times, the HR has undergone significant change. During the year, the focus has been on Talent Acquisition, Talent Management, Learning & Development, Compensation & Benefits and Employee Relations.

To bring in new talent, the Company has started recruiting Management Trainees and Graduate Trainee Engineers from renowned Management and Engineering institutes. This new talent brings in new innovations and technology which are out of the box thinking and help us to rise above the traditional mindset and keep pipe line ready for future managers.

The total Kolte-Patil Group's employee strength has increased to 818 from 539 of the previous year. The increase in employee strength was primarily due to commencement of operations of various projects like Life Republic (increased by 55), Ivy Estates (increased by 74), Tuscan Estates (increased by 32) and expansion of retail outlets of PNP Retail (increased by 96).

**Cautionary Statement**

*In the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources believed to be reliable. Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within and/or outside the country, demand and supply conditions in the market, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations, etc. over which the Company does not have any direct control.*



## **REPORT ON CORPORATE SOCIAL RESPONSIBILITIES**

We at Kolte-Patil believe in creating an inclusive society within and around us and strive to make a positive contribution to the underprivileged communities by supporting a wide range of socio-economic, educational and health initiatives, which are driven by active participation from our people. The initiatives taken by Kolte-Patil are as follows:-

### **1. Construction of road at Punyadham Ashram, Pune:-**

As a part of commitment towards society, we have constructed and handed over road to Punyadham Ashram, Pune. The Punyadham Ashram is a Senior Citizen Oldage Home. The Road (approx. 8 kms.) is constructed from the main gate to senior citizen homes.

### **2. Human Resource Initiatives:-**

**(a) Blood Donation Program at Life Republic, Hinjewadi:** - The Company has arranged in association with Poona Hospital & Research Centre's Rakesh Jain Memorial Blood, a blood donation campaign at Life Republic, Hinjewadi, Pune, as part of its ongoing commitment towards supporting the society. The total 70% employees of Life Republic were participated in the campaign.

**(b) Health Check up Program:** - Kolte-Patil focuses on achieving excellence in occupational and personal health of all its employees. With this objective, the Company has arranged a health check up program for the employees, drivers and senior management personnel of the Company which help to improve and maintain the health of employees.

### **3. Schools for Children of Labours: -**

Kolte-Patil is running schools for the children of labours working at construction sites. Currently, Kolte-Patil is running schools at Glitterati project and Ivy Estate project.

Kolte-Patil aims at contributing to build a sustainable society by simultaneously creating social and economic value.

## **Auditors' Report on Financial Statements**

To,  
The Members of Kolte-Patil Developers Limited

We have audited the attached Balance sheet of **KOLTE-PATIL DEVELOPERS LIMITED**, as at 31<sup>st</sup> March 2012 and the Statement of Profit & Loss and also the Cash Flow Statement of the Company for the period ended on that date annexed thereto (all together referred as "the financial statements"). 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.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis, evidence supporting the amount and disclosure 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-Sec (4A) of Sec. 227 of The Companies Act, 1956 and according to the information and explanation given to us during the course of the audit and on the basis of such checks as we considered appropriate, we have enclosed in the Annexure a Statement on the matters specified in the Paragraphs 4 and 5 of the said order, to the extent applicable to the Company.

Further to our comments in Annexure referred to in paragraph above, we report that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit;
- ii. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of those books;
- iii. The Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts ;
- iv. In our opinion, the Balance Sheet and 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 Companies Act, 1956.
- v. On the basis of written representation received from all the Directors, as on 31<sup>st</sup> March, 2012 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31<sup>st</sup> March, 2012 from being appointed as Director in terms of clause (g) of sub section (1) of Section 274 of The Companies Act, 1956;
- vi. In our opinion, and to the best of our information and according to explanation given to us, the accounts read with notes thereon 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 :
  - a) In case of the Balance Sheet, of the state of the Company's affairs as at 31<sup>st</sup> March 2012;
  - c) In case of the Statement of Profit and Loss, of the Profit of the Company for the period ended on that date; and
  - d) In the case of Cash Flow Statement, Cash flow of the Company for the period ended on that date.

### **For S P C M & Associates**

(Formerly Known as Bora Kasat & Co.)  
Chartered Accountants  
Firm Registration No. 112165W

### **CA Suhas P. Bora**

Partner

M. No. 039765

Place: Pune

Date: May 29, 2012

## **ANNEXURE TO THE AUDITORS' REPORT**

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE AND IN TERMS OF THE EXPLANATIONS AND THE INFORMATION GIVEN TO US AND ON THE BASIS OF SUCH CHECKS AS WE CONSIDERED APPROPRIATE, WE FURTHER STATE THAT:

1. In our opinion and according to the information and explanation given to us, the nature of Company's business/ activities during the year is such that the requirements of clauses (xiii) and (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
2. In respect of Fixed Assets
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
  - b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c. Even though some of the Fixed Assets have been sold during the year, the going concern ability of the Company has not been affected.
  - d. None of the Fixed Assets has been revalued during the year.
3. In respect of Inventories
  - a. As explained to us, an inventory of major items of building materials and stores has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
  - b. In our opinion and on the basis of the information and explanations given to us, the procedures for physical verification of inventory 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. Verification of inventory is being conducted in a phased programme by the management designed to cover all inventory, which in our opinion is reasonable having regard to the size and the nature of the Company. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
  - d. The valuation of stocks is fair and proper and in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
4.
  - a. The Company has taken loan from one party during the year. At the year end the outstanding balance of such loans taken aggregated ₹ 167.46 Lakhs and maximum amount involved during the year was ₹ 275.00 Lakhs.

The Company has granted advances/loans to parties and to subsidiary companies in the register maintained u/s 301 of The Companies Act, 1956. The Maximum amount involved during the year was ₹ 7,717.04 Lakhs and the year end balance of advances/loans was ₹ 7,019.75 Lakhs.
  - b. In our opinion, the loans taken by company from wholly owned subsidiary companies are interest free and the other terms and conditions on which loans taken are not prima facie, prejudicial to the interest of the Company. The advances given by the Company to wholly owned subsidiary companies are interest free and the other terms and conditions on which advances given are not prima facie, prejudicial to the interest of the Company.
  - c. In respect of advances given to wholly owned subsidiary companies, the advances are interest free and repayable on demand. The Company has charged interest in respect of advances given to other group companies covered in register maintained u/s 301.
  - d. The aforesaid loans given to the company are repayable on demand and there is no repayment schedule. Therefore the question of repayment being regular does not arise. In respect of advances given to employees, wholly owned subsidiary and other group companies, these are repayable on demand and therefore the question of overdue amount does not arise.
5. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to purchase of construction material, fixed assets, and with regard to the sale of units. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
6. In our opinion and according to the information and explanations given to us, the transactions that needed to be entered in the Register in pursuance of Section 301 of The Companies Act, 1956 have been entered. In our opinion and according to the information and explanations given to us, there are transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of The Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

7. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from public. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
8. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
9. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
10. The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of Wealth Tax, Income Tax and Sales Tax were outstanding as on 31<sup>st</sup> March, 2012 for a period of more than six months from the date they became payable.
11. The Company does not have any accumulated losses at the end of financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year accordingly, paragraph 4 (x) of the Order is not applicable.
12. According to the information and explanation given to us and based on our observations during the audit, the Company has not defaulted in repayment of dues to any financial institution or bank.
13. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, paragraph 4 (xii) of the Order is not applicable.
14. In our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others, from Banks or Financial Institutions are not, prima facie, prejudicial to the interest of the Company.
15. According to the information and explanations given to us and representations made by the management, term loans have been applied for the purpose for which they were raised
16. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
17. According to the information and explanation given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of The Companies Act, 1956 and therefore provisions of clause 4 (xviii) of the order are not applicable to the Company.
18. The Company has neither issued any debentures during the year nor any debentures outstanding at the beginning of the year. Accordingly the provisions of Clause (xix) of the Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
19. We have verified the end use of money raised by way of Public Issue as disclosed in the Note No. 22 of Schedule 1. Pending utilization of the funds raised through public issue has been temporarily invested in Mutual Funds and Bank Deposits.
20. Based upon audit procedure performed for the purpose of reporting true and fair view of financial statements and as per the information and explanations given by management, which have been relied upon by us, we report that no fraud on or by the Company has been noticed or reported during the course of audit.

**For S P C M & Associates**

(Formerly Known as Bora Kasat & Co.)

Chartered Accountants

Firm Registration No. 112165W

**CA Suhas P. Bora**

Partner

M. No. 039765

Place: Pune

Date: May 29, 2012



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012

(₹ in Lakhs)

PARTICULARS	NOTE NO.	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>I EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>	2		
Share capital	2.1	7,577.49	7,577.49
Reserves and Surplus	2.2	64,638.39	62,946.64
Money Received against share Warrants	2.3	-	-
<b>NON CURRENT LIABILITIES</b>	3		
Long Term Borrowings	3.1	1,921.64	1,807.26
Deferred Tax Liabilities (Net)	3.2	14.33	-
Other Long Term Borrowings	3.3	121.56	73.50
Long Term Provisions	3.4	12,405.89	10,279.26
<b>CURRENT LIABILITIES</b>	4		
Short Term Borrowings	4.1	2,582.25	1,957.24
Trade Payables	4.2	1,516.29	1,305.45
Other Current Liabilities	4.3	3,814.88	3,277.38
Short Term Provisions	4.4	2,603.40	4,169.22
<b>Total</b>		<b>97,196.10</b>	<b>93,393.44</b>
<b>II ASSETS</b>			
<b>NON-CURRENT ASSETS</b>	5		
Fixed Assets	5.1		
i. Tangible Assets		1,078.36	778.19
ii. Intangible Assets		82.50	89.46
iii. Capital work in Progress		-	116.82
Non Current Investment	5.2	40,447.30	43,323.81
Deferred Tax Assets (Net)	5.3	-	12.81
Long Term Loans and Advances	5.4	22,056.97	17,377.54
Other Non Current Assets	5.5	124.90	416.03
<b>CURRENT ASSETS</b>	6		
Current Investment	6.1	2,294.17	3,616.44
Inventories	6.2	22,330.42	18,850.15
Trade Receivables	6.3	2,901.09	2,037.71
Cash and Cash Equivalents	6.4	991.42	1,709.35
Short Term Loans and Advances	6.5	3,976.99	3,886.47
Other Current Assets	6.6	911.98	1,178.66
<b>Total</b>		<b>97,196.10</b>	<b>93,393.44</b>
<b>Significant Accounting Policies &amp; Notes to the Accounts</b>	1		

### For and on behalf of the Board

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
Executive Director

**Vandana Patil**  
Director

**G. L. Vishwanath**  
Director

**Manasa Vishwanath**  
Director

**Manish Doshi**  
Director

**Achyut Watve**  
Director

**Jayant Pendse**  
Director

**Vasant Gaikwad**  
Chief Financial  
Officer

**Abhijit Barje**  
Asst. Company  
Secretary

In terms of our report attached  
**For SPCM & Associates**  
**(Formerly Known as Bora Kasat & Co.)**  
**FRN 112165W**  
Chartered Accountants

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

Place : Pune  
Date: May 29, 2012

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2012**

(₹ in Lakhs)

PARTICULARS	NOTE NO.	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>REVENUE FROM OPERATIONS</b>	7	9,678.06	13,914.01
<b>OTHER INCOME</b>	8	1,752.23	1,230.50
<b>TOTAL REVENUE</b>		<u>11,430.29</u>	<u>15,144.51</u>
<b>EXPENSES</b>	9		
Cost of Construction / Development		3,879.63	4,221.84
Employee Benefits Expenses		1,222.11	1,283.53
Finance Costs		620.47	466.27
Depreciation	5	127.37	116.56
IPO Expenses & Amortisation		465.82	476.18
Other expenses		993.68	1,093.24
<b>TOTAL EXPENSES</b>		<u>7,309.08</u>	<u>7,657.62</u>
<b>Total</b>			
<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS &amp; TAX</b>		4,121.21	7,486.89
<b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		<u>4,121.21</u>	<u>7,486.89</u>
<b>EXTRAORDINARY ITEMS</b>		-	-
<b>PROFIT BEFORE TAX</b>		<u>4,121.21</u>	<u>7,486.89</u>
<b>TAX EXPENSES:</b>			
1) Current Tax	10	1,054.00	2,206.23
2) Deferred Tax		30.39	16.06
<b>PROFIT / (LOSS) FOR THE PERIOD</b>		<u>3,036.82</u>	<u>5,264.60</u>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
No. of Equity Shares (in Lakhs)		757.75	757.75
Earning Per Share Basic & diluted (in ₹)		4.01	6.95

**For and on behalf of the Board**

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
Executive Director

**Vandana Patil**  
Director

**G. L. Vishwanath**  
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In terms of our report attached  
**For SPCM & Associates**  
(Formerly Known as Bora Kasat & Co.)  
**FRN 112165W**  
Chartered Accountants

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

Place : Pune  
Date: May 29, 2012

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

(₹ In Lakhs)

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before taxation and extraordinary items	4,121.22	7,486.86
Adjustment for:		
Depreciation	127.37	116.56
Share of Profit from Firms	(158.92)	(1,221.53)
Foreign Currency restatement	(3.22)	0.39
Loss on Sale of Fixed Assets	7.41	7.92
Liabilities Written back	(17.47)	(19.51)
Interest and Dividend on investments and ICD	(1,068.57)	(1,180.20)
Interest expenses	620.47	466.27
Profit on sale of Assets	-	(0.20)
IPO expenses written off	465.82	465.82
Preliminary expenses written off	-	10.36
Capital Gain on Sale of Shares		
<b>Operating profit before working capital changes</b>	<b>4,094.11</b>	<b>6,132.74</b>
Adjustment for:		
(Increase)/Decrease in Trade Receivable	(863.38)	1,914.25
(Increase)/Decrease in Current Assets	266.67	(1,141.51)
(Increase)/Decrease in Long Term Loans and Advances and non current Assets	(4,854.11)	(2,455.46)
(Increase)/Decrease in Inventories	(3,425.07)	(36.57)
(Increase)/Decrease in Short Term Loans & Advances	(90.51)	(664.98)
Increase/(Decrease) in Current Liabilities	520.02	7.70
Increase/(Decrease) in Short Term Provisios	1,126.27	2,072.89
Increase/(Decrease) in Other Long term Borrowings	48.05	(405.01)
Increase/(Decrease) in Trade Payables	210.84	(356.98)
<b>Cash generated from/(used In) operations</b>	<b>(2,967.11)</b>	<b>5,067.07</b>
Direct taxes paid	(1,974.55)	(2,832.79)
<b>Cash flow before extraordinary items</b>	<b>(4,941.66)</b>	<b>2,234.28</b>
Extraordinary items, if any		
<b>Net cash from/(used In) operating activities</b>	<b>(4,941.66)</b>	<b>2,234.28</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (including Capital Work-In-Progress)	(277.34)	-
Decrease/(Increase) in Investments	4,198.78	(2,435.79)
Profit on sale of Assets	-	(7.73)
Share of Profit from Firms	158.92	1,221.53
Interest and Dividend on investments and ICD	1,068.57	1,180.20
Sale of fixed assets	6.99	(38.73)
Liabilities Written back	17.47	19.51
<b>Net Cash From Investing Activities</b>	<b>5,173.39</b>	<b>(61.01)</b>

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

(₹ In Lakhs)

Particulars	Year ended 31.03.2012	Year end ed 31.03.2011
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	-	29.37
Proceeds from Securities Premium	-	88.10
Increase/(Decrease) in Short Term Borrowings	625.00	(976.98)
Increase/(Decrease) in Long term Borrowings	114.37	(186.27)
Interest paid	(1,689.03)	(466.27)
<b>Net Cash From financing Activities</b>	<b>(949.66)</b>	<b>(1,512.05)</b>
<b>Net Increase/(Decrease) In cash and cash equivalents</b>	<b>(717.93)</b>	<b>661.22</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,709.35</b>	<b>1,048.13</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>991.42</b>	<b>1,709.35</b>

Cash and cash equivalents include fixed Deposits with Bank of ₹ 6,34.03 (Previous Year ₹ 5,74.62/-).

