

INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
SANMATI PROPERTIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **SANMATI PROPERTIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003, ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order, to the extent applicable to the Company.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of those books ;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the Directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

**PLACE : NEW DELHI
DATED : 23rd MAY, 2013**

**FOR K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
FRN 304153E**




**(B.R. GOYAL)
PARTNER
M.NO. 12172**

Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

Reg: Sanmati Properties Limited (“the Company”)

- I. The Company has no Fixed Assets.
- II. There was no inventory in the Company during the year under audit.
- III. The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms and other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, hence clause no. (iii) of the Order is not applicable to it.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase & sale of securities and investments. There was no purchase of fixed assets. During the course of our audit, no major weakness has been noticed in the aforesaid internal control system.
- V. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there was no transaction which required to be entered into the Register maintained under section 301 of the Companies Act, 1956.
- VI. According to the information and explanations given to us, the company has not accepted any deposits from the public. The Company has complied with the prudential norms as per the directions of Reserve Bank of India as applicable to NFBC.
- VII. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- VIII. Requirement of maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 is not applicable to the Company.
- IX. (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other statutory dues wherever applicable to it. No amounts payable in respect of the statutory dues as mentioned above were outstanding as at March 31, 2013 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, there are no dues of Income Tax, Service Tax, Sales Tax, Wealth Tax, Custom Duty, Cess which have not been deposited on account of any dispute except the following:

Nature of Statute	Nature of disputed dues	Name of the forum where dispute is pending	Period to which the amount relates	Amount (in ₹)
Income Tax Act, 1961	Tax demanded during re-assessment proceedings and interest thereon	CIT (Appeals), New Delhi	A.Y. 2005-06	₹ 70,05,760/-




- X. The Company has no accumulated losses at the end of the financial year ended March 31, 2013. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- XI. The Company has not taken any loans/deposits from Banks or Financial Institution or Debenture Holders and hence clause no (xi) of the Order is not applicable.
- XII. Based on our examination of documents and records, we are of the opinion that the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a Nidhi/Mutual benefit fund/society. Therefore, the provisions of clause (xiii) of the Order are not applicable to the Company.
- XIV. The Company is not dealing in shares and securities. Regarding investment held as non current/current investments, in our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts related to purchase and sale of investments and timely entries have been made therein. We also report that the Company has held the shares, mutual fund units and other securities in its own name.
- XV. The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- XVI. The Company has not taken any term loans during the year.
- XVII. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that the no short term funds have been used for long term investment by the Company during the year under audit
- XVIII. The Company has not allotted any shares during the year and hence clause no. (xviii) of the Order is not applicable.
- XIX. During the period covered by our audit report, the Company has not issued any debentures.
- XX. The Company has not raised money by public issues during the year under audit.
- XXI. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

PLACE : NEW DELHI
DATE : 23rd MAY,2013

FOR K.N. GUTGUTIA & COMPANY
CHARTERED ACCOUNTANTS
FRN 304153E




(B.R.GOYAL)
PARTNER
M.NO. 12172

SANMATI PROPERTIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in ₹)

Particulars	Note No.	As at	As at
		31st March, 2013	31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	50,00,000	50,00,000
Reserves and Surplus	3	15,31,67,668	13,37,71,953
Non- Current Liabilities			
Long Term Provisions	4	6,54,748	6,41,137
Current Liabilities			
Other Current Liabilities	5	18,381	39,643
Total		15,88,40,797	13,94,52,733
ASSETS			
Non- Current Assets			
Non-Current Investments	6	15,79,83,876	12,78,05,250
Current Assets			
Current Investments	7	-	1,08,00,000
Cash and Cash Equivalents	8	58,470	48,809
Short-Term Loans and Advances	9	38,383	38,606
Other Current Assets	10	7,60,068	7,60,068
Total		15,88,40,797	13,94,52,733
Notes to the Financial Statements	1 - 24		