Cheques in hand of ₹ 1,13.13/- (Previous Year ₹ 59.07/-).

Previous year figures have been regrouped, wherever necessary, to confirm to the current year's classification.

**For and on behalf of the Board**

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
Executive Director

**Vandana Patil**  
Director

**G. L. Vishwanath**  
Director

**Manasa  
Vishwanath**  
Director

**Manish Doshi**  
Director

**Achyut Watve**  
Director

**Jayant Pendse**  
Director

**Vasant Gaikwad**  
Chief Financial  
Officer

**Abhijit Barje**  
Asst. Company  
Secretary

In terms of our report attached  
**For SPCM & Associates**  
**(Formerly Known as Bora Kasat & Co.)**  
**FRN 112165W**  
Chartered Accountants

Place : Pune  
Date: May 29, 2012

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

**Note 1**

**1. BACKGROUND**

Kolte - Patil Developers Limited ("the Company") is a Company registered under the Companies Act, 1956. It was incorporated on 25th November 1991. The Company is primarily engaged in business of construction of residential, commercial; IT Parks along with renting of immovable properties and providing project management services for managing and developing real estate projects.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Preparation of Financial Statements**

The Financial Statements are prepared on the historical cost convention in accordance with Indian Generally Accepted Accounting Principles ("GAAP") comprising the Accounting Standards issued by The Institute of Chartered Accountants of India and as notified under the Companies (Accounting Standards) Rules, 2006 and the provisions of The Companies Act, 1956 as adopted consistently by the Company.

**b. Use of Estimates**

The preparation of Financial Statements in conformity with generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities as on the date of the Financial Statements and reported amounts of income and expenses during the period. The Management believes that the estimates used in the preparation of Financial Statements are prudent and reasonable. Actual results could differ from the estimates.

**c. Fixed Assets**

The Gross Block of Fixed Assets is stated in the Accounts at the purchase price of acquisition of such assets including any attributable cost of bringing the assets to its working condition for its intended use. Office premises located at Jalgaon have been taken on lease for a period of 50 years and the same is reflected in Gross Block at Rs. 1.0 lakh. The leasehold premises have been amortised @ 2% per annum on the basis of period of lease.

**d. Depreciation/Amortization**

Depreciation is provided as per the "Straight Line Method" according to the rates prescribed in Schedule XIV of the Companies Act, 1956. The Cost of Leasehold rights is being amortized at the rate of 2% per annum considering the period of lease.

**e. Revenue Recognition**

**i) Sale of Flats and Shops**

During the year, the Company has followed the Percentage Completion Method of accounting as per the Guidance Note on Revenue Recognition by the Real Estate Developers issued by The Institute of Chartered Accountants of India. Total Sale Consideration as per the agreements of sale of constructed properties is recognized as revenue based on the percentage of actual project cost incurred thereon, including the cost of land, estimated construction and development cost of the such properties, subject to actual construction cost incurred being 20% or more of the total cost of the construction of the project.

The amount received from customers which does not qualify for revenue recognition under the Percentage Completion Method is accounted as Current Liabilities under the head "Other Current Liabilities", Sub Head "Advance from Customers". The amount receivable against the percentage of revenue recognized is accounted for as Current Assets under the head "Trade Receivables" and the excess amount received from customer is accounted as Current Liabilities under the head "Advance from Customers".

**ii) Sale of Land**

Sale of land is recognized when the agreement is executed for land transfer between the parties.

**iii) Lease Rent Income**

Lease Rent Income is recognized on accrual basis.

**iv) Share of Profit in Partnership Firm / Joint Venture**

The share of net profit after tax from the firms, in which the Company is partner or the joint venturer, is accounted for as per the Financial Statement of accounts of the Firms, Joint Ventures.



**v) Income from Investment**

Interest on fixed deposit, debentures and dividend on mutual fund is accounted on accrual basis, whereas dividend from shares is accounted for on receipt basis.

**vi) Project Management Fees**

Revenue from Project Management fees is recognized as per the terms of contract agreed between the parties.

**f. Inventories**

Inventory comprises of finished property and properties under construction (Work in Progress). Work In Progress comprises cost of land, development rights, TDR, Construction and development cost, cost of material, services and other overheads related to projects under construction. Inventory is valued at cost or net realizable value whichever is lower.

**g. Investments**

Long-term investments are stated at cost after providing for any diminution in value, if such diminution is of permanent nature. Current investments are carried at lower of cost or market value. The determination of carrying amount of such investments is done on the basis of specific identification. Investments in integrated joint ventures are carried at cost net off adjustments for Company's share in profits or losses as recognized.

**h. Retirement Benefits**

Liability is provided for retirement benefits of Provident Fund and Gratuity in respect of eligible employees contributions under the defined contribution scheme are charged to revenue. The liability in respect of defined benefit scheme like Gratuity, Leave Encashment, etc. are provided in the accounts on the basis of actuarial valuation as on 31<sup>st</sup> March 2012.

**i. Borrowing Cost**

Borrowing costs are recognized as expenses in the period in which they are incurred and debited to Profit and Loss Account.

**j. Taxation**

Income Tax expenses for the year include Current Tax and taxation in firm. Provision for current income tax is made on the current tax rate based on assessable income for the year worked out as per the provision of The Income tax Act 1961, as applicable for Assessment Year 2012-2013. The deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the Balance Sheet date.

**k. Provisions, Contingent Liabilities and Contingent Assets**

As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

- (a) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- (b) Any present obligation that arises from past events but is not recognized because-
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

**l. Impairment of Asset**

At each Balance Sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered impairment loss, if any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflect the current market assessment of time value of money and the risks specific to the asset. The impairment loss as determined above is expensed off. An impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of the recoverable amount.

**m. IPO Expenses**

Expenses incurred for the public issue of equity shares of the Company are considered as deferred revenue expenditure to be amortized in 60 months.

**n. Earnings Per Share**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard – 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India on basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of Equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**o. Cash Flow Statement**

The Cash Flow Statement is prepared by indirect method as set out in Accounting Standard 3 on Cash Flow Statement and presents cash flows by Operating, Investing and Financing activities of the Company.

**p. Foreign Currency Transactions**

Transactions in foreign currency and non- monetary assets are accounted on the date of the transactions. All monetary items denominated in foreign currency are converted at the year end exchange rate. Expenditure of the liaison office is translated at the yearly average rate of exchange. The exchange differences arising on such conversion and on settlement of the transactions are shown as Foreign Currency Translation Reserve under the head of Reserve and Surplus.

**3. EVENTS OCCURRING AFTER BALANCE SHEET DATE**

No significant events which could affect the financial position as on 31<sup>st</sup> March 2012, to a material extent have been reported by the Company, after the balance sheet date till the signing of report.

**4. PRIOR PERIOD AND EXTRA ORDINARY ITEMS**

There are no material changes or credit which arises in current period, on account of errors or omissions in the preparation of financial statements for one or more prior periods.

**NOTES FORMING PART OF BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012**

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>2. SHAREHOLDERS' FUNDS</b>		
2.1 SHARE CAPITAL		
Authorised :		
8,00,00,000 (8,00,00,000) Equity Shares of ₹ 10/- each	8,000.00	8,000.00
	<u>8,000.00</u>	<u>8,000.00</u>
Issued,Subscribed and Fully Paid up:		
7,57,74,909 (7,57,74,909) Equity Shares of ₹ 10/- each	7,577.49	7,577.49
	<u>7,577.49</u>	<u>7,577.49</u>

i Of the Above Shares, 2,19,02,252 shares are allotted as fully paid by way of bonus Shares by capitalisation of General Reserve and 2,88,72,185 Shares allotted as Right Shares on 8<sup>th</sup> December 2006 at a premium of ₹ 18.18 each.

ii The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors in their meeting on 29<sup>th</sup> May, 2012, proposed a final dividend of ₹ 1.60 per equity share. The Proposal is subject to the approval of shareholders at the Annual General meeting. The total dividend appropriation for the year ended 31<sup>st</sup> March, 2012 amounted to ₹ 1,409.08 Lakhs including Corporate Dividend Tax of ₹ 196.68 Lakhs.

During the year ended 31<sup>st</sup> March, 2011, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.60. The total dividend appropriation for the year ended 31<sup>st</sup> March, 2011 amounted to ₹ 1,409.08 Lakhs including Corporate Dividend Tax of ₹ 196.68 Lakhs.

iii The reconciliation of the number of shares outstanding and the amount of share capital:

Particulars	31.03.2012		31.03.2011	
	No. of Shares	Amount (₹ in Lakhs)	No. of Shares	Amount (₹ in Lakhs)
Shares at the beginning	75,774,909	7,577.49	75,481,254	7,548.12
Shares issued on exercise of employee stock options	-	-	293,655	29.37
<b>Shares at the end</b>	<b>75,774,909</b>	<b>7,577.49</b>	<b>75,774,909</b>	<b>7,577.49</b>

In the fiscal year 2006, the Company instituted the Employee Stock Option Scheme 2006. The Board of Directors and shareholders approved the scheme in the month September 2006 and October 2006 respectively, which provides for the issue of 780,000 Equity Shares to the employees. The Remuneration Committee administers the Employees Stock Option Scheme 2006 (ESOS) and options were granted in month of September 2006.

The Company has allotted 2,28,277 shares till 31<sup>st</sup> March 2010. The ESOS outstanding at the beginning of 2010-11 was 551,723 shares. During the 2010-11, the Company has issued 2,93,655 Equity Shares of ₹ 10/- each at a premium of Rs.30/- per share to each employee under the scheme and the remaining 2,58,068 shares lapsed.

iv The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-.

Each holder of equity shares is entitled to one vote per share.

v Shareholders holding more than 5% of the Capital are as

SR. NO.	Name of the Shareholder	Holding	31.03.2012		31.03.2011	
			NOS	Amount (₹ in Lakhs)	NOS	Amount (₹ in Lakhs)
1	Mr. Rajesh Patil	20.44%	15,486,031	1,548.60	15,486,031	1,548.60
2	Mr. Naresh Patil	19.73%	14,949,148	1,494.91	14,949,148	1,494.91
3	Mr. Milind Kolte	8.50%	6,442,156	644.22	6,442,156	644.22
4	Mrs. Sunita Kolte	7.25%	5,497,037	549.70	5,497,037	549.70
5	Mrs. Sunita Patil	9.14%	6,929,082	692.91	6,929,082	692.91
6	Mrs. Vandana Patil	9.17%	6,945,519	694.55	6,945,519	694.55
	<b>TOTAL</b>	<b>74.23%</b>	<b>56,248,973</b>	<b>5,624.90</b>	<b>56,248,973</b>	<b>5,624.90</b>

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>2.2 RESERVES &amp; SURPLUS</b>		
<b>Securities Premium Reserve:</b>		
Balance at the beginning	31,059.56	31,059 .56
Add/(less) during the Year	-	-
	<u>31,059.56</u>	<u>31,059.56</u>
Other Reserves:		
<b>General Reserves</b>		
Balance at the beginning	2,082.27	2,082.27
Add/(less) during the Year	367.72	-
	<u>2,449.99</u>	<u>2,082.27</u>
<b>Surplus - Profit &amp; Loss Account</b>		
Balance at the beginning	29,804.79	26,349.30
Add/(less) during the Year	3,036.83	5,264.57
Add/(less) prior period adjustments	-	-
Less: Tax on Proposed Dividend	(196.68)	(196.68)
Less: Dividend Distributed during the year	(1,212.40)	(1,212.40)
Less: Transfer to Reserves	(303.70)	(400.00)
	<u>31,128.84</u>	<u>29,804.79</u>
<b>Total</b>	<u><b>64,638.39</b></u>	<u><b>62,946.64</b></u>

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
NON CURRENT LIABILITIES		
3.1 Long Term Borrowings		
Term loans		
Secured Loan from banks		
Term Loan from Axis Bank	141.57	141.57
Term Loan from IDBI	1,010.50	685.33
Corporation Bank Term Loan	-	-
Vehicle Loans	103.20	25.15
Secured Loan from other parties		
Tata Capital Limited	48.30	50.01
Deposits		
Unsecured Public Deposits	618.07	365.20
Loans and advances from related parties		
Unsecured	-	540.00
	<b>1,921.64</b>	<b>1,807.26</b>

**The Securities for the Term Loan are as follows:****i Axis Bank Limited**

Charge secured by registered simple mortgage of Showroom no. 3 and no. 6 on the ground floor of the building Delta II and first floor and terrace thereon of the Amenity Building of the project Giga Space constructed on S.N. 198/1B situated at Mouze Lohagaon Corporation and within district Taluka Haveli

The Company has provided personal guarantees of Mr. Rajesh Patil and Mr. Milind Kolte, Directors of the Company.

Repayment Term - To be repaid in equal 81 monthly instalments commencing from January 2008 and ending by August, 2014.

**ii IDBI Bank Limited****(Term Loan ₹ 3000.00 Lakhs.)**

a Primary : Mortgage of land at Survey No. 14 Hissa No 14/3/1/1 to 4, 14/4/1, 14/5/1/2to4 admeasuring 34400 sq. mtr Located at Pimple Nilakh, in Pune.

b Collateral: 1) Extension of Regd. Mortgage of Boat Club Road land, final plot no. 188, S. No. 347-B, 347/A 3C/1A/1, 348A/1/1 and 348A/1/2A, total area 113883 sq. ft. at Pune 2) Office No.101B, 102, 105D, 106, 107AB, 112C, 201-202-203-204-205-206-207-208, First and second floors, "City Point"S. No. 347B, 347A, Hissa No. 3C/1A/1, 348 A Hissa No. 1/1, 348A Hissa No. 1/2A, final plot no.188 CST No. 14(part) 14/1, 14/2 Dhole Patil Road Pune -01

c. Personal Guarantees given by Directors: The Company has provided personal guarantees of Mr. Rajesh Patil, Mr Naresh Patil, Mr. Milind Kolte and Mrs. Sunita Kolte, Directors of the Company. Repayment Term - to be repaid in 12 equal quarterly instalments commencing from December 1, 2011 and ending on September 1, 2014.

**iii Corporation Bank Ltd****(Term Loan Sanctioned ₹ 500.00 Lakhs. Availed ₹ 110.00 Lakhs)**

a. All that piece and parcel of commercial property bearing corporation No. 23, old No. 28, B.B.M.P.- P.I.D. No. 76-19-23, situated at Richmond Road, Richmond Town, Bangalore 560025, B.B.M.P ward No. 76, measuring 1763.408 sq.mt. or 18981.323 sq.ft. (in detailed described in Schedule B of Deposit of Title deed dated 28.09.2010)



- b Hypothecation of Building materials i.e. steel, cement etc. purchased or to be purchased by the Company, kept or to be kept at the site or any other place for construction of Building for Richmond Road, Bangalore Project (as mentioned in Schedule A of Common Deed of Hypothecation of Movables/Assets/Debts dated 28.09.2010).

The amount of Loan outstanding as of 31<sup>st</sup> March 2011 was ₹ 111 Lakhs and the same shown as current maturities of long term Debt under Current Liabilities. During the year 2011-12, the Company has repaid the outstanding amount.