As per our report of even date attached

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Regn.No. 304153E

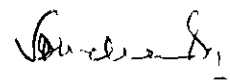

B.R. Goyal
Partner
Membership.No. 012172

Place: New Delhi
Date : May 23, 2013



For and on behalf of the Board of Directors


Balraj Arora
Director


Som Chandra Jain
Director

SANMATI PROPERTIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in ₹)

Particulars	Note No.	31st March, 2013	31st March, 2012
Revenue			
<u>Other Income</u>			
Tax-Free Interest on Non Current Investments		17,44,500	14,81,464
Interest on Non Current Investments		-	17,732
Dividend on Non Current Investments		1,73,08,053	1,72,53,053
Gain on Sale of Investments		10,82,576	16,24,517
Other Non Operating Income		2,56,566	1,32,871
Total		2,03,91,695	2,05,09,637
Expenses			
Employees Benefit Expenses	11	6,42,167	6,01,513
Finance Costs	12	403	2,676
Other Expenses	13	2,27,261	1,78,901
Total		8,69,831	7,83,090
Profit before Tax		1,95,21,864	1,97,26,547
Tax Expense:			
Current Tax (Refer Note - 17)		1,26,149	2,27,107
Profit after Tax for the Year		1,93,95,715	1,94,99,440
Earnings per Equity Share (Face Value of ₹ 10 each):	14		
Basic and Diluted		38.79	39.00
Notes to the Financial Statements	1 - 24		

The accompanying Notes are an Integral part of the Financial Statements.

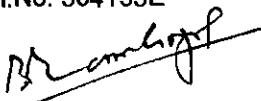
As per our report of even date attached

For and on behalf of the Board of Directors

For K.N. Gutgutia & Co.

Chartered Accountants

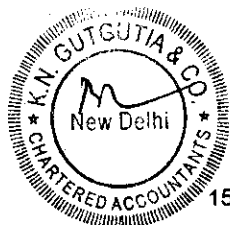
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B.R. Goyal

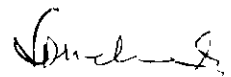
Partner

Membership.No. 012172




Balraj Arora

Director



Som Chandra Jain

Director

Place: New Delhi

Date : May 23, 2013

SANMATI PROPERTIES LIMITED

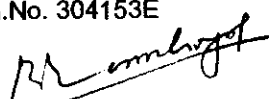
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in ₹)

	31st March, 2013	31st March, 2012
A. Cash flow from Operating Activities:		
Profit/(-) Loss before Tax	1,95,21,864	1,97,26,547
Adjustments for :		
Dividend Income on Non Current Investment	-1,73,08,053	-1,72,53,053
Interest on Non Current Investments	-17,44,500	-14,99,196
Gain on sale of Current Investments	-9,91,984	-
Gain on sale of Non Current Investments	-90,592	-16,24,517
Other Income from Investments	-2,56,566	-1,32,871
Interest Expense (Income Tax)	403	2,676
Provision for Gratuity	13,611	21,862
Provision for Leave Encashment	-	6,573
Operating Profit/(-) Loss before working capital changes	-8,55,817	-7,51,979
Adjustments for changes in working capital:		
(-)Increase/Decrease in Short Term Loans and Advances	-8,620	-16,482
(-)Increase/Decrease in Other Current Assets	-	-1,41,464
Increase/(-)Decrease in Other Current Liabilities	-18,971	20,507
Cash used in Operations	-8,83,408	-8,89,418
Taxes Paid	-1,20,000	-2,31,773
Net cash used in Operating Activities A	-10,03,408	-11,21,191
B. Cash flow from Investing Activities:		
Dividend Income on Non Current Investment	1,73,08,053	1,72,53,053
Interest on Non Current Investments	17,44,500	14,99,196
Purchase of Non Current Investments	-3,04,58,034	-2,51,50,000
Purchase of Current Investments	-	-1,08,00,000
Proceeds from Sale of Current Investments	1,17,91,984	-
Proceeds from Sale of Non Current Investments	3,70,000	1,81,89,512
Other Income from Investments	2,56,566	1,32,871
Net cash generated from Investing Activities B	10,13,069	11,24,632
C. Net cash generated from Financing Activities C	-	-
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	9,661	3,441
Cash and Cash Equivalents at the Beginning of the Year	48,809	45,368
Cash and Cash Equivalents at the End of the Year	58,470	48,809
Closing Cash and Cash Equivalents Comprise :		
Cash on hand	3,123	2,188
Balances with Scheduled Banks	55,347	46,621
Total	58,470	48,809