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>3.2 Deferred Tax Liabilities (Net)</b>		
Timing Difference arising on Fixed Assets	16.48	-
Impact of Expenditure Disallowance	(2.15)	-
	<u>14.33</u>	<u>-</u>
<b>3.3 Other Long Term Borrowings</b>		
Security Deposits	80.14	73.50
Maintenance Deposit	41.42	-
	-	-
	<u>121.55</u>	<u>73.50</u>
<b>3.4 Long Term Provisions</b>		
Provision for Gratuity	146.90	146.86
Provision for Leave encashment	156.93	150.34
Other Long Term Provisions	12,102.06	9,982.06
	<u>12,405.89</u>	<u>10,279.26</u>
<b>CURRENT LIABILITIES</b>		
<b>4.1 Short Term Borrowings</b>		
<b>Loans repayable on demand</b>		
Secured from banks;		
IDBI BANK LTD. - Cash Credit Facility	820.41	1,409.12
IDBI BANK LTD.- Overdraft facility	303.22	303.22
<b>Loans and advances from related parties</b>		
Unsecured Loans from Subsidiary Company	167.47	-
<b>Deposits</b>		
Unsecured Deposits from Public	291.15	244.90
	<u>2,582.25</u>	<u>1,957.24</u>

**The Securities for the Short Term Loan are as****i IDBI Bank Limited****(Nature of Credit Facility Cash Credit: ₹ 2500 Lakhs, Bank Guarantee: ₹ 500 Lakhs)**

- a Primary Security: Hypothecation of Construction Material, WIP, receivables and Plant and Machinery with all fixture and fittings attached imbedded fastened thereon and also other plants machinery goods, articles chattels. Things, stores, motor trucks motor cars, motor vehicles that are may be lying loose kept possessed under the use process or in otherwise under control of the Company
- b Collateral Security:
- 1 Extension of Regd. Mortgage of Boat Club Road land, final plot no. 188, S. No. 347-B, 347/A 3C/1A/1, 348A/1/1 and 348A/1/2A, total area 113883 sq. ft. at Pune.
  - 2 Regd. Mortgage of land at C.S. No. 23/170 A & B, Aundh Land. Total Area 572587 sq. ft.
  - 3 Office No. 101B, 102, 105D, 106, 107AB, 112C, 201-202-203-204-205-206-207-208. Total Area 11845 sq.ft. First and Second Floors, City Point, S. No. 347B, 347A, Hissa No. 3C/1A/1, 348 A Hissa No. 1/1, 348A Hissa No. 1/2A, final plot no. 188 CST No. 14 (part) 14/1, 14/2
- c The Company has provided personal guarantees of Mr. Rajesh Patil, Mr Naresh Patil, Mr. Milind Kolte and Mrs. Sunita Kolte, Directors of the Company.

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>4.2 Trade Payables</b>		
Payables for Purcashe of Land	986.64	959.01
Payables for Purcashe of Supplies	529.65	346.44
Others	-	-
	1,516.29	1,305.45

The amount payable to Micro and Small Medium Enterprises as on Balance sheet date is determined to the extent of such parties have been identified on the basis of information available with the Company.

Trade Payables	31.03.2012	31.03.2011
Micro, Small and Medium Enterprises	0.57	0.38
Others	1,515.72	1,305.07
	1,516.29	1,305.45

**4.3 Other Current Liabilities**

Current maturities of long-term debt	733.73	382.67
Advances from Flat Holders	2,676.77	2,035.22
Statutory Short Term Liabilities	89.08	210.58
Interest accrued but not due on borrowings	0.93	-
Unclaimed dividends and IPO Refund	20.17	15.92
Advances for Sale of Land	275.00	232.76
Other payables	19.20	400.23
	3,814.88	3,277.38

**4.4 Short Term Provisions**

Employee Related Payables	140.32	267.74
Provision for Income Tax	1,054.00	2,120.00
Provision for Proposed Dividend	1,212.40	1,212.40
Provision for Tax on Proposed Dividend	196.68	196.68
Other short Term Provisions	-	372.40
	2,603.40	4,169.22

**NOTE - 5.1 FIXED ASSETS - TANGIBLE**

(₹ in Lakhs)

SR. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.2011	Additions	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year	On Sale / Adjustments	Up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
1.	Building	186.69	55.21	-	241.90	13.43	3.04	-	16.47	225.43	173.26
	Building - Guest House	-	158.40	-	158.40	-	0.21	-	0.21	158.19	-
2.	Furniture and Fixtures	136.98	3.03	-	140.01	37.62	8.29	-	45.91	94.10	99.36
	Furniture and Fixtures Guest House	-	12.56	-	12.56	-	0.07	-	0.07	12.49	-
3.	Plant and Machinery	181.55	14.83	-	196.38	46.19	8.92	-	55.11	141.27	135.36
4.	Vehicles	514.58	147.92	(14.17)	648.32	241.61	53.54	(7.67)	287.48	360.85	272.97
5.	Computers	200.95	18.67	-	219.62	103.71	29.87	-	133.58	86.04	97.24
	TOTAL	1,337.57	293.80	(14.17)	1,617.20	442.56	103.94	(7.67)	538.83	1,078.37	778.19
	TOTAL (Previous Year)	1,151.22	108.27	(38.73)	1,220.76	371.14	95.21	24.01	442.56	778.20	

**II INTANGIBLE**

SR. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.2011	Additions	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year	On Sale / Adjustments	Up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
1.	Cost of Lease of Right	1.00	-	-	1.00	0.25	0.02	-	0.27	0.73	0.75
2.	Computer Software	132.73	16.46	-	149.19	44.02	23.41	-	67.43	81.76	88.71
	<b>TOTAL</b>	<b>133.73</b>	<b>16.46</b>	<b>-</b>	<b>150.19</b>	<b>44.27</b>	<b>23.43</b>	<b>-</b>	<b>67.70</b>	<b>82.49</b>	<b>89.46</b>
	<b>TOTAL (Previous Year)</b>	<b>101.85</b>	<b>31.88</b>		<b>133.73</b>	<b>22.91</b>	<b>21.36</b>		<b>44.27</b>	<b>89.46</b>	

**III CAPITAL WORK IN PROGRESS**

SR. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
		As at 01.04.2011	Additions	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year	On Sale / Adjustments	Up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
1.	Capital WIP - Ambey Valley (Unit No. 238)	116.82	-	116.82	-	-	-	-	-	-	116.82
	<b>TOTAL</b>	<b>116.82</b>	<b>-</b>	<b>116.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116.82</b>
	<b>TOTAL (Previous Year)</b>	<b>116.82</b>			<b>116.82</b>				<b>-</b>	<b>116.82</b>	

Capital Work in progress (including capital Advances)

Capital Work in progress (including capital Advances)

	(₹ in Lakhs)	
	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>5.2 Non Current Investment</b>		
<b>Investment in Equity Instrument</b>		
<b>(i) Subsidiary Company</b>		
<b>Bellflower Properties Private Limited</b>	50.00	50.00
5,00,000 (5,00,000) Shares of ₹ 10 each		
<b>Tuscan Real Estate Private Limited</b>	51.00	51.00
51,000 (51,000) Shares of ₹ 100 Each		
<b>Jasmine Hospitality Private Limited</b>	1,436.62	1,436.62
1,43,66,200 (1,43,66,200) Shares of ₹ 10 each		
<b>Kolte-Patil Real Estate Private Limited</b>	10,270.79	10,270.79
18,939 (18,939) Shares of ₹ 10 each		
72,84,866 (72,84,866) Shares of ₹ 10 at ₹ 90 premium		
90,12,000 (90,12,000) Shares of ₹ 10 at ₹ 15 premium		
23,16,120 (23,16,120) Shares of ₹ 10 at ₹ 21.5625 premium		
<b>Lilac Hospitality Private Limited</b>	50.00	50.00
5,00,000 (5,00,000) Shares of ₹ 10 each		
<b>Oakwoods Hospitality Private Limited</b>	877.20	877.20
87,72,000 (87,72,000) Shares of ₹ 10 each		
<b>Olive Realty Private Limited</b>	100.00	100.00
10,00,000 (10,00,000) Shares of ₹ 10 each		
<b>Regenesis Facility Management Company Private Limited</b>	2.00	2.00
20,000 (20,000) Shares of ₹ 10 each		
<b>Regenesis Project Management Company Private Limited</b>	500.00	500.00
4,99,998 (4,99,998) Shares of ₹ 100 each		
<b>Sylvan Acres Realty Private Limited</b>	450.00	450.00
4,50,000 (4,49,998) Shares of ₹ 100 each		
<b>Yashowardhan Promoters &amp; Developers Private Limited</b>	831.10	831.10
1,11,000 (1,11,000) Shares of ₹ 10 each		
74,000 (74,000) Shares of ₹ 10 each at ₹ 1098.11 premium		
<b>Snowflower Properties Private Limited</b>	5.00	5.00
50,000 (50,000) Shares of ₹ 10 each		
<b>PNP Retail Pvt.Ltd.</b>	800.00	100.00
80,00,000 (10,00,000) Shares of ₹ 10 each		
<b>PNP Agrotech Pvt. Ltd.</b>	418.35	-
41,83,500 (Nil) Shares of ₹ 10 each		
<b>(ii) Associate group Company</b>		
<b>Corolla Realty Limited</b>	1,154.13	1,154.13
10,000 (10,000) Equity Shares of ₹ 10 each		
2,12,940 (2,12,940) Shares of ₹ 10 each at ₹ 531.53 premium		
<b>(iii) Joint Venture</b>		
Green Olive Venture - Current Capital	832.36	1,283.33
Vibhu - KPDL Venture - Current Capital	69.50	69.50
Vibhu Developers Private Limited - Deposit	2,064.13	1,864.13

<b>Investment in Preference Shares</b>		
<b>(i) Subsidiary Company</b>		
<b>Sylvan Acres Realty Private Limited</b>		
45,00,000( nil) 0.0001% Pref. Shares of ₹ 10 at premium of ₹ 90	4,500.00	-
<b>(ii) Associates Company</b>		
<b>Corolla Realty Limited</b>		
Nil (66,882) 0.0001% Red. Pref. Shares of ₹ 10 each	-	6.69
<b>(iv) Controlled Special Purpose Entities</b>		
<b>Investment in Limited Liability Partnership</b>		
KP-Rachana Real Estate LLP Capital Contribution	82.82	82.82
KP - Rachana Real Estate LLP - Current Capital	33.24	5.09
Sanjivani Integrated Township LLP	107.17	-
<b>Investment in Government or Trust Scurities</b>		
National Savings Certificates	0.25	0.25
<b>Investment in debentures or bonds</b>		
<b>i. Subsidiary Company</b>		
<b>Bellflower Properties Private Limited</b>		
2,33,263 (2,33,263) OCD of ₹ 1000 each	2,332.63	2,332.63
<b>Oakwoods Hospitality Private Limited</b>		
20,10,000 (20,10,000) 15% OCD of ₹ 10 each	201.00	201.00
<b>Jasmine Hospitality Private Limited</b>		
16,56,100 (NIL) 15% OCD of ₹ 10 each	165.61	-
<b>Tuscan Real Estate Private Limited</b>		
3,34,82,333 (3,34,82,333) OCD of ₹ 10 each	3,348.23	3,348.23
<b>Sylvan Acres Realty Private Limited</b>		
Debenture Application Money	6,623.85	11,968.47
<b>ii. Associate group Company</b>		
<b>Corolla Realty Limited</b>		
13,62,533 (13,62,533) 15% OCD of ₹ 100 each	1,362.53	1,362.53
<b>Investment in partnership firms</b>		
Ankit Enterprises - Current Capital	1,814.52	4,585.34
Ankit Enterprises - Fixed Capital	0.38	0.38
Kolte Patil Homes - Current Capital	(88.12)	334.57
<b>Other non-current investments</b>		
10,000 (10,000) Shares of ₹ 10 each - PBAP	1.00	1.00
20 (20) Equity Shares - Rupee Co-Op.Bank Limited	0.01	0.01
	<b>40,447.29</b>	<b>43,323.80</b>
<b>i) All the above Investments are Unquoted Non-Trade Investments.</b>		



- ii) Investment made in partnership firm represents investment made with M/s. Ankit Enterprises and M/s Kolte-Patil Homes. The details of partnership firms are as follows :

(₹ in Lakhs )

Sr. No.	Names of Partners	Profit Sharing Ratio	2011-2012		2010-2011	
			Fixed Capital	Current Capital	Fixed Capital	Current Capital
	<b>Ankit Enterprises</b>					
i	Kolte Patil Developers Ltd.	75%	0.38	1,722.04	0.38	4,585.34
ii	Mr. Rajesh Patil	5%	0.03	(85.61)	0.03	(231.92)
iii	Mr. Naresh Patil	5%	0.03	128.92	0.03	499.55
iv	Mr. Milind Kolte	5%	0.03	1,455.85	0.03	(171.48)
v	Mrs. Sunita Kolte	5%	0.03	308.83	0.03	238.45
vi	Mrs. Sunita Patil	2.50%	0.01	41.94	0.01	107.22
vii	Ms. Ankita Patil	2.50%	0.01	165.64	0.01	324.31
	<i>Total</i>	<b>100%</b>	<b>0.50</b>	<b>3,737.62</b>	<b>0.50</b>	<b>5,351.48</b>
	<b>Kolte Patil Homes</b>					
i	Kolte Patil Developers Ltd.	60%	-	(88.12)	-	334.57
ii	Mr. Naresh Patil	30%	-	4.33	-	20.66
iii	Mrs. Vandana Patil	10%	-	146.18	-	63.96
		<b>100%</b>	<b>-</b>	<b>62.39</b>	<b>-</b>	<b>419.19</b>

- iii) The Company's interest and share in Joint Venture in jointly controlled activities are as follows:

**Green Olive Ventures**

The Company, by virtue of an Agreement has entered into a Joint Venture with Arista Developers Private Limited by forming an Association of Persons named Green Olive Ventures.

(₹ in Lakhs )

Joint Venture - Partner	Profit Sharing Ratio	2011-2012		2010-2011	
		During the Year	Capital Contribution	During the Year	Capital Contribution
Kolte Patil Developers Ltd.	60%	(450.97)	832.36	117.50	1,283.33

**Vibhu- KPDL Venture**

The Company, by virtue of an Agreement has entered into a Joint Venture with Vibhu Developers Private Limited by forming an Association of Persons named Vibhu- KPDL Venture

(₹ in Lakhs )

Joint Venture - Partner	Profit Sharing Ratio	2011-2012		2010-2011	
		During the Year	Capital Contribution	During the Year	Capital Contribution
Kolte Patil Developers Ltd.	50%	200.00	2,133.63	8.10	1,933.63

- iv) The Company's interest and share in Limited Liability Partnership are as follows:

**KP Rachana Real Estate LLP**

The Company has entered into a Limited Liability Partnership named as " KP Rachana Real Estate LLP" agreement dated 22nd November, 2010 with Rachana International Private Limited

(₹ in Lakhs )

Joint Venture - Partner	Profit Sharing Ratio	2011-2012		2010-2011	
		During the Year	Capital Contribution	During the Year	Capital Contribution
Kolte Patil Developers Ltd.	50%	-	116.05	-	87.91

**Sanjivani Intergrated Township LLP**

The Company has entered into a Limited Liability Partnership named as " Sanjivani Intergrated Township LLP" agreement dated 11th March, 2012 with Mrs. Surekha Sable and Mr. Nitin Sable

(₹ in Lakhs )

Joint Venture - Partner	Profit Sharing Ratio	2011-2012		2010-2011	
		During the Year	Capital Contribution	During the Year	Capital Contribution
Kolte Patil Developers Ltd.	50.50%	107.17	107.17	-	-

(₹ in Lakhs )

	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>5.3 Deferred Tax Assets (Net)</b>		
Deferred Tax Assets (Net)	-	12.81
	-	12.81
<b>5.4 Long-Term loans &amp; advances</b>		
<b>Security Deposits</b>		
Unsecured Considered Good	96.17	69.20
<b>Loans &amp; advances to Related Parties</b>		
Unsecured Considered Good		
Inter corporate Deposits	550.60	1,099.52
Loans to Subsidiary Company	6,477.96	3,180.55
Eq. Share Application Money to Subsidiary	0.00	162.70
Eq. Share Application Money to Group Companies	1.01	1.00
<b>Other loans and advances</b>		
Unsecured Considered Good		
Ad. Tax, TDS, Self Asset. and Regular Assessment	14,913.49	12,858.79
Prepaid Expenses	17.74	5.78
	22,056.97	17,377.54
<b>5.5 Other Non-Current Assets</b>		
Maintenance Charges Reciverable	120.69	87.53
IPO Expenditure (deferred)	-	310.54
Wealth Tax	4.21	17.96
	124.90	416.03