As per our report of even date attached

For K.N. Gutgutia & Co.
Chartered Accountants
Firm Regn.No. 304153E



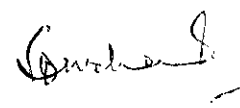
B.R. Goyal
Partner
Membership.No. 12172



For and on behalf of the Board of Directors



Balraj Arora
Director



Som Chandra Jain
Director

Place: New Delhi
Date : May 23, 2013

SANMATI PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March 2013

1. Significant Accounting Policies

1.1 Basis for preparation of Financial Statements

The Financial Statements have been prepared on the historical cost convention on accrual basis. The Generally Accepted Accounting Principles and the Indian Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 and as referred to under section 211(3C) of the Companies Act, 1956 have been adopted by the Company and disclosures made are in accordance with the requirements of Schedule VI of the Companies Act, 1956. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2 Revenue Recognition

Revenues are recognized on accrual basis in accordance with Accounting Standard -9. Wherever there are uncertainties in the measurement/realization of revenue the same is not accounted for.

The Dividend income from companies and from Mutual fund units is recognized as and when the company becomes entitled to it. Interest income is recognized on accrual basis taking into account, the amount invested and the rate of interest applicable. Interest on tax refund is accounted for on receipt basis.

1.3 Investments

The investments are held for long term and are valued at cost of acquisition. Provision for diminution in value of Long Term Investments is made only if, in the opinion of the management, such decline is other than temporary and is provided for each investment individually. On disposal of an investment, the difference between the carrying amount determined on average cost basis and the disposal proceeds, net of expenses, is recognized in the Statement of Profit and Loss.

1.4 Provision and Contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.



A disclosure for a contingent liability is made by way of a Note, when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.

1.5 Provision for Taxation

Tax expense comprises current tax and deferred tax. The provision for taxation is made for the year on the basis of the assessable profits determined under the Income Tax Act, 1961 after considering the applicable tax allowances and exemptions. Provision for taxation of earlier year(s) is squared off with the related advance taxes paid, after assessment for the relevant assessment year(s) is completed.

Deferred Tax is recognized, subject to considerations of prudence, on timing differences, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

1.6 Earning per share

Basic Earnings Per Share has been calculated by dividing the net profit after tax for the year, before mandatory transfer (20% out of its net profit for the year) to the special reserve constituted pursuant to section 45-IC of Reserve Bank of India Act-1934, for the year, attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

1.7 Retirement & Other Employee Benefits

Ex-gratia to employees is accounted for on payment basis. All other expenses including liability / provision for Gratuity and Leave Encashment of employees are accrued and provided for on the basis of best estimated valuation at the end of each Financial Year.



SANMATI PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013

Note-2: Share Capital

(Amount in ₹)

Particulars	As at 31st March, 2013	As at 31st March, 2012
AUTHORISED :		
5,75,000 (Previous Year 5,75,000) Equity Shares of ₹10/- each	57,50,000	57,50,000
17,500 (Previous Year 17,500) Preference Shares of ₹ 100/- each	17,50,000	17,50,000
	75,00,000	75,00,000
ISSUED:		
5,00,000 (Previous Year 5,00,000) Equity Shares of ₹10/- each	50,00,000	50,00,000
Subscribed & Paid-up :		
5,00,000 (Previous Year 5,00,000) Equity Shares of ₹10/- each fully paid-up in cash	50,00,000	50,00,000
(The entire share capital is held by the Holding Company namely Ashoka Marketing Limited with its nominees)		
Total	50,00,000	50,00,000

a) There is no change in the Share Capital during the year and in the period of five years immediately preceding the date as at which the Balance Sheet is prepared.