Notes Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2012

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>6.1 Current Investment</b>		
<b>Investment in Mutual Funds- Quoted</b>		
BSL Cash Plus Fund	163.63	-
Dws Insta Cash Plus Fund	63.77	-
ICICI Prudential	1,735.89	3,613.27
JP Morgan India Liquid Fund	163.97	-
Religare Liquid Fund	163.74	-
<b>Investment in Equity Shares</b>		
13,200 (13,200) Eq Shares of ₹ 24 each - Vijaya Bank	3.17	3.17
	<u>2,294.17</u>	<u>3,616.44</u>
<b>All the Investment in Mutual Fund are of Daily Dividend Reinvestment Plan.</b>		
<b>6.2 Inventories</b>		
<b>Work In Progress</b>		
<b>Opening Work in Progress</b>	18,850.15	18,321.28
Add: Purchases of Raw Material	7,359.90	4,750.71
Construction expenses	1,687.87	663.09
Purchase of Land	1,593.01	1,115.51
Purchase of material & Transportation	2,124.49	1,479.67
Labour cost	1,335.37	1,182.29
Employee Cost - Site	488.75	310.15
Other Direct Expenditure	130.41	-
	-	
<b>Less: Transferred to Cost of sale</b>	3,879.63	4,221.84
	<u>22,330.42</u>	<u>18,850.15</u>
<b>6.3 Trade Receivable</b>		
<b>Trade receivables due for a period exceeding six months</b>		
Considered Good	941.86	1,918.41
<b>Other Trade Receivable (less than Six Months)</b>	1,959.23	119.30
<b>Less: Doubtful debts Written Off</b>	-	-
	<u>2,901. 09</u>	<u>2,037.71</u>

## Notes Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2012

(₹ in Lakhs)

PARTICULARS		CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>6.4</b>	<b>Cash and Bank Balance</b>		
(a)	Cash and Cash Equivalents In Current Accounts	211.55	1,047.39
	Cash in hand	9.88	9.66
(b)	Other Bank Balance		
	Deposits with Banks	634.03	574.63
(c)	Cheques, drafts on hand	113.14	59.08
(d)	Others		
	Earmarked balances - Dividend and application money	22.82	18.59
		<u>991.42</u>	<u>1,709.35</u>
The deposits maintained by the Company with banks comprise of Time Deposits, which can be withdrawn by the Company at any point without prior notice and penalty on the principal.			
<b>6.5</b>	<b>Short-Term loans &amp; advances</b>		
	Other Short Term Loans and Advances		
	Unsecured, considered good		
	Advances for Supply of Goods and Services	522.50	192.33
	Advances for Purchase of Land	3,454.49	3,694.14
		<u>3,976.99</u>	<u>3,886.47</u>
<b>6.6</b>	<b>Other Current Assets</b>		
	Interest Receivable on Investment	601.44	712.84
	IPO Expenditure (deferred)	310.54	465.82
		<u>911.98</u>	<u>1,178.66</u>
<b>7</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of flats	6,619.85	4,599.42
	Sale of Land	1,206.47	6,661.43
	Lease Rent	103.08	137.88
	Project Management Fees received	663.39	309.84
	Profit from Partnership Firms	158.92	1,221.53
	Other Operating Income from Subsidiary	926.35	-
	Compensation for Surrender of Right	-	983.91
		<u>9,678.06</u>	<u>13,914.01</u>

Notes Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2012

(₹ in Lakhs)

PARTICULARS		CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>8</b>	<b>OTHER INCOME</b>		
	Dividend From Shares/Mutual Funds	235.26	424.09
	Profit on Sale of Shares and Mutual Funds	391.93	-
	Interest on Investment	1,068.57	756.11
	Liabilities Written Off	17.47	19.51
	Interest received From Customer/Employees	3.87	-
	Parking Charges/ Miscellaneous Income	35.13	30.79
		<u>1,752.23</u>	<u>1,230.50</u>
	<b>EXPENSES</b>		
<b>9.1</b>	<b>Cost of material consumed</b>		
	Opening Work in Progress	18,850.15	18,321.28
	Add : Direct Expenses		
	Construction expenses	1,687.87	663.09
	Purchase of Land	1,593.01	1,115.51
	Purchase of material & Transportation	2,124.49	1,479.67
	Labour cost	1,335.37	1,182.29
	Employee Cost - Site	488.75	310.15
	Other Direct Expenditure	315.09	
	Less: Closing Work in Progress	22,515.10	18,850.15
		<u>3,879.63</u>	<u>4,221.84</u>
<b>9.2</b>	<b>Employee benefits expenses</b>		
	Directors Remuneration	413.82	513.82
	Providend Fund and Admin. Charges	80.49	80.74
	Retirement Benefits to Employee	15.93	55.45
	Salary Wages and Bonus	697.89	613.87
	Staff Welfare Expenses	13.98	19.65
		<u>1,222.11</u>	<u>1,283.53</u>



## Notes Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2012

(₹ in Lakhs)

	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>9.3 Finance Costs</b>	620.47	466.27
<b>5. Depreciation and amortisation expenses</b>	593.19	465.82
<b>9.4 Other Expenses</b>		
Domestic Travelling & Conveyance Expenses	88.73	77.22
Establishment Cost	154.71	147.09
Foriegn Travelling Expenses	29.64	-
Insurance Charges	25.70	35.91
Printing	20.13	40.06
Professional Fees	153.05	194.33
Rates & Taxes	3.06	6.60
Repair & Maintenance	100.91	61.75
Telephone, Postage & Courier Charges	38.04	39.76
Selling Expenses	334.52	482.60
Indirect Expenses - Green Olive	26.93	-
Amount Written Off	18.26	7.92
	993.68	1,093.24
<b>10 Tax Expenses:</b>		
Current Tax	1,054.00	2,206.23
Deferred Tax	30.39	16.06
	1,084.39	2,222.29

## 11. PAYMENT TO AUDITORS

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2012	31.03.2011
a)	Audit Fees		
	Statutory Audit Fees	5.52	4.41
b)	Fees as advisor in Other Capacity in respect of taxation matters (Tax Audit Fee, Certification Details, Other Out of Pocket Expenses)	1.10	1.11
	Total	*6.62	*5.52

(\*The payment is inclusive of Service Tax as applicable and excluding Internal Audit fees)

## Notes Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2012

### 12. MANAGERIAL REMUNERATION

#### a. Computation of Net Profits in accordance with Section 349 of The Companies Act, 1956

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2012	31.03.2011
A	Net Profits After tax from ordinary activities (As Per Profit and Loss Account )	3,036.83	5,264.57
B	Credit shall not be given to the following items:		
	Profits from sale of any immovable property or fixed assets of capital nature comprised in the undertaking or any of the undertakings of the Company	0.00	0.20
C	<b>Sub-Total (A - B)</b>	<b>3,036.83</b>	<b>5,264.37</b>
D	Following Items to be added back:		
	Directors Remuneration	232.62	213.82
	- Sitting Fees	3.00	2.60
	- Commission	200.00	300.00
	Depreciation as per Profit and Loss account	127.37	116.56
	Depreciation as per Section 350 of the Companies Act, 1956	(127.37)	(116.56)
	<b>Total (D)</b>	<b>435.62</b>	<b>516.42</b>
E	<b>Sub - Total (C + D)</b>	<b>3,472.45</b>	<b>5,780.80</b>
F	Following items shall not be deducted:		
	Income tax or super tax or any other tax on the income of the Company not falling under aforesaid list	1,084.39	2,222.29
	<b>Total (H)</b>	<b>1,084.39</b>	<b>2,222.29</b>
G	<b>Net Profit as per Companies Act for computation of Managerial Remuneration (E + F)</b>	<b>4556.84</b>	<b>8003.09</b>
	<b>10 % of Net Profit</b>	<b>455.68</b>	<b>800.31</b>
H	<b>Managerial Remuneration paid</b>		
	- Salary, Allowances and Perquisites	232.62	213.82
	- Commission	200.00	300.00
	<b>Total</b>	<b>432.61</b>	<b>513.82</b>

#### b. Managerial Remuneration Paid

During the year 2011-2012, the Company has paid to the Executive Directors an amount of ₹ 432.61 Lakhs towards remuneration and commission. Details of which are as follows:

(₹ in Lakhs)

NAME	DESIGNATION	31.03.2012	31.03.2011
Mr. Rajesh Patil	Chairman and Managing Director	124.82	153.46
Mr. Naresh Patil	Vice Chairman	124.82	153.46
Mr. Milind Kolte	Executive Director	124.82	153.45
Mrs. Sunita Kolte	Executive Director	58.15	53.45
<b>TOTAL</b>		<b>432.61</b>	<b>513.82</b>

#### c. Sitting Fees

The Company pays ₹ 20,000/- to each Non-Executive Director of the Company towards sitting fees for attending each Board Meeting.

## Notes Forming Part of Balance Sheet as at 31<sup>st</sup> March, 2012

### 13. EARNINGS PER SHARE

The Earnings Per Share (EPS) is calculated in accordance with Accounting Standard 20 "Earnings Per Share" issued by The Institute of Chartered Accounts of India. The earnings considered in ascertaining the Company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory / regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. Diluted EPS is the same as that of Basic EPS for financial year 2011-12, as there were no equity shares outstanding as on 31<sup>st</sup> March, 2012 and 31<sup>st</sup> March 2011.

Particulars	31.03.2012	31.03.2011
Net Profit attributable to shareholders. (₹ in Lakhs)	3,036.82	5,264.60
Weighted average number of equity shares (in Lakhs)	757.75	757.75
Basic earnings per share – ₹	4.01	6.95
Diluted earnings per share – ₹	4.01	6.95
Nominal value of equity shares – ₹	10	10

14. In accordance with the Accounting Standard 7 on 'Construction Contracts', the break-up of the contracts in progress at the reporting date is as under:

(₹ in Lakhs)

Particulars	31.03.2012	31.03.2011
1. Revenue Recognized	6,619.85	4,599.05
2. Cost Incurred	3,879.62	2,416.19
3. Advance Received	2,676.77	2,025.61
4. Retentions	Nil	Nil
5. Amount due from customers	2,422.57	1,511.94

### 15. Particulars of Expenses incurred in Foreign Currency

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2012	31.03.2011
(i)	Expenditure incurred in foreign currency: Traveling and Others (As certified by Management)	₹ 0.77 (AED 6200) ₹ 6.49 (USD 24,300) ₹ 0.09 (THB 5000)	₹ 2.63 (USD 5400) ₹ 2.11 (GBP 2930) ₹ 0.24 (AED 1855)
(ii)	Professional fees	₹ 22.12 (SGD 54,305)	₹ 55.87 (USD 121,717)
(III)	Import of Material	₹ 185.92 (USD 3,59,180)	NIL

**16. RELATED PARTY TRANSACTION (ACCOUNTING STANDARD - 18)**

Related party disclosures as required by Accounting Standard 18 'Related Party Disclosures', (AS-18) issued by the Institute of Chartered Accountants of India are given below.

**a. LIST OF RELATED PARTIES**

Related Parties (as identified by the Management) are classified as:

Subsidiaries	1. Bellflower Properties Private Limited 2. Tuscan Real Estate Pvt. Ltd. (Formerly known as I-Ven Kolte-Patil Projects (Pune) Private Limited) 3. Jasmine Hospitality Private Limited 4. Lilac Hospitality Private Limited 5. Oakwoods Hospitality Private Limited 6. Olive Realty Private Limited 7. Regensis Project Management Company Private Limited 8. Sylvan Acres Realty Private Limited 9. Yashowardhan Promoters and Developers Private Limited 10. Regensis Facility Management Company Private Limited 11. Kolte –Patil Real Estate Private Limited 12. PNP Retail Private Limited 13. Snowflower Properties Private Limited 14. PNP Agrotech Private Limited
Key Management Personnel – Director	Mr. Rajesh Patil, Mr. Naresh Patil, Mr. Milind Kolte, Mrs. Sunita Kolte, Mrs. Vandana Patil
Relatives of Key Management Personnel	Mrs. Sunita Patil, Mr. Ketan Kolte, Ms. Ketki Kolte, Ms. Ankita Patil, Mr. Nirmal Kolte, Mr. Pradeep Kolte, Mr. Digambar Kolte, Mrs. Pramila Kolte.
Associates/Enterprises /Joint Ventures over which key Management Personnel have significant influence	Ankit Enterprises, Corolla Realty Limited, Kolte-Patil I-Ven Townships (Pune) Limited, Kolte-Patil Enterprises, Kolte-Patil Homes, Harshwardhan Co-operative Housing Society Limited Green Olive Venture, Vibhu-KPDL Venture, KP-Rachana Real Estate LLP and Sanjivani Integrated Township LLP.

**Transaction between the Company and related parties and the status of the outstanding balances as at March 31, 2012.**

(₹ in Lakhs)

Particulars	Subsidiaries	Key Management Personnel (Director)	Key Management Personnel Director of Associates / Enterprises	Relatives of Key Management Personnel	Associates/ Enterprises over which key Management Personnel have significant influence
Allotment of Debenture	165.61	-	-	-	-
Allotment of Preference Shares	4,500.00	-	-	-	-
Amount received for Construction Contracts ( Creditors)	19.75	-	-	-	-
Amount received from Debtors for Plot	181.02	-	-	-	-
Debenture Application Money	2,360.53	-	-	-	-
Dividend Received	926.35	-	-	-	-
Equity Share Application Money	437.72	-	-	-	-
Allotment of Equity Shares	1,118.35	-	-	-	-

Inter Corporate Deposits Given	1,390.45	-	-	-	-
Refund of Inter Corporate Deposits	1,939.36	-	-	-	-
Interest on Debentures	390.06	-	-	-	193.64
Interest on Debenture Received	261.62	-	-	-	194.67
Interest paid on loan	-	-	-	-	10.72
Interest on ICD	83.41	-	-	-	-
Interest on ICD Received	43.71	-	-	-	-
Project Management Fees	379.17	-	-	-	352.59
Project Management fees Received	329.43	-	-	-	38.50
Reimbursement of Taxes and fees paid	52.02	-	-	-	33.61
Sale of Land	368.13	-	-	-	828.96
Short Term Loans Accepted	594.40	-	-	-	-
Loans Repaid	275.00	-	-	-	540.00
Loans Given	4,155.11	-	-	-	-
Loans Repaid by Subsidiary	705.77	-	-	-	-
Last year's Commission paid	-	207.90	-	-	-
Directors Remuneration	-	232.62	-	-	-
Commission to Directors	-	200.00	-	-	-
Investment in Fixed Deposit	-	-	-	0.90	-
Interest on Fixed Deposit	-	-	-	2.01	-
Payments for Land	-	-	-	109.21	-
Refund of Land Advance	-	-	-	122.60	-
Capital Contribution	-	-	-	-	1,180.21
Capital Withdrawn	-	-	-	-	4,432.98
Profit on Redemption of Preference Share	-	-	-	-	391.92
Redemption of Preference Share	-	-	-	-	6.69
Share of Profit from Firms	-	-	-	-	171.08
Share of Loss from Firms	-	-	-	-	12.16

ii) There are no provisions for doubtful debts or no amounts have been written off in respect of the debts due to or from the related parties.

iii) Information furnished in pursuant to Clause 32 of the Listing Agreement with Stock Exchanges is as under:

(₹ in Lakhs)

Sr. No	Name of The Company	Particulars	Status	Maximum Outstanding		Closing Balance	
				31.03.2012	31.03.2011	31.03.2012	31.03.2011
1	Corolla Realty Limited	Debentures	Others	1,362.53	1,362.53	1,362.53	1,362.53
		Preference Shares		6.69	6.69	-	6.69
		Equity Share Capital		1,154.13	1,154.13	1,154.13	1,154.13
		ICD		-	627.69	-	-
		Loan		-	0.39	-	-
2	Kolte- Patil Real Estate Private Limited	Inter Corporate Deposit	Subsidiary	994.60	-	550.60	-
		Equity Share Capital		10,270.79	10,270.79	10,270.79	10,270.79

3	Bellflower Properties Private Limited	Debenture	Subsidiary	2,332.63	2,732.63	2,332.63	2,332.63
		Equity Share Capital		50.00	50.00	50.00	50.00
4	Green Olive Venture	Current Capital	Others	1,383.33	1,283.50	832.36	1,283.33
5	Tuscan Real Estate Private Limited	Debentures	Subsidiary	3,348.23	3,348.23	3,348.23	3,348.23
		Equity Share Capital		51.00	51.00	51.00	51.00
		ICD		1,099.52	1,099.52	-	1,099.52
		Loan		-	18.34	-	-
6	Kolte-Patil I-Ven Townships (Pune) Limited	Loan	Others	-	13.59	-	-
7	Jasmine Hospitality Private Limited	Equity Share Capital	Subsidiary	1,436.62	1,436.62	1,436.62	1,436.62
		Debentures		165.61	-	165.61	-
		Equity Share Application Money		165.61	162.60	0.00	162.60
8	Kolte- Patil Homes	Current Capital	Others	341.61	425.81	(88.12)	334.57
9	Ankit Enterprises	Current Capital	Others	4,874.56	4,789.56	1,814.52	4,585.34
		Fixed Capital		0.38	0.38	0.38	0.38
10	KP-Rachana Real Estate LLP	Current Capital	Others	33.24	5.09	33.24	5.09
		Capital Contribution		82.82	82.82	82.82	82.82
11	Lilac Hospitality Private Limited	Equity Share Capital	Subsidiary	50.00	50.00	50.00	50.00
		Loan		22.70	20.68	22.70	20.68
12	Oakwoods Hospitality Private Limited	Equity Share Application Money	Subsidiary	1.81	201.10	-	0.10
		Debentures		201.00	201.00	201.00	201.00
		Equity Share Capital		877.20	877.20	877.20	877.20
13	Olive Realty Private Limited	Loan	Subsidiary	3,213.92	2,971.90	3,213.92	2,971.90
		Equity Share Capital		100.00	100.00	100.00	100.00
14	PNP Retail Private Limited	Loan	Subsidiary	754.69	126.04	54.69	36.04
		Equity Share Capital		800.00	100.00	800.00	100.00
15	Regenesi Facility Management Company Private Limited	Equity Share Capital	Subsidiary	2.00	2.00	2.00	2.00
16	Regenesi Project Management Company Private Limited	Equity Share Capital	Subsidiary	500.00	500.00	500.00	500.00
		Loan		151.93	166.93	-	151.93
17	Snowflower Properties Private Limited	Loan	Subsidiary	6.01	-	-	-
		Equity Share Capital		5.00	5.00	5.00	5.00



18	Sylvan Acres Realty Private Limited	ICD	Subsidiary	-	142.69	-	-
		Loan		3,150.45	-	3,150.45	
		Equity Share Capital		450.00	450.00	450.00	450.00
		Pref. Share Capital		4,500.00	-	4,500.00	-
		Debentures App. Money		14,284.00	11,968.47	11,123.85	11,968.47
19	Vibhu - KPDL Venture	Current Capital	Others	69.50	69.50	69.50	69.50
20	Wonderwall Properties Private Limited	Equity Share App. Money	Others	1.00	1.00	1.00	1.00
21	Yashowardhan Promoters and Developers Private Limited	Equity Share Capital	Subsidiary	831.10	831.10	831.10	831.10
22	PNP Agrotech Pvt Ltd	Equity Share Capital	Subsidiary	418.35	-	418.35	-
		Loan		417.36	-	0.01	-
	<b>Total</b>			<b>59,961.92</b>	<b>47,706.52</b>	<b>45,268.11</b>	<b>45,902.19</b>

## 17. CONTINGENT LIABILITIES

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2012	31.03.2011
1	Claims not Acknowledged as debts*	1,960.09	382.00
2	Guarantees issued by the Company on behalf of Subsidiary Companies and Associates**	20,550.00	17,000.00
3	Income Tax Matters (Pending in Appeals)	3,295.94	3,295.94

\*in the opinion of the management the above claims are not sustainable

\*\*The Company does not expect any outflow of resources in respect of the Guarantees issued.

## 18. INVENTORIES

Inventory comprises of finished property and properties under construction (Work in Progress). Work In Progress comprises cost of land, development rights, TDR, Construction and development cost, cost of material, services and other overheads related to projects under construction.

(₹ in Lakhs)

Particulars	31.03.2012	31.03.2011
1. Properties under Construction - Work-In-Progress	21,791.69	18,021.41
2. Completed Finished Properties	5,38.74	828.74
<b>Total Inventory</b>	<b>22,330.43</b>	<b>18,850.15</b>

19. The Company is not a manufacturing or trading Company, hence quantitative and other disclosures as required by paragraph 3 (ii) (a), (b) and paragraph 4c of Part II of Schedule VI to the Companies Act, 1956 are not applicable to the Company.

20. In the opinion of the Board, current assets and loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known and determined liabilities are adequate and not in the excess of the amount reasonably necessary.
21. Balances standing at the debit or credit in the accounts of various parties are subject to confirmation and reconciliation.
22. **Details of utilization of issue proceeds through public issue as on 31<sup>st</sup> March, 2012:**

(₹ in Lakhs)

Particulars	Amount	Amount
<b>Net Proceeds from IPO</b>		<b>27,554.30</b>
Less: Utilization of Funds :		
a ) Payments towards IPO Expenses	2,195.29	
b) Payment towards development and construction of projects	3,860.95	
c) Payments towards Land Purchases	19,799.60	
<b>Total of Utilization of Funds (a+b+c)</b>		<b>25,855.84</b>
<b>Balance invested in Liquid Mutual Funds/Fixed Deposits</b>		<b>1,698.46</b>

23. Interest amount debited in Profit and Loss Account is after considering interest received and other receipts.
24. Estimated amount of contract remaining to be executed on capital account and not provided for is NIL (Previous Year NIL).

**25. SEGMENT ACCOUNTING**

Accounting Standards interpretation (ASI) 20 Dt. 14.02.2004, issued by the Accounting Standard Board of ICAI, on AS – 17, Segment reporting clarifies that in case by applying the definition of “Business Segment and Geographical Segment” given in AS-17, the Company is engaged in various segments namely Real Estate Development, Retail and Hospitality. However, in financial year 2011-2012 there is only one reportable segment namely Real Estate Development.

26. In view of Accounting Standard required by AS-28 “Impairment of Assets” issued by ICAI, the Company has reviewed its fixed assets and does not expect any loss as on 31<sup>st</sup> March 2012 on account of impairment in addition to the provision already made in the books.

**27. OPERATING LEASE (AS-19)**

Lease rent payable for office taken on lease is charged to revenue under the head depreciation.

The lease rentals are charged over the specified period of lease i.e. 50 years. Cost of leasehold rights is being amortized @ 2% per annum considering the period of lease.

**28. CONTRIBUTION TO GROUP GRATUITY SCHEME OF LIC**

In accordance with provision of Accounting Standard (AS) – 15 (Revised-2005) on employee benefit, the Company has taken a Group Gratuity Policy from Life Insurance Corporation of India to adequately cover the present liability for future payments of gratuity to the employees on actuarial valuation. The obligation for leave encashment is recognized in the same manner as ‘Gratuity’. Expenses recognized during the year shown under the head ‘Employee Cost’.

**i) Net Asset/Liability recognized in the Balance Sheet as at 31<sup>st</sup> March 2012.**

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment
Fair value of plan assets as at 31 <sup>st</sup> March 2012	14.14	Nil
Present Value of obligation as at 31 <sup>st</sup> March 2012	161.05	156.79
Net Liability Recognized in Balance Sheet	146.90	156.79

ii) Expenses recognized during the year (Under the head "Personnel Cost")

(₹ in Lakhs)

Particulars	Gratuity	Leave Encashment
Current Service cost	34.25	32.38
Interest Cost	14.40	12.38
Expected return on plan assets	2.03	-
Actuarial (gain)/loss	19.49	(29.02)
Net Cost	00.04	9.02

iii) Actuarial Assumptions

Particulars	Gratuity (Funded)	Leave Encashment (Unfunded)
Discount rate (per annum)	8.50 %	8.50 %
Rate of increase in compensation levels	9.00 %	9.00 %
Expected average remaining working lives of employees (years)	17.26	17.26

29. In the year 2007-08, the Company has incurred ₹ 2,329.07 Lakhs on the Public Issue of Equity shares of the Company and these expenses are considered as deferred revenue expenditure as per Accounting Policy of the Company. The amount of ₹ 465.81 Lakhs charged to Profit and Loss Account as IPO Expenses of the current year.

30. The Revised Schedule VI has become effective from 1<sup>st</sup> April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
Executive Director

**Vandana Patil**  
Director

**G. L. Vishwanath**  
Director

**Manasa Vishwanath**  
Director

**Manish Doshi**  
Director

**Achyut Watve**  
Director

**Jayant Pendse**  
Director

**Vasant Gaikwad**  
Chief Financial  
Officer

**Abhijit Barje**  
Asst. Company  
Secretary

In terms of our report attached  
**For SPCM & Associates**  
**(Formerly Known as Bora Kasat & Co.)**  
**FRN 112165W**  
Chartered Accountants

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

Place : Pune

Date: May 29, 2012

## **AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To  
The Board of Directors  
**Kolte-Patil Developers Limited**

1. We have audited the attached Consolidated Balance Sheet of **Kolte-Patil Developers Limited**, its subsidiaries, Joint Ventures and associates (collectively referred as "the Kolte-Patil Group"), as at 31<sup>st</sup> March, 2012 and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These Consolidated Financial Statements are the responsibility of the company's management and have been prepared by management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with the 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 prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of certain subsidiaries, joint ventures and firms, which reflect Total Assets of ₹ 39,006.28 Lakhs as on 31<sup>st</sup> March, 2012 and Total Revenue of ₹ 8,624.22 Lakhs for the year ended. These financial statements and other financial information have been audited by other Auditors whose reports have been furnished to us and in our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and joint venture is based solely on their audit report.
4. We report that Consolidated Financial Statements have been prepared by the management in accordance with the requirements of Accounting Standards (AS) 21 "Consolidated Financial Statements", (AS) 23 "Accounting for Investment in Associates in Consolidated Financial Statement" and (AS) 27 "Financial Reporting of Interest in Joint Ventures", issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit as aforesaid and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanation given to us, we are of the opinion that, the attached consolidated financial statements, read with notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) In case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Kolte-Patil Group as at 31<sup>st</sup> March, 2012.
  - b) In case of Consolidated Statement of Profit and Loss, of the consolidated results of operations of the Kolte-Patil Group for the year ended on that date.
  - c) In the case of Consolidated Cash Flow Statement, of the Cash Flows of the Kolte-Patil Group for the year ended on that date.

**For S P C M & Associates**  
(Formerly Known as Bora Kasat & Co.)  
Chartered Accountants  
Firm Registration No. 112165W

**CA Suhas P. Bora**  
Partner  
M. No. 039765

**Place :** Pune  
**Date :** 29.05.2012

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2012

(₹ in Lakhs)

PARTICULARS	NOTE NO.	CURRENT REPORTING 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>	2		
Share capital	2.1	7,577.49	7,577.49
Reserves and Surplus	2.2	63,236.09	62,374.08
<b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>		1,294.70	-
<b>NON CURRENT LIABILITIES</b>	3		
a. Long Term Borrowings	3.1	12,626.57	10,142.01
b. Deferred Tax Liabilities (Net)	3.2	17.96	-
c. Other Long Term Borrowings	3.3	252.89	207.73
d. Long Term Provisions	3.4	13,831.72	11,545.26
<b>CURRENT LIABILITIES</b>	4		
a. Short Term Borrowings	4.1	6,274.98	5,820.66
b. Trade Payables	4.2	5,633.21	3,327.35
c. Other Current Liabilities	4.3	20,582.01	11,479.40
d. Short Term Provisions	4.4	2,963.20	5,479.98
<b>MINORITY INTEREST</b>		14,817.60	13,475.99
<b>Total</b>		<b>149,108.42</b>	<b>131,429.95</b>
<b>II. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>	5		
a. Fixed Assets	5.1		
i. Tangible Assets		5,326.66	5,834.55
ii. Intangible Assets		150.46	99.36
iiii. Capital work in Progress		117.27	367.68
b. Non Current Investment	5.2	3,190.63	3,306.13
c. Deferred Tax Assets (Net)	5.3	406.69	96.18
d. Long Term Loans and Advances	5.4	18,800.74	14,880.70
e. Other Non Current Assets	5.5	2,417.59	459.48
<b>CURRENT ASSETS</b>	6		
a. Current Investment	6.1	4,062.79	4,541.71
b. Inventories	6.2	98,916.93	87,379.87
c. Trade Receivables	6.3	4,431.05	3,745.77
d. Cash and Cash Equivalents	6.4	4,642.15	4,123.60
e. Short Term Loans and Advances	6.5	5,493.92	5,963.21
f. Other Current Assets	6.6	1,151.54	631.71
<b>Total</b>		<b>149,108.42</b>	<b>131,429.95</b>
Notes to the Accounts	1		

### For and on behalf of the Board

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
Executive Director

**Vandana Patil**  
Director

**G. L. Vishwanath**  
Director

**Manasa  
Vishwanath**  
Director

**Manish Doshi**  
Director

**Achyut Watve**  
Director

**Jayant Pendse**  
Director

**Vasant Gaikwad**  
Chief Financial  
Officer

**Abhijit Barje**  
Asst. Company  
Secretary

In terms of our report attached  
**For SPCM & Associates**  
**(Formerly Known as Bora Kasat & Co.)**  
**FRN 112165W**  
Chartered Accountants

Place : Pune  
Date: May 29, 2012

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2012

(₹ in Lakhs)

PARTICULARS	NOTE NO.	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
REVENUE FROM OPERATIONS	7	24,923.79	20,279.86
OTHER INCOME	8	1,045.76	622.32
<b>TOTAL REVENUE</b>		<u>25,969.55</u>	<u>20,902.18</u>
<b>EXPENSES</b>	9		
Cost of Material Consumed		12,987.10	7,937.55
Employee Benefits Expenses		1,805.69	1,632.24
Finance Costs		2,625.25	682.74
Depreciation		211.16	174.03
Preliminary Expenditure		466.96	479.31
Other expenses		2,892.62	1,773.78
<b>TOTAL EXPENSES</b>	<b>Total</b>	<u>20,988.78</u>	<u>12,679.66</u>
<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS &amp; TAX</b>		4,980.77	8,222.52
<b>PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX</b>		<u>4,980.77</u>	<u>8,222.52</u>
<b>EXTRAORDINARY ITEMS</b>		-	-
<b>PROFIT BEFORE TAX</b>		<u>4,980.77</u>	<u>8,222.52</u>
<b>TAX EXPENSES:</b>	10		
1) Current Tax		1,692.97	3,052.09
2) Deferred Tax		(288.41)	(76.37)
<b>PROFIT/(LOSS) BEFORE MINORITY INTEREST</b>		<u>3,576.21</u>	<u>5,246.81</u>
<b>MINORITY INTEREST</b>		167.83	456.00
<b>PROFIT / (LOSS) FOR THE PERIOD</b>		<u>3,408.38</u>	<u>4,790.80</u>
<b>EARNING / (LOSS) PER EQUITY SHARE (in ₹)</b>		4.50	6.32

### For and on behalf of the Board

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
Executive Director

**Vandana Patil**  
Director

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In terms of our report attached  
**For SPCM & Associates**  
**(Formerly Known as Bora Kasat & Co.)**  
**FRN 112165W**  
Chartered Accountants