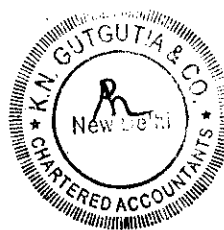
b) The Company has only one class of outstanding Equity Shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share.

c) No dividend has been proposed / declared during the year ended 31st March, 2013 (31st March, 2012 : Nil). As and when, the Company proposes the payment of dividend, the same will be paid in Indian rupees.

d) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

e) Detail of Shareholders holding more than 5% Shares

Particulars	As at 31st March, 2013	As at 31st March, 2012
	No. of Shares (% holding)	No. of Shares (% holding)
Ashoka Marketing Limited (the Holding Company)	5,00,000	5,00,000
(including 60 Shares jointly held with its nominees)	(100%)	(100%)



SANMATI PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013

Note-3 : Reserves and Surplus

(Amount in ₹)

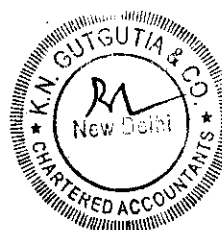
Particulars	As at 31st March, 2013	As at 31st March, 2012
Capital Redemption Reserve (a)	17,50,000	17,50,000
Special Reserve (U/s 45-IC of the Reserve Bank of India Act, 1934)		
Opening Balance	2,62,07,300	2,23,07,300
Transferred from Surplus	38,79,200	39,00,000
Closing Balance (b)	3,00,86,500	2,62,07,300
General Reserve (c)	3,44,05,355	3,44,05,355
Surplus/(-) Deficit in the Statement of Profit and Loss		
Balance as per last Financial Statements	7,14,09,298	5,58,09,858
Add: Profit after Tax for the year	1,93,95,715	1,94,99,440
Less: Appropriations:		
Transferred to Special Reserve	38,79,200	39,00,000
Net Surplus/(-) Deficit in the Statement of Profit and Loss (d)	8,69,25,813	7,14,09,298
Total (a+b+c+d)	15,31,67,668	13,37,71,953

Note-4 : Long Term Provisions

Particulars	As at 31st March, 2013	As at 31st March, 2012
Provision for Gratuity	1,18,472	1,04,861
Provision for Leave Encashment	70,776	70,776
Provision for diminution in value of Investment (refer Note - 6)	4,65,500	4,65,500
Total	6,54,748	6,41,137

Note-5 : Other Current Liabilities

Particulars	As at 31st March, 2013	As at 31st March, 2012
Audit Fees Payable	13,483	13,483
Others	4,495	23,466
Interest on Income Tax Payable	403	2,694
Total	18,381	39,643



SANMATI PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013

Note - 6 : Non Current investments
(Long Term - Other than Trade - At Cost)

(Amount in ₹)