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

Place : Pune

Date: May 29, 2012



## CONSOLIDATED CASH FLOW STATEMENT

(₹ In Lakhs)

	Year ended 31.03.2012	Year ended 31.03.2011
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation and extraordinary items	3,408.40	8,222.52
Adjustment for:		
Depreciation	211.16	174.03
Foreign Currency restatement	3.61	0.39
Loss on Sale of Fixed Assets	0.25	48.52
Liabilities Written back	(17.47)	(20.12)
Interest and Dividend on investments and ICD	(666.98)	(564.48)
Interest expenses	2,625.25	682.74
IPO and preliminary expenses written off	466.96	465.82
Profit on sale of Shares & Mutual Funds	(246.81)	(0.28)
<b>Operating profit before working capital changes</b>	<b>5,784</b>	<b>9,009</b>
Adjustment for:		
(Increase)/Decrease in Sundry Debtors	(1,205.12)	1,877.88
(Increase)/Decrease in Loans and Advances and other Current Assets	(2,506.83)	766.29
(Increase)/Decrease in Inventories	(9,642.40)	9,003.95
Increase/(Decrease) in Current Liabilities	11,958.86	1,518.81
Increase/(Decrease) in Non Current Liabilities	-	-
<b>Cash generated from/(used In) operations</b>	<b>4,388.89</b>	<b>22,176.07</b>
Direct taxes paid	(2,848.72)	(4,466.69)
Fringe benefit tax	-	-
<b>Cash flow before extraordinary items</b>	<b>1,540.17</b>	<b>17,709.38</b>
Extraordinary items, if any	-	-
<b>Net cash from/(used In) operating activities</b>	<b>1,540.17</b>	<b>17,709.38</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets (including capital work-in-progress)	(1,264.18)	(156.95)
Decrease/(Increase) in Investments	594.43	334.04
Profit on sale of Assets	(0.25)	(48.52)
Acquisition of stakes in subsidiaries	-	(5,455.93)
Share in taxation of firm	-	(86.88)
Interest and Dividend on investments and ICD	666.98	564.48
Sale of fixed assets	12.32	84.88
Capital Gain on Sale of Shares	246.81	0.28
Liabilities Written back	17.47	-
<b>Net Cash from Investing Activities</b>	<b>273.57</b>	<b>(4,764.60)</b>

**CONSOLIDATED CASH FLOW STATEMENT**

(₹ In Lakhs)

	<b>Year ended 31.03.2012</b>	<b>Year ended 31.03.2011</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of share capital	-	29.37
Proceeds from Securities Premium	-	88.10
Proceeds/ (Repayment) of Secured and unsecured Loans	2,634.93	(10,113.97)
Interest paid	(2,625.25)	(682.74)
Dividend paid	(1,115.40)	(1,115.40)
Dividend tax paid	(189.48)	(189.48)
<b>Net Cash from Financing Activities</b>	<b>(1,295.20)</b>	<b>(11,984.13)</b>
<b>4. Net Increase/(Decrease) in cash and cash equivalents</b>	<b>518.54</b>	<b>960.65</b>
<b>5. Cash and cash equivalents at the beginning of the year</b>	<b>4,123.61</b>	<b>3,162.96</b>
<b>6. Cash and cash equivalents at the end of the year</b>	<b>4,642.15</b>	<b>4,123.61</b>

**Notes :**

1. Cash and cash equivalents include fixed Deposits with Bank of ₹ 930.47/- (Previous Year ₹ 635.24/-).
2. Cheques in hand of ₹ 218.91/- (Previous Year ₹ 66.72/-).
3. Previous year figures have been regrouped and restated, wherever necessary, to make them comparable.

**For and on behalf of the Board**

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
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**Jayant Pendse**  
Director

**Vasant Gaikwad**  
Chief Financial  
Officer

**Abhijit Barje**  
Asst. Company  
Secretary

In terms of our report attached  
**For SPCM & Associates**  
**(Formerly Known as Bora Kasat & Co.)**  
**FRN 112165W**  
Chartered Accountants

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

Place : Pune  
Date: May 29, 2012

**NOTE 1**

**A. BASIS OF CONSOLIDATION**

**1. PRINCIPLES OF CONSOLIDATION**

The Consolidated Financial Statements have been prepared in accordance with AS 21 – Accounting Standard on Consolidated Financial Statements, AS 27 – Financial Reporting of Interests in Joint Ventures and AS 23 – Accounting for Investments in Associates in Consolidated Financial Statements. The Consolidated Financial Statements have been prepared on the following basis:

- a) The Financial Statements of the Company and its Subsidiary Companies have been consolidated on line by line basis by adding together the book values of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits and losses have been fully eliminated. The results of operations of the Subsidiaries are consolidated from the date on which effective control is transferred to the Group.
- b) Interest in assets, liabilities, income and expenses of the Joint Ventures are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profits / losses are eliminated to the extent of Company's proportionate share except where costs cannot be recovered.
- c) The excess of cost to the Company of its investment in Subsidiary Companies / Joint Ventures over its share of equity in Subsidiary Companies / Joint Ventures, at the dates on which the investments in Subsidiary Companies / Joint Ventures are made, is recognized as "Goodwill"; being an asset in the Consolidated Financial Statements. Alternatively, where the share of equity in Subsidiary Companies / Joint Ventures as on the date of investment is in excess of cost of investment of the Company, it is recognized as "Capital Reserve" and shown under the head "Reserves and Surplus" in the Consolidated Financial Statements.
- d) Minorities' interest in net profit / loss of the consolidated Subsidiary Companies for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders of the Company. Minorities' interest in net assets of the consolidated Subsidiaries is identified and presented separately in the Consolidated Financial Statements.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's Standalone Financial Statements.

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Consolidated Financial Statements have been prepared under the historical cost convention in accordance with Indian Generally Accepted Accounting Principles ("GAAP") comprising of the Accounting Standards issued by the Institute of Chartered Accountants of India and notified under Companies (Accounting Standards) Rules, 2006 as adopted consistently by the Company. All income and expenditure having material effect on the Financial Statements are recognized on the accrual basis.

The Financial Statements of the Subsidiary Companies are drawn up to the same reporting date as that of the Company i.e. 31<sup>st</sup> March, 2012. The Accounting policies have been consistently applied by the Group and are consistent with those applied in the previous year.

**3. USE OF ESTIMATES**

The preparation of Financial Statements requires the Management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. The actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

4. The Consolidated Financial Statements relate to "Kolte-Patil Developers Limited" ("The Company"), its Subsidiary Companies, Associates and Joint Ventures. The Company and its Subsidiaries, Associates and Joint Ventures constitute "the Group". All the Subsidiaries, Associates and Joint Ventures have been incorporated in India.

- (a) The following Subsidiary Companies have been considered in the Consolidated Financial Statements:

Sr. No.	Name of the Subsidiary Companies	Percentage of Ownership Interest
1.	Regenesys Project Management Company Private Limited	99.99
2.	Sylvan Acres Realty Private Limited	90.00
3.	Yashowardhan Promoters and Developers Private Limited	100.00
4.	Tuscan Real Estate Private Limited	51.00
5.	Regenesys Facility Management Company Private Limited	99.99
6.	Oakwoods Hospitality Private Limited	51.00
7.	Olive Realty Private Limited	99.99
8.	Lilac Hospitality Private Limited	99.99
9.	Jasmine Hospitality Private Limited	51.00
10.	Bellflower Properties Private Limited	*50.0001
11.	PNP Retail Private Limited	99.99
12.	Kolte-Patil Real Estate Private Limited	51.00
13.	Snowflower Properties Private Limited	100.00
14.	PNP Agrotech Private Limited	100.00

\* The Company owns 1 Golden Share in Bellflower Properties Private Limited, thereby making it a Subsidiary of the Company.

- (b) The Company has Consolidated the Financial Statements of following entities:

Name of the Entity	Constitution	Percentage of Ownership Interest
Corolla Realty Limited	Company	37% in Equity shares.
Kolte-Patil I-Ven Townships (Pune) Limited	Company	50% in Equity Shares, through Company's Subsidiary, Sylvan Acres Realty Private Limited.
Ankit Enterprises	Partnership Firm	75%
Kolte-Patil Homes	Partnership Firm	60%

- (c) The significant Associates, Partnership Firms and Joint Ventures considered in the Consolidated Financial Statements are :

Name of the Entity	Constitution	Percentage of Ownership Interest
Green Olive Ventures	Association of Persons	60% in Gross Sale
Vibhu KPDL Ventures	Association of Persons	50% in Gross Sale
KP-Rachana Real Estate LLP	Limited Liability Partnership	50% Profit Sharing Ratio and 30% Capital Contribution Ratio
Sanjivani Integrated Township LLP	Limited Liability Partnership	50.50% Profit Sharing Ratio and 50.50% Capital Contribution Ratio

5. The Group is engaged in various segments namely Real Estate Development, Hospitality and Retail. However, during the financial year 2011-2012, there was only one reportable segment namely Real Estate Development.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Preparation of Financial Statements**

The Financial Statements are prepared on the historical cost convention in accordance with Indian Generally Accepted Accounting Principles ("GAAP") comprising of the Accounting Standards issued by The Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

**b) Use of Estimates**

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities as on the date of the Financial Statement and reported amounts of income and expenses during the period. The Management believes that the estimates used in the preparation of Financial Statements are prudent and reasonable. Actual results could differ from the estimates.

**c) Fixed Assets**

The Gross Block of Fixed assets are stated in the Accounts at the purchase price of acquisition of such assets including any attributable cost of bringing the assets to its working condition for its intended use. Office premises located at Jalgaon have been taken on lease for a period of 50 years and are reflected in Gross Block at ₹ 1.00 lakh. The leasehold premises have been amortised @ 2% per annum on the basis of period of lease.

**d) Depreciation**

Depreciation is provided in the books as per the rates prescribed under Schedule XIV of the Companies Act, 1956 on Straight Line Method except in case of Yashowardhan Promoters and Developers Private Limited where Written Down Value Method is applied. Cost of Leasehold rights is being amortized @ 2% per annum, considering the period of lease.

**e) Revenue Recognition**

**i. Sale of Flats and Shops**

During the year, the Company has followed the Percentage Completion Method of accounting as per the Guidance Note on Revenue Recognition by the Real Estate Developers issued by The Institute of Chartered Accountants of India. Total Sale Consideration as per the agreements to sale of constructed properties is recognized as revenue based on the percentage of actual project cost incurred there on, including the cost of land, estimated construction and development cost of the such properties, subject to actual construction cost incurred being 20% or more of the total cost of the construction of the project.

The amount received from customers which does not qualify for revenue recognition under the Percentage Completion Method is accounted as Current Liabilities under the head "Other Current Liabilities Sub Head "Advance from Customers". The amount receivable against the percentage of revenue recognized is accounted for as Current Assets under the head "Trade Receivables" and the excess amount received from customer is accounted as current Liabilities under the head "Advance from Customers".

**ii. Sale of Land**

Sale of land is recognized when the agreement is executed for land transfer between the parties.

**iii. Lease Rent Income**

Lease Rent Income is recognized on accrual basis.

**iv. Income From Investment**

Interest on fixed deposit, debentures and dividend on mutual fund is accounted on accrual basis, whereas dividend from shares is accounted for on receipt basis.

**v. Retail Sale**

Income from sale is recognized upon completion of sale. Sale is net of returns, discounts and value added tax. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

**vi. Project Management Fees**

Revenue from Project Management fees is recognized as per the terms of contract agreed between the Parties.

**f) Inventories**

Inventory comprises finished property and properties under construction (Work In Progress). Work In Progress comprises of cost of land, development rights, TDR, Construction and development cost, cost of material, services and other overheads related to projects under construction.

**g) Investments**

Long-term investments are stated at cost after providing for any diminution in value, if such diminution is of permanent nature. Current investments are carried at lower of cost or market value. The determination of carrying amount of such investments is done on the basis of specific identification. Investments in integrated joint ventures are carried at cost net off adjustments for Company's share in profits or losses as recognized.

**h) Retirement Benefits**

Liability is provided for retirement benefits of Provident Fund, Gratuity in respect of eligible employees contributions under the defined contribution scheme are charged to revenue. The liability in respect of defined benefit scheme like gratuity, leave encashment are provided in the accounts on the basis of actuarial valuation as on 31<sup>st</sup> March 2012 except in the case of Yashowardhan Promoters and Developers Private Limited, Bellflower Properties Private Limited, Olive Realty Private Limited, Jasmine Hospitality Private Limited, Oakwoods Hospitality Private Limited, Lilac Hospitality Private Limited, PNP Retail Private Limited, Snowflower Properties Private Limited, Regenesys Project Management Company Private Limited, Sylvan Acres Realty Private Limited, PNP Agrotech Private Limited where estimated liabilities towards retirement benefits to employees have not been quantified on the date of Balance Sheet. The same is accounted for on cash basis.

**i) Borrowing Cost**

Borrowing costs are recognized as expenses in the period in which they are incurred and debited to Profit and Loss Account

**j) Taxation**

Income Tax expenses for the year include Current Tax and taxation in firm. Provision for current income tax is made on the current tax rate based on assessable income for the year worked out as per the provision of Income Tax Act 1961, as applicable for Assessment Year 2012-2013. The deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the Balance Sheet date.

Deferred income taxes reflects the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences for earlier years. Deferred taxes are measured based on the tax rates and tax laws enacted and substantively enacted at the Balance Sheet date. Deferred tax asset are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax can be realized.

**k) Provisions, Contingent Liabilities and Contingent Assets**

As per Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

- (a) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or



- (b) Any present obligation that arises from past events but is not recognized because –
  - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made. Contingent Assets are not recognized in the Financial Statements since this may result in the recognition of income that may never be realized.

**l) Miscellaneous Expenses**

Miscellaneous Expenses are amortised over a period of five years.

**m) Impairment of Asset**

At each Balance Sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflect the current market assessment of time value of money and the risks specific to the asset. The impairment loss as determined above is expensed off. An impairment loss recognised in prior accounting period is reversed if there has been change in the estimate of the recoverable amount.

**n) IPO Expenses**

Expenses incurred for the public issue of equity shares of the Company are considered as deferred revenue expenditure to be amortized in 60 months.

**o) Earnings Per Share**

The Company reports basic and diluted earnings per share in accordance with Accounting Standard – 20 'Earnings Per Share' issued by the Institute of Chartered Accountants of India on. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of Equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**p) Cash Flow Statement**

The Cash Flow Statement is prepared by Indirect Method set out in Accounting Standard 3 on Cash Flow Statement and presents Cash Flows by Operating, Investing and Financing activities of the Company.

**q) Foreign Currency Transactions**

Transactions in foreign currency and non monetary assets are accounted on the date of the transactions. All monetary items denominated in foreign currency are converted at the year end exchange rate. Expenditure of the liaison office is translated at the yearly average rate of exchange. The exchange differences arising on such conversion and on settlement of the transactions are shown as Foreign Currency Translation Reserve under the head of Reserve and Surplus.

**2. EVENTS OCCURRING AFTER BALANCE SHEET DATE**

No significant events which could affect the financial position as on 31<sup>st</sup> March 2012, to a material extent have been reported by the Company, after the Balance Sheet date till the signing of report.

**3. PRIOR PERIOD AND EXTRA ORDINARY ITEMS**

There are no material changes or credit which arises in current period, on account of errors or omissions in the preparation of financial statements for one or more prior periods.