Particulars	Face Value	No. of Shares/Units	As at 31st March, 2013	No. of Shares/Units	As at 31st March, 2012
QUOTED					
Fully Paid Equity Shares					
Arth Udyog Limited	10	48,000	4,80,000	48,000	4,80,000
Bharat Nidhi Limited	10	4,71,588	27,03,005	4,71,588	27,03,005
HDFC Bank Ltd.	2	55,000	25,09,155	55,000	25,09,155
Sub Total			56,92,160		56,92,160
Bonds					
6.70%, 10 Years Tax Free Bonds of Indian Railway Finance Corporation Limited	1,00,000	200	2,00,00,000	200	2,00,00,000
8.09%, 10 Years Tax Free Bonds of Power Finance Corporation Limited	1,00,000	50	50,00,000	50	50,00,000
Sub Total			2,50,00,000		2,50,00,000
Quoted Investments (A)			3,06,92,160		3,06,92,160
UNQUOTED					
Fully Paid Equity Shares					
Bennett, Coleman & Co. Ltd	10	2,79,81,000	22,33,219	2,79,81,000	22,33,219
Bennett Property Holdings Company Limited (Shares received under a Demerger scheme of Bennett, Coleman & Co. Limited valued at 'NIL' cost)	10	46,63,500	-	46,63,500	-
Cyber Space Infotainment Ltd	10	-	-	7,000	70,000
Fjord Holding Pvt Ltd*	10	1,850	18,500	1,850	18,500
Mahavir Finance Ltd	100	500	5,000	500	5,000
Marigold Securities Limited*	10	29,800	4,47,000	29,800	4,47,000
Matrix Merchandise Ltd	10	50,000	50,000	50,000	50,000
Pearl Printwell Ltd	10	22,000	2,20,000	22,000	2,20,000
Sahujain Services Ltd	10	3,000	30,125	3,000	30,125
Shantiniketan Estates Limited	100	350	35,000	350	35,000
Times Publishing House Limited	10	24,000	2,40,000	24,000	2,40,000
Times Business Solutions Ltd (Shares received under a Demerger scheme of Bennett, Coleman & Co. Limited valued at 'NIL' cost)	10	5,16,803	-	5,16,803	-
TM Investments Ltd	10	2,20,000	22,00,000	2,20,000	22,00,000
Sub Total			54,78,844		55,48,844

* 100% Provision for diminution in the value has been made against these Investments and shown separately in Note - 4 as per RBI guidelines to comply with disclosure requirements of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)



SANMATI PROPERTIES LIMITED

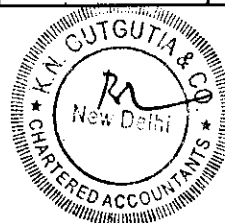
(Amount in ₹)

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Particulars	Face Value	No. of Shares/Units	As at 31st March, 2013	No. of Shares/Units	As at 31st March, 2012
Mutual Funds					
Birla Sun Life Savings Fund IP Growth	100	80,186	1,44,25,000	80,186	1,44,25,000
Birla Sun Life Savings Fund Retail Growth	100	280	50,000	280	50,000
Birla Sun Life Dynamic Bond Fund Retail Growth	10	6,80,185	1,23,53,034	-	-
DSP BlackRock Strategic Bond Fund - Growth	1,000	7,650	1,00,00,000	-	-
HDFC Cash Management Fund Sav. Growth	10	7,14,393	1,10,01,730	7,22,622	1,11,28,444
HDFC Short Term Plan Growth	10	14,021	2,50,000	14,021	2,50,000
ICICI Prudential Flexible Income Plan - Premium Growth	100	59,780	1,09,70,178	59,780	1,09,70,178
Reliance Money Manager Fund-Growth	1,000	1,909	26,00,000	1,909	26,00,000
Reliance Short Term Fund - Growth	10	3,76,746	79,30,000	-	-
Templeton Floating Rate Income Fund Growth	10	2,41,797	42,01,624	2,41,797	42,01,624
Templeton India Income Opportunities Fund	10	25,99,392	2,60,00,000	25,99,392	2,60,00,000
Templeton India Short Term Income Plan - G	1,000	2,035	37,02,311	2,004	36,10,005
UTI Money Market Fund Growth	1,000	3,976	83,28,995	3,976	83,28,995
UTI Treasury Advantage Fund IP Growth	1,000	7,052	1,00,00,000	7,052	1,00,00,000
Sub Total			12,18,12,872		9,15,64,246
Unquoted Investments (B)			12,72,91,716		9,71,13,090
Total Non Current Investments (A+B)			15,79,83,876		12,78,05,250
Aggregate of Quoted Investments:					
Book Value			3,06,92,160		3,06,92,160
Market Value			6,48,10,015		5,90,18,515
Aggregate Book Value of Unquoted Investments:			12,72,91,716		9,71,13,090