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>2. SHAREHOLDERS' FUNDS</b>		
<b>2.1 SHARE CAPITAL</b>		
Authorised :		
8,00,00,000(8,00,00,000) Equity Shares of ₹ 10/ each	8,000.00	8,000.00
	<u>8,000.00</u>	<u>8,000.00</u>
Issued,Subscribed and Fully Paid up:		
7,57,74,909 (7,57,74,909) Equity Shares of ₹ 10/ each	7,577.49	7,577.49
	<u>7,577.49</u>	<u>7,577.49</u>
<b>2.2 RESERVES &amp; SURPLUS</b>		
<b>Capital Reserves:</b>		
At the beginning	687.34	687.34
Capital Reserve / Goodwill on Consolidation	(1,212.06)	(1,203.78)
	<u>(524.72)</u>	<u>(516.44)</u>
<b>Capital Redemption Reserve:</b>		
Balance at the beginning	-	-
Add/(less): during the Year	13.38	-
	<u>13.38</u>	<u>-</u>
<b>Securities Premium Reserve:</b>		
Balance at the beginning	31,059.56	31,059.56
Add/(less): during the Year	(138.84)	-
	<u>30,920.72</u>	<u>31,059.56</u>
<b>Other Reserves:</b>		
<b>General Reserves</b>		
Balance at the beginning	2,082.66	1,643.31
Add/(less): during the Year	370.61	435.74
<b>Foreign Currency Translation Reserve</b>		
Balance at the beginning	3.61	3.61
Add/(less): during the Year	(3.61)	-
	<u>2,453.27</u>	<u>2,082.66</u>
<b>Surplus - Profit &amp; Loss Account</b>		
Balance at the beginning	29,748.30	26,532.03
Add/(less): during the Year	3,408.40	4,790.81
Less: Consolidation Adjustments	(1,206.25)	(4.98)
Less: Tax on Dividend Distributed during the year	(1,252.18)	(1,169.56)
Less: Transfer to Reserves	(324.43)	(400.00)
	<u>30,373.81</u>	<u>29,748.30</u>
	<u>63,236.09</u>	<u>62,374.08</u>
<b>Share Application Money Pending Allotment</b>	1,294.70	-
	<u>1,294.70</u>	<u>-</u>

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>3. NON CURRENT LIABILITIES</b>		
<b>3.1 Long Term Borrowings</b>		
<b>Bonds/debentures</b>		
Unsecured	4,610.75	4,521.83
<b>Term loans</b>		
<b>Secured from banks</b>		
Term Loan From Bank	6,217.29	5,163.67
Vehicle Loans	209.24	39.82
<b>Secured from other parties</b>		
Tata Capital Limited	48.30	50.01
<b>Deposits</b>		
Unsecured Public Deposits	618.07	365.20
<b>Loans and advances from related parties</b>		
Unsecured	559.86	1.48
<b>Other loans and advances</b>		
Unsecured	363.06	-
	<u>12,626.57</u>	<u>10,142.01</u>

### BELLFLOWER PROPERTIES PRIVATE LIMITED

#### IDBI Bank Limited

(Term Loan Sanctioned ₹ 1750.00 lakhs. Availed ₹ 400.00 lakhs)

- i Primary : Mortgage of land at Survey No. 57,58 &59 admeasuring 64,610 sq. mtr Located at Mohammadwadi, in Pune.
- ii M/s .Kolte Patil Developers Ltd. (Holding Company) has provided Corporate Guarantee.

### TUSCAN REAL ESTATE PRIVATE LIMITED

- i Loan is primarily secured by mortgage of land (including proposed buildings and other assets associated to project) located at Survey no. 40, Kharadi, Pune admeasuring 49,900 sq. mtr.
- ii Loan is collaterally secured by all receivable from the project including sale proceeds, security deposits any other payments.
- iii Corporate guarantee of Kolte-Patil Developers Limited.

### KOLTE-PATIL REAL ESTATE PRIVATE LIMITED

#### ICICI Bank Limited

- i First Charge by a registered mortgage on all that piece and parcel of land bearing S.No.58/1 and 58/2/1A at Kharadi, Pune admeasuring 37,923 sq. mtrs. Exclusive charge on the residential project at Kharadi having saleable area of approx 403604 sq. ft. being developed by the borrower on the property. An exclusive charge by way of hypothecation of the scheduled receivables of project under the documents entered into with the customers by the company, all insurance proceeds, both present and future. An exclusive charge over all rights, titles, interest, claims, benefits, demands under the project documents both present and future for the project. An exclusive charge on the Escrow Account and the DSR Account, all monies credited / deposited therein and all investments in respect thereof.
- ii Personal Guarantees from Mr. Rajesh Patil & Mr. Milind Kolte.
- iii Repayment of the Loan is through Escrow Arrangement with the Bank.

**State Bank of India**

- i Primary Security is the Escrow of Gross Rent Receivable for 120 Months amounting to ₹ 4,807.00/- lakhs.
- ii Collateral Security is Equitable Mortgage by Deposition of Original Title Deeds of Land and Building situated at S.No.54/5B & 54/2/1, Kharadi, Pune (Proposed School building leased to Victorious Kidss Educare Pvt. Ltd. for running a high school at S. No. 54/2/1 & 54/5B, Kharadi, Pune on part of land area of 18000 sq mtrs. Along with proposed construction of high school building with leasable super built up area 1,28,000 sq ft. carpet area of 1,02,000 sq. ft.
- iii Corporate Guarantee provided by Kolte-Patil Developers Limited of ₹ 2,300 Lakhs.
- iv Repayment of loan is to be done through the lease rental receipts per month.

**KOLTE-PATIL I-VEN TOWNSHIPS (PUNE) LIMITED**

**Axis Bank Limited**

- i Term loan taken from Axis Bank secured against registered mortgage of land at village Jambe and Marunji, near Hinjewadi, Pune, admeasuring 147.48 acres (including proposed building and other assets associated to the project) and further secured by collateral security in nature of lien of bank account used for routing all receivables from the project including sale proceeds, security deposits, any other payments and termination repayments.
- ii The term loan taken from Axis Bank is further secured by way of Corporate Guarantee given by Kolte Patil Developers Limited.
- iii Term Loan includes vehicle loan which are secured against the hypethocation of vehicles.
- iv Company has availed the total term loan facility amounting to ₹ 9,000.00 lakhs Also, the Company has availed the Buyers Credit facility as sublimit to this term loan facility. Till 31<sup>st</sup> March 2012 Company has drawdown ₹ 262,2.19 lakhs (including buyers credit facility). Loan has been repayble on 60 monthly installements starting from December 2012.

**COROLLA REALTY LIMITED**

**IDBI Bank Limited**

- i IDBI loan has been secured by equitable mortgage of land at Wagholi, Tal. Haveli Dist. Pune comprising of Gat no. 690 to 701 and hypothecation of book debts, movable properties including stock of raw material, building material, movable machinery, spares, tools and accessories present and future.
- ii Loan amount outstanding as on 31.03.2012 repayable in 10 equal monthly installments.
- iii Current applicable Interest rate is 15.75% (BPLR + 0.75%) which is payable on end of each month.

**ANKIT ENTERPRISES**

**IDBI Bank Limited**

**(Term Loan ₹ 1500.00 lakhs.)**

- i Primary : First charges on all the current assets as well fixed asset, movable & immovable property of phase IV of the project Hills & Dales Situated at S.No.15 Pune.
- ii Project comprising of Land admeasuring about 28848.74 sq.mtr& Construction thereon.
- iii 14 Equal Installment starting from 1<sup>st</sup> January, 2013.

**Axis Bank Limited**

- i Primary : First charges on all the current assets as well fixed asset, movable & immovable property of phase III of the project Hills & Dales Situated at Undri.
- ii Instalments amounting to ₹ 9.30 lakhs and the Loan will be repaid by May 2012.

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>NON CURRENT LIABILITIES</b>		
3.2 <b>Deferred Tax Liabilities (Net)</b>		
Deferred Tax Liability (Net)	17.96	-
	<u>17.96</u>	<u>-</u>
<b>NON CURRENT LIABILITIES</b>		
3.3 <b>Other Long Term Borrowings</b>		
Security Deposits	210.25	178.61
Maintenance Deposit	42.64	29.12
	<u>252.89</u>	<u>207.73</u>
3.4 <b>Long Term Provisions</b>		
Provision for Gratuity	180.35	174.63
Provision for Leave encashment	183.18	156.05
Other Long Term Provisions	13,468.19	11,214.58
	<u>13,831.72</u>	<u>11,545.26</u>
<b>4. CURRENT LIABILITIES</b>		
4.1 <b>Short Term Borrowings</b>		
<b>Loans repayable on demand</b>		
<b>Secured from banks;</b>		
IDBI BANK LTD. - Cash Credit Facility & Overdraft	2,124.46	1,713.12
<b>Loans repayable on demand from other parties</b>		
Unsecured	211.10	1.63
<b>Deposits</b>		
Unsecured Deposits from Public	291.15	244.90
<b>Other loans and advances</b>		
Unsecured	3,648.27	3,861.01
	<u>6,274.98</u>	<u>5,820.66</u>

## The Securities for the Short Term Loan are as

## i IDBI Bank Limited

(Nature of Credit Facility Cash Credit: ₹ 2500 lakhs, Bank Guarantee: ₹ 500 lakhs)

- a Primary Security: Hypothecation of Construction Material, WIP, receivables and Plant and Machinery with all fixture and fittings attached imbedded fastened thereon and also other plants machinery goods, articles chattels. Things, stores, motor trucks motor cars, motor vehicles that are may be lying loose kept possessed under the use process or in otherwise under control of the Company
- b Collateral Security:
  - 1 Extension of Regd. Mortgage of Boat Club Road land, final plot no. 188, S. No. 347-B, 347/A 3C/1A/1, 348A/1/1 and 348A/1/2A, total area 113883 sq. ft. at Pune.
  - 2 Regd. Mortgage of land at C.S. No. 23/170 A & B, Aundh Land. Total Area 572587 sq. ft.
  - 3 Office No. 101B, 102, 105D, 106, 107AB, 112C, 201-202-203-204-205-206-207-208. Total Area 11845 sq.ft. First and Second Floors, City Point, S. No. 347B, 347A, Hissa No. 3C/1A/1, 348 A Hissa No. 1/1, 348A Hissa No. 1/2A, final plot no. 188 CST No. 14 (part) 14/1, 14/2
- c The Company has provided personal guarantees of Mr. Rajesh Patil, Mr Naresh Patil, Mr. Milind Kolte and Mrs. Sunita Kolte, Directors of the Company.

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>4.2 Trade Payable</b>		
Payables for Purchase of Land	1,948.10	1,749.48
Payables for Purchase of Supplies	1,580.64	1,419.28
Provision for expenses	2,104.47	158.59
	<u>5,633.21</u>	<u>3,327.35</u>
<b>4.3 Other Current Liabilities</b>		
Current maturities of long-term debt	3,668.80	1,488.18
Advances from Flat Holders	15,087.75	8,408.55
Advances From Members	2.18	2.84
Statutory Short Term Liabilities	367.82	393.90
Interest accrued but not due on borrowings	3.65	399.26
Interest accrued and due on borrowings	992.01	183.94
Unpaid dividends and IPO Refund	20.17	15.92
Advances for Sale of Land	400.00	132.76
Other payables	39.63	454.05
	<u>20,582.01</u>	<u>11,479.40</u>
<b>4.4 Short Term Provisions</b>		
Employee Related Payables	142.13	270.44
Provision for Gratuity	25.08	26.17
Provision for Leave Encashment	8.00	41.67
Provision for Income Tax	1,340.74	2,965.43
Provision for Proposed Dividend	1,212.40	1,212.40
Provision for Tax on Proposed Dividend	196.68	196.68
Other short Term Provisions	38.17	767.19
	<u>2,963.20</u>	<u>5,479.98</u>



**NOTE - 5.1 FIXED ASSETS - TANGIBLE**

SR. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.2011	Additions	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year	On Sale / Adjustments	As at 31.03.2012	As at 31.03.2011
1.	Building	186.69	55.21	-	241.90	13.43	3.04	-	225.43	173.26
2	Building - Guest House	-	158.40	-	158.40	-	0.21	-	158.19	-
3	Computers	269.02	182.23	-	451.25	133.46	45.62	-	272.17	135.56
4	Furniture And Fixtures	292.55	139.09	(0.54)	431.10	52.86	21.59	-	356.65	239.69
5	Land	4,614.08	415.15	(1,740.35)	3,288.88	-	-	-	3,288.88	4,614.08
6	Plant & Machinery	295.34	152.08	(4.72)	442.70	54.47	20.25	(0.08)	367.98	240.87
7	Vehicles	699.74	327.32	(14.17)	1,012.89	268.65	91.98	(5.02)	657.36	431.09
	<b>TOTAL</b>	<b>6,357.42</b>	<b>1,429.48</b>	<b>(1,759.78)</b>	<b>6,027.12</b>	<b>522.87</b>	<b>182.69</b>	<b>(5.10)</b>	<b>5,326.66</b>	<b>5,834.55</b>

**NOTE - 5.1 FIXED ASSETS - INTANGIBLE**

SR. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.2011	Additions	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year	On Sale / Adjustments	As at 31.03.2012	As at 31.03.2011
1	Computer Software	144.04	32.40	-	176.44	47.29	25.96	-	103.19	96.79
2	Cost of Leasehold rights	1.00	-	-	1.00	0.25	0.02	-	0.73	0.75
3	Patents & Copyrights	2.22	47.21	-	49.43	0.40	2.49	-	46.54	1.82
	<b>TOTAL</b>	<b>147.26</b>	<b>79.61</b>	<b>-</b>	<b>226.87</b>	<b>47.94</b>	<b>28.47</b>	<b>-</b>	<b>150.46</b>	<b>99.36</b>

**NOTE - 5.1 FIXED ASSETS - CAPITAL WORK IN PROGRESS**

SR. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.2011	Additions	Deletions	As at 31.03.2012	Up to 01.04.2011	For the Year	On Sale / Adjustments	As at 31.03.2012	As at 31.03.2011
1.	Development Expenditure	367.68	-	(250.41)	117.27	-	-	-	117.27	367.68
	<b>TOTAL</b>	<b>367.68</b>	<b>-</b>	<b>(250.41)</b>	<b>117.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117.27</b>	<b>367.68</b>

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>5.2 Non Current Investment</b>		
<b>Joint Venture</b>		
Green Olive Venture - Current Capital	832.36	1,283.33
Vibhu - KPDL Venture - Current Capital	69.50	69.50
Vibhu Developers Private Limited - Deposit	2,064.13	1,864.13
<b>Controlled Special Purpose Entities</b>		
<b>Investment in Limied Liability Partnership</b>		
KP-Rachana Real Estate LLP Capital Contribution	82.82	82.82
KP - Rachana Real Estate LLP - Current Capital	33.24	5.09
Sanjivani Integrated Township LLP	107.17	
<b>Investment in Government or Trust Scurities</b>		
National Savings Certificates	0.40	0.25
<b>Other non-current investments</b>		
10,000 (10,000) Shares of ₹ 10 each - PBAP	1.00	1.00
20 (20) Equity Shares - Rupee Co-Op.Bank Limited	0.01	0.01
	<u>3,190.63</u>	<u>3,306.13</u>
<b>5.3 Deferred Tax Assets (Net)</b>		
Deferred Tax Assets (Net)	406.69	96.18
	<u>406.69</u>	<u>96.18</u>
<b>5.4 Long-Term loans &amp; advances</b>		
<b>Capital Advances</b>		
Unecured Considered Good	242.42	-
<b>Security Deposits</b>		
Secured Considered Good	4.26	4.22
Unsecured Considered Good	292.70	155.90
<b>Loans &amp; advacnes to Related Parties</b>		
Unecured Considered Good	0.02	16.93
Eq. Share Application Money to Subsidiary	-	1.00
Loan to Subsidiary Companies	3,151.46	387.22
<b>Other loans and advances</b>		
Unecured Considered Good	163.69	163.69
Prepaid Expenses	32.70	10.69
Ad. Tax, TDS, Self Asset. and Regular Assessment	14,913.49	14,141.05
	<u>18,800.74</u>	<u>14,880.70</u>
<b>5.5 Other Non-Current Assets</b>		
Maintenance Charges Receivable	151.44	87.53
IPO Expenditure (deferred)	-	310.54
Reimburement of Exenditure	4.21	17.96
Tax On Regular Assessment	2,239.50	-
Misc. Expenditure to the extent Not w/off	22.44	26.26
Deposits With original maturity more than 12 months	-	17.19
	<u>2,417.59</u>	<u>459.48</u>

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>6 CURRENT ASSETS</b>		
<b>6.1 Current Investment</b>		
<b>Investment in Mutual Funds- Quoted</b>	4,059.62	4,538.54
<b>Other non-current investments</b>		
13,200 (13,200) Eq Shares of ₹ 24 each - Vijaya Bank	3.17	3.17
	<u>4,062.79</u>	<u>4,541.71</u>
<b>All the Investment in Mutual Fund are of Daily Dividend Reinvestment Plan.</b>		
<b>6.2 Inventories</b>		
Work In Progress		
Work In Progress	98,916.93	87,379.87
	<u>98,916.93</u>	<u>87,379.87</u>
<b>6.3 Trade Receivable</b>		
<b>Trade Receivable for a period exceeding six months</b>		
Considered Good	1,508.44	2,786.32
<b>Other Trade Receivable</b>	2,922.61	959.45
	<u>4,431.05</u>	<u>3,745.77</u>
<b>6.4 Cash and Bank Balance</b>		
(a) Cash and Cash Equivalents		
In Current Accounts	3,436.13	3,336.05
Cash in hand;	33.82	36.11
(b) Other Bank Balance		
Deposits with Banks	930.47	635.24
(c) Cheques, drafts on hand;	218.91	66.72
(d) Others		
Earmarked balances - Dividend and application money	22.82	49.48
	<u>4,642.15</u>	<u>4,123.60</u>
<b>6.5 Short-Term loans &amp; advances</b>		
Loans and advances to related parties		
Unsecured, considered good	494.85	539.05
Other Short Term Loans and Advances		
Unsecured, considered good	284.12	90.97
Advance Income Tax	50.73	753.20
Advances for Supply of Goods and Services	854.19	901.21
Advances for Purchase of Land	3,807.03	3,644.14
Advances for Construction contract	3.00	34.64
	<u>5,493.92</u>	<u>5,963.21</u>

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
<b>6.6 Other Current Assets</b>		
Tax deducted at Source	7.89	6.10
Advance Income Tax TDS and Self Assessment Tax	263.10	139.30
Interest Receivable on Investment	565.68	9.12
IPO Expenditure (deferred)	310.54	465.82
Service Tax - Input	0.05	-
Far Collection Receivable	0.67	0.67
Miscellaneous Expenditure	0.38	9.55
Gratuity Funds with LIC	3.23	1.15
	<u>1,151.54</u>	<u>631.71</u>
<b>7 REVENUE FROM OPERATIONS</b>		
Sale of flats	22,976.32	13,466.03
Sale of Land	423.85	5,526.35
Lease Rent	105.87	137.88
Project Management Fees received	185.83	52.07
Other Operating Income /Compensation for Surrender of Right	926.35	983.91
Modification & Extra Work Receipts	13.96	-
Sale of Services	291.61	113.62
	<u>24,923.79</u>	<u>20,279.86</u>
<b>8 OTHER INCOME</b>		
Dividend From Shares/Mutual Funds	328.04	273.87
Profit on Sale of Shares and Mutual Funds	246.81	0.25
Interest on Investment	338.94	281.12
Liabilities Written Off	17.47	19.95
Interest received from Customer/Employees	57.72	0.04
Parking Charges/ Miscellaneous Income	40.80	33.76
Profit on sale of Asset	(0.25)	(0.17)
Other Receipts	16.23	13.50
	<u>1,045.76</u>	<u>622.32</u>
<b>9 EXPENSES</b>		
Cost of material consumed	12,987.10	7,937.55
Employee benefits expenses	1,805.69	1,632.24
Finance Costs	2,625.25	682.74
Depreciation and amortisation expenses	211.16	174.03
IPO Expenses & Amortisation	466.96	479.31
Other Expenses		
Domestic Travelling & Conveyance Expenses	121.84	73.26
Establishment Cost	279.19	218.98
Foreign Travelling Expenses	58.73	21.41

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET

(₹ in Lakhs)

PARTICULARS	CURRENT REPORTING PERIOD 31.03.2012	PREVIOUS REPORTING PERIOD 31.03.2011
Insurance Charges	41.17	42.47
Miscellaneous Expenses	24.45	-
Printing	49.45	53.12
Professional Fees	268.32	252.40
Rates & Taxes	22.80	28.55
Repair & Maintenance	142.10	74.08
Telephone, Postage & Courier Charges	62.45	55.70
Selling Expenses	1,716.96	451.50
Amounts Written Off/Loss On Sale Of Fixed Assets	109.34	50.62
Compensation For Cancellation	-	451.69
	<u>2,892.62</u>	<u>1,773.78</u>
<b>10 TAX EXPENSES:</b>		
Current Tax	1,692.97	3,052.09
Deferred Tax	(288.41)	(76.37)
	<u>1,404.56</u>	<u>2,975.72</u>

### 11. Earnings Per Share

(₹ in Lakhs)

Particulars	31.03.2012	31.03.2011
Net Profit attributable to shareholders. (₹ in Lakhs)	3,408.38	4,790.80
Weighted average number of equity shares (₹ in Lakhs)	757.75	757.75
Basic earnings per share – (₹)	4.50	6.32
Diluted earnings per share – (₹)	4.50	6.32
Nominal value of equity shares – (₹)	10	10

### 12. Expenses incurred in Foreign Currency

(₹ in Lakhs)

Particulars	2011-2012	2010-2011
Professional and Consultation Fees	22.12	1.02
Other Matters – Travelling Expenditure	15.87	6.75
Sales Promotion & Exhibition	4.29	-
Import of Material	185.92	-
Interest on Debenture	596.22	-
<b>Total</b>	<b>824.42</b>	<b>7.77</b>

#### Details of foreign currency exposures:

Kolte-Patil I-Ven Township (Pune) Limited

#### a. Hedged by derivative instrument:

Particulars	As at 31 <sup>st</sup> March 2012 Amount in Foreign Currency	As at 31 <sup>st</sup> March 2012 ₹ in Lakhs
Buyer's Credit Facility	USD 796,591 (USD: Nil)	₹ 422.19 (Nil)

Figures in previous year are shown in bracket.

#### b. Not hedged by derivative instruments: ₹ Nil (Previous year ₹ Nil)

**13. Related party disclosures as required by Accounting Standard 18 'Related Party Disclosures', (AS-18) issued by the Institute of Chartered Accountants of India are given below.**

**A. List of Related Parties**

Related Parties (as identified by the Management) are classified as:

Subsidiaries	<ol style="list-style-type: none"> <li>1. Bellflower Properties Private Limited</li> <li>2. Tuscan Real Estate Private Limited [formerly known as I-Ven Kolte-Patil Projects (Pune) Private Limited]</li> <li>3. Jasmine Hospitality Private Limited</li> <li>4. Lilac Hospitality Private Limited</li> <li>5. Oakwoods Hospitality Private Limited</li> <li>6. Olive Realty Private Limited</li> <li>7. Regenes Project Management Company Private Limited</li> <li>8. Sylvan Acres Realty Private Limited</li> <li>9. Yashowardhan Promoters and Developers Private Limited</li> <li>10. Regenes Facility Management Company Private Limited</li> <li>11. Kolte –Patil Real Estate Private Limited</li> <li>12. PNP Retail Private Limited</li> <li>13. Snowflower Properties Private Limited</li> <li>14. PNP Agrotech Private Limited</li> </ol>
Key Management Personnel Director/ Partner	Mr. Rajesh Patil, Mr. Naresh Patil, Mr. Milind Kolte, Mrs. Sunita Kolte, Mrs. Vandana Patil, Mrs. Sunita Patil , Ms. Ankita Patil.
Relatives of Key Management Personnel	Mr. Ketan Kolte, Ms. Ketki Kolte, Mr. Nirmal Kolte, Mr. Pradeep Kolte, Mr. Digambar Kolte, Mrs. Pramila Kolte.
Associates/Enterprises /Joint Ventures over which key Management Personnel have significant influence	Ankit Enterprises, Corolla Realty Limited, Kolte-Patil I-Ven Townships (Pune) Limited, Kolte-Patil Enterprises, Kolte-Patil Homes, Harshwardhan Co-operative Housing Society Limited, Green Olive Venture, Vibhu-KPDL Venture, KP-Rachana Real Estate LLP, Sanjivani Integrated Township LLP.

**B. Transaction between the Company and related parties and the status of the outstanding balances as at 31<sup>st</sup> March, 2012.**

(₹ in Lakhs)

Particulars	Key Management Personnel	Enterprises over which Key Management Personnel are able to exercise significant influence	Relatives of Key Management personnel
Interest on Debenture	-	3,644.73	-
Service Charges Charged to the Company	-	19.26	-
Redemption of Debentures	-	3,000.00	-
Premium on Redemption of Debentures	-	216.93	-
Expenses incurred on behalf the Company	-	19.72	-



Redemption of 0.0001% Redeemable preference shares	-	29.46	-
Premium on Redemption of shares	-	1,726.58	-
Reimbursement for Purchase of Old Jackwell & Accessories	65.66	-	-
Purchase of Land	934.23	-	-
Cancellation of Sale Deed	89.79	-	-
Advance received for Flat Sales	45.00	-	-
Directors' Remuneration	232.62	-	-
Commission to Directors	200.00	-	-
Commission to Directors Paid	207.90	-	-
Advance received for Flat Sales	-	-	40.00
Refund of plot purchase Advance	-	-	122.60
Creditors for plot - Payments	-	-	109.21
Deposit Accepted	-	-	0.90
Interest Paid on Fixed Deposits	-	-	2.01

#### 14. Contingent Liability

(₹ In Lakhs)

Sr. No.	Particulars	FY 2011-12
1	Claims not Acknowledged as debts*	2,005.09
2	Guarantees issued by the Company on behalf of Subsidiary Companies and Associates**	20,550.00
3	Bank Guarantees©	910.00
4	Income Tax Matters (Pending in Appeals)	4,930.53
5	Letter of Credit issued by Axis Bank Ltd. on behalf of Kolte-Patil I-Ven Townships (Pune) Ltd. to Kumkang Kind Ltd. South Korea against purchase of Alluform Shuttering for the project.	1,723.59

\*In the opinion of the Management, the above claims are not sustainable.

\*\*The Company does not expect any outflow of resources in respect of the Guarantees issued.

© Bank Guarantee provided by Axis bank Limited on behalf of the Kolte-Patil I-Ven Townships (Pune) Limited to the District Collector, Pune as Security for completion of development and infrastructure work of Township project. The Company does not expect any outflow of resources in respect of the Guarantee issued.

#### 15. Investment in Mutual Fund

(₹ in Lakhs)

Particulars	Kolte-Patil Developers Limited	Bellflower Properties Private Limited	Kolte-Patil Real Estate Private Limited	Yashwardhan Promoters and Developers Private Limited	Corolla Realty Limited	Tuscan Real Estate Private Limited	Oakwoods Hospitality Private Limited	Total
2011-2012	2,291.00	-	-	-	-	430.40	1,283.34	4,059.62
2010-2011	3,613.27	547.06	51.51	150.25	207.35			4,569.44

## 16. Inventories

(₹ in Lakhs)

PARTICULARS	AS AT 31.03.2012	AS AT 31.03.2011
Opening WIP	87,378.59	78,651.29
Add / (Less) : Adjustments	-	(497.38)
<b>Total</b>	<b>87,378.59</b>	<b>78,153.91</b>
Add: Purchases / Construction Expenses	24,525.43	17,162.23
<b>Total</b>	<b>1,11,904.02</b>	<b>95,316.14</b>
Less: Closing WIP	98,916.93	87,378.59
<b>Total</b>	<b>12,987.09</b>	<b>7,937.55</b>

17. The Revised Schedule VI has become effective from 1<sup>st</sup> April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

## For and on behalf of the Board

**Rajesh Patil**  
Chairman &  
Managing Director

**Naresh Patil**  
Vice Chairman

**Milind Kolte**  
Executive Director

**Sunita Kolte**  
Executive Director

**Vandana Patil**  
Director

**G. L. Vishwanath**  
Director

**Manasa  
Vishwanath**  
Director

**Manish Doshi**  
Director

**Achyut Watve**  
Director

**Jayant Pendse**  
Director

**Vasant Gaikwad**  
Chief Financial  
Officer

**Abhijit Barje**  
Asst. Company  
Secretary

In terms of our report attached  
**For SPCM & Associates**  
**(Formerly Known as Bora Kasat & Co.)**  
**FRN 112165W**  
Chartered Accountants

**CA. Suhas P. Bora**  
Partner  
M. No. 039765

Place : Pune

Date: May 29, 2012

## This image shows a full page of blank handwriting practice paper. It features approximately 20 evenly spaced horizontal grey lines across the entire width of the page, providing a guide for letter height and placement. The background is plain white, and there are no margins, text, or other markings present.

**KOLTE-PATIL DEVELOPERS LIMITED****Registered Office:** 2<sup>nd</sup> Floor, City Point, Dhole- Patil Road, Pune-411001**ATTENDANCE SLIP****Twenty First Annual General Meeting****Saturday, 28<sup>th</sup> July, 2012 at 12.15 PM**

<b>DP ID No.</b>	<b>L.F No</b>
<b>Client ID No.</b>	<b>No. of Shares held</b>

I/We hereby record my/our presence at the Twenty First Annual General Meeting of the Company held at Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune - 411 016, Maharashtra, India, on Saturday, 28<sup>th</sup> July, 2012 at 12.15 PM.

\_\_\_\_\_  
Name of Member/Proxy\_\_\_\_\_  
Signature of the Member/Proxy**Note:**

Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring this slip for the meeting.

.....Tear Here.....

**KOLTE-PATIL DEVELOPERS LIMITED****Registered Office:** 2<sup>nd</sup> Floor, City Point, Dhole- Patil Road  
Pune – 411001

<b>DP ID No.</b>	<b>L.F No</b>
<b>Client ID No.</b>	<b>No. of Shares held</b>

**FORM OF PROXY**

I/We \_\_\_\_\_ R/o \_\_\_\_\_ being Member/Members of Kolte-Patil Developers Limited hereby appoint \_\_\_\_\_ R/o \_\_\_\_\_ failing him/her \_\_\_\_\_ R/o \_\_\_\_\_ as my/our Proxy to attend and vote for me/us and on my/our behalf at the Twenty First Annual General Meeting of the Company, to be held on Saturday, July 28, 2012 at 12.15 PM at Mahratta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune - 411 016, Maharashtra, India, or any adjournment thereof.

\_\_\_\_\_  
Name of the member  
(In BLOCK letters)\_\_\_\_\_  
Signature of the member

Affix Re. 1  
Revenue  
Stamp

**Notes:**

1. The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company.
2. The Proxy Form duly completed should be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
3. A proxy need not be a Member of the Company.

.....Tear Here.....

**Hassle-free direct credit of Dividend- make use of NECS for speedy credit of Dividend**Shares held in Dematerialized Form:

Kindly inform your Depository Participant latest Bank Account details (in case of any change), who in turn will update these details in NSDL/CDSL system.

Shares held in Physical Form:

Provide your latest Bank Account details in **NECS Mandate Form** which can be availed from our website- [www.koltepatil.com](http://www.koltepatil.com) or RTA - Bigshare Services Private Limits, E/2 & 3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai- 400072, website- [www.bigshareonline.com](http://www.bigshareonline.com).

N

TO BE  
CONTINUED

A blue-toned illustration of a snowy landscape. In the upper left, a compass rose indicates North (N). The ground is covered in snow, with several stylized, snow-covered trees scattered throughout. The text "TO BE" is positioned above "CONTINUED", both rendered in a 3D, blocky font with a yellow-to-white gradient. The text is slightly tilted and appears to be floating above the ground.