Note - 7 : Current Investments

Particulars	Face Value	No. of Units	As at 31st March, 2013	No. of Units	As at 31st March, 2012
Current maturities of Long Term Investments - Valued at Cost					
QUOTED					
Mutual Fund Units					
Birla Sun Life FTM Series CZ-370 days	10	-	-	5,80,000	58,00,000
UTI Fixed Term Income Fund Series IX	10	-	-	5,00,000	50,00,000
Total Current Investments			-		1,08,00,000
Aggregate of Quoted Investments:					
Book Value			-		1,08,00,000
Market Value			-		1,17,04,740
<small>(NAV of quoted Mutual Funds (FMPs) considered as Market Value in the absence of Market Rate)</small>					



SANMATI PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013

Note - 8 : Cash and Cash Equivalents

(Amount in ₹)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Balance with Banks		
In Current Accounts	55,347	46,621
Cash on Hand	3,123	2,188
Total	58,470	48,809

Note - 9 : Short Term Loans and Advances

Particulars	As at 31st March, 2013	As at 31st March, 2012
(Unsecured, considered good)		
Prepaid Expenses	33,581	24,961
Income Tax Paid (Net of Provisions)	4,802	13,645
{Total taxes paid - ₹ 3,60,734 (P.Y. ₹ 27,41,676), Total provision - ₹ 3,55,932 (P.Y. ₹ 27,28,031)}		
Total	38,383	38,606

Note - 10 : Other Current Assets

Particulars	As at 31st March, 2013	As at 31st March, 2012
Interest Receivable on IRFC Bonds	6,18,604	6,18,604
Interest Receivable on PFCL Bonds	141,464	1,41,464
Total	7,60,068	7,60,068



SANMATI PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2013

Note - 11 : Employee Benefits Expense

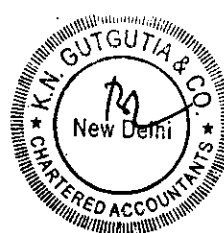
Particulars	31st March, 2013	31st March, 2012
Salaries and Wages	6,01,995	5,78,827
Staff Welfare expense	40,172	22,686
Total	6,42,167	6,01,513

Note - 12 : Finance Costs

Particulars	31st March, 2013	31st March, 2012
Interest Expense (for delay in payment of Income Tax due)	403	2,676
Total	403	2,676

Note - 13 : Other Expenses

Particulars	31st March, 2013	31st March, 2012
<u>Payment to Auditors</u>		
As Audit Fee	13,483	13,483
For Other Services	1,123	3,882
Directors' Sitting Fees	21,000	20,000
Legal & Professional Charges	24,992	24,714
Conveyance Expenses	138,600	1,02,250
Rates & Taxes	5,934	-
Miscellaneous Expenses	22,129	14,572
Total	2,27,261	1,78,901



SANMATI PROPERTIES LIMITED

Notes to Financial Statements for the year ended 31st March 2013

Note 14. Earnings Per Share:

Particulars	31 st March 2013	31 st March 2012
Net Profit after Tax attributable to Equity Shareholders (in ₹)	1,93,95,715	1,94,99,440
Weighted Average no. of Equity Shares outstanding during the year	5,00,000	5,00,000
Nominal Value per Equity Share (in ₹)	10	10
Basic and Diluted Earnings per share (in ₹)	38.79	39.00

Note 15. The Company has complied with the guidelines issued by the Reserve Bank of India in respect of Prudential Norms for income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.

Note 16. The Company has not recognized deferred tax assets or liabilities for the period under consideration as there is no reasonable certainty that future taxable income will be available against which such deferred tax assets can be realized.

Note 17. The Company has provided for Income Tax on the basis of Minimum Alternative Tax (MAT) for the year ended 31st March, 2013. MAT Credit Entitlement, however, is not recognized in the accounts as there is no virtual certainty of sufficient future taxable income against which such MAT Credit Entitlement can be adjusted.

Note 18. Contingent Liabilities and Commitments (to the extent not provided for):

Claims against the Company not acknowledged as debts-

- Demand raised under Income Tax Act - ₹70,05,760/- (Previous Year: Nil).
against which appeal is filed

Note 19. Foreign Exchange earnings and outgo during the year are as follows:-

<u>Particulars</u>	<u>Amount (₹)</u>
Earning	Nil (Previous Year – Nil)
Outgo	Nil (Previous Year – Nil)

Note 20. There are no separate reportable segments as per Accounting Standard 17 “Segment Reporting” issued by The Institute of Chartered Accountants of India.



Note 21. In accordance with the requirements of Accounting Standard -18 "Related Party Disclosures", the names of the related parties where control/ substantial interest is held, along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

a) List of Related Parties & Relationship:

Name of the Related Party	Relationship
M/s. Ashoka Marketing Limited	Holding Company
M/s. Bharat Nidhi Limited	Substantial Interest in the Investee Company

b) Details of Related Party Transactions in the ordinary course of the Business:

(Amount in ₹)

Name of the Party	Nature of Transaction	Amount for the year ended		Amount Outstanding as on	
		31 st March 2013	31 st March 2012	31 st March 2013	31 st March 2012
M/s. Bharat Nidhi Limited	Dividend Received and Equity Shares held at the end of the year	2,82,953	2,82,953	27,03,005	27,03,005

Note 22. As identified, there were no outstanding dues during the accounting period towards the enterprises as defined in the Micro, Small & Medium Enterprises Development Act, 2006.

Note 23. Previous year's figures have been regrouped and / or rearranged, wherever necessary.

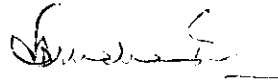
Note 24. Figures have been rounded off to the nearest rupee.

As per our Report of even date attached For and on behalf of the Board of Directors

For **K. N. Gutgutia & Co.**
Chartered Accountants
Firm Registration No.304153E


B. R. Goyal
Partner
Membership No. 012172


Balraj Arora
Director


Som Chandra Jain
Director

Place: New Delhi
Date: May 23, 2013



2. <u>Unquoted</u> :			
(i) Shares : (a) Equity		54,78,844	
(b) Preference		Nil	
(ii) Debentures and Bonds		Nil	
(iii) Units of mutual funds		12,18,12,872	
(iv) Government Securities		Nil	
(v) Others (Please specify)		Nil	
(5) Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties	Nil	Nil	Nil
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties			
(a) Subsidiaries	Nil	Nil	
(b) Companies in the same group	Nil	Nil	
(c) Other related parties	2,03,37,811	51,23,005	
2. Other than related parties	6,55,02,98,648	15,23,95,371	
Total	6,57,06,36,458	15,75,18,376	
(7) Other information			
	Particulars	Amount	
(i)	Gross Non- performing Assets		
(a)	Related parties	Nil	
(b)	Other than related parties	Nil	
(ii)	Net Non Performing Assets		
(a)	Related parties	Nil	
(b)	Other than related parties	Nil	
(iii)	Assets acquired in satisfaction of debt.	Nil	

As per our Report of even date attached

For and on behalf of the Board of Directors

For K. N. Gutgutia & Co.

Chartered Accountants

Firm Registration No. 304153E

B.R. Goyal
Partner

Membership No : 012172

Place: New Delhi

Date : May 23, 2013



Balraj Arora

Balraj Arora
Director

Som Chandra Jain

Som Chandra Jain
Director