

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2014

1. Your Directors hereby submit their Report and Accounts for the financial year ended 31st March, 2014.

2. PERFORMANCE OF THE COMPANY

During the year, your Company earned revenue of ₹ 247.48 lakhs from its operations, with Total Revenue being ₹ 330.72 lakhs. The Company continues to provide maintenance services for commercial office buildings. The Board of Directors of your Company is also exploring opportunities to grow the business further.

The financial results of your Company, summarised, are as under :

	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
a. Profit Before Tax	1,05,04,445	1,06,48,548
Less : Tax Expense	<u>18,42,593</u>	<u>20,28,668</u>
b. Profit After Tax	86,61,852	86,19,880
c. Add : Profit brought forward from previous years	11,20,94,411	10,34,74,531
d. Balance carried forward to the following year	<u>12,07,56,263</u>	<u>11,20,94,411</u>

3. DIRECTORS

In accordance with the provisions of Article 143 of the Articles of Association of the Company, Mr. A. Nayak will retire by rotation at the ensuing Annual General Meeting of the Company, and being eligible, offers himself for re-election. Your Board of Directors has recommended his re-election.

4. MANAGER AND COMPANY SECRETARY

The Board of Directors of your Company appointed Ms. Komal Pansari as the Manager of the Company for a period of one year with effect from 16th October, 2013, in terms of the provisions of Section 269 of the Companies Act, 1956, read with Schedule XIII thereto, subject to the approval of the Members of the Company at the next General Meeting. Appropriate resolution seeking your approval for appointment of Ms. Pansari as Manager is appearing in the Notice convening the ensuing Annual General Meeting of the Company. Ms. Pansari was also appointed as the Company Secretary of the Company with effect from 1st November, 2013.

5. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your

Directors confirm having :-

- i) followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- ii) selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- iv) prepared the Annual Accounts on a going concern basis.

6. PARTICULARS OF EMPLOYEES

None of the employees of your Company is covered under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

7. AUDITORS

The Company's Auditors, Messrs. A. F. Ferguson & Co., Chartered Accountants, retire at the ensuing Annual General Meeting of the Company, and being eligible, offer themselves for re-appointment. Your Board, on the recommendation of the Audit Committee, has recommended the re-appointment of Messrs. A. F. Ferguson & Co. for a period of five years in accordance with Section 139 of the Companies Act, 2013.

8. AUDIT COMMITTEE

The Audit Committee of the Company comprises Mr. R. Tandon as Chairman and M/s. A. Nayak and Saradindu Dutta as Members.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption. There has been no foreign exchange earnings or outflow during the year under review.

Dated: 2nd May, 2014

On behalf of the Board

Registered Office:

ITC Centre
37, J. L. Nehru Road
Kolkata 700 071

R. Tandon Chairman
S. Dutta Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GREENACRE HOLDINGS LIMITED**Report on the Financial Statements**

1. We have audited the accompanying financial statements of GREENACRE HOLDINGS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. 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

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. 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 purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs).
- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For A. F. Ferguson & Co.
Chartered Accountants
(Firm's Registration No. 112066W)

Mumbai
2nd May, 2014

Shyamak R Tata
Partner
(Membership No. 38320)

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, the nature of the Company's business/activities during the year are such that clauses (ii), (iii), (v), (vi), (viii), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi), (xviii), (xix) and (xx) of paragraph 4 of the Order, are not applicable to the Company. In respect of the other clauses, we report as under:

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) None of the fixed assets were disposed off during the year.
- (ii) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (iii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and the nature of its business.

(iv) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:

- (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, cess and other material statutory dues as applicable with the appropriate authorities.
- (b) As at 31st March, 2014, according to the records of the Company and the information and explanations given to us, there were no dues on account of income-tax, service tax and cess which have not been deposited on account of any dispute.
- (v) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have not been used during the year for long-term investment.
- (vi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company has been noticed or reported during the year.

For A. F. Ferguson & Co.
Chartered Accountants
(Firm's Registration No.112066W)

Shyamak R Tata
Partner

(Membership No. 38320)

Mumbai
2nd May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note	As at 31st March, 2014		As at 31st March, 2013	
		(₹)	(₹)	(₹)	(₹)
Equity and Liabilities					
Shareholders' funds					
Share capital	1	42,06,01,660		42,06,01,660	
Reserves and surplus	2	13,45,27,241	55,51,28,901	12,58,65,389	54,64,67,049
Non-current liabilities					
Other long-term liabilities	3	2,80,11,000		2,76,11,000	
Long-term provisions	4	14,57,145	2,94,68,145	17,40,389	2,93,51,389
Current liabilities					
Other current liabilities	5	1,07,01,179		1,02,15,863	
Short-term provisions	6	2,59,972	1,09,61,151	4,22,289	1,06,38,152
Total			59,55,58,197		58,64,56,590
Assets					
Non-current assets					
Fixed assets	7				
Tangible assets		43,07,19,600		43,09,01,344	
Non-current investments	8	6,63,26,700		6,63,26,700	
Deferred tax assets	9	5,35,300		5,77,893	
Long-term loans and advances	10	51,85,371		40,57,337	
Other non-current assets	11	1,23,71,911	51,51,38,882	1,23,71,911	51,42,35,185
Current assets					
Current investments	12	7,92,01,761		7,05,49,143	
Cash and bank balances	13	9,74,670		10,93,306	
Short-term loans and advances	14	2,42,884	8,04,19,315	5,78,956	7,22,21,405
Total			59,55,58,197		58,64,56,590

The accompanying notes 1 to 21 are an integral part of these Financial Statements.

In terms of our report of even date
For A. F. Ferguson & Co.
Chartered Accountants
Shyamak R Tata
Partner
Mumbai, 2nd May, 2014

On behalf of the Board

R. Tandon
S. Dutta
K. Pansari

Chairman
Director
Manager & Company Secretary
Kolkata, 2nd May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
Revenue from operations	15	2,47,48,139	2,27,90,458
Other income	16	83,23,529	70,86,627
Total Revenue		3,30,71,668	2,98,77,085
Expenses			
Maintenance and service expense		72,24,798	49,29,203
Employee benefits expense	17	1,04,86,860	1,12,23,606
Depreciation expense		1,81,744	1,81,744
Other expenses	18	46,73,821	28,93,984
Total Expenses		2,25,67,223	1,92,28,537
Profit before tax		1,05,04,445	1,06,48,548
Tax expense:			
Current tax	19	18,00,000	20,00,000
Deferred tax	19	42,593	28,668
Profit for the year		86,61,852	86,19,880
Earnings per share (Face Value of ₹ 10/- each) (Basic and Diluted)	20(1)	0.21	0.20

The accompanying notes 1 to 21 are an integral part of these Financial Statements.

In terms of our report of even date

For A. F. Ferguson & Co.
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 2nd May, 2014

On behalf of the Board

R. Tandon
S. Dutta
K. Pansari

Chairman
Director
Manager & Company Secretary

Kolkata, 2nd May, 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

		For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
A. Cash flow from operating activities			
Profit before tax		1,05,04,445	1,06,48,548
Adjustments for:			
Depreciation Expense	1,81,744		1,81,744
Dividend Income from Current Investments	(50,20,493)		(43,91,927)
Net Gain on sale of Current Investments	(53,036)	(48,91,785)	—
Operating profit before working capital changes		56,12,660	64,38,365
Adjustments for:			
Loans and Advances and Other Assets	3,08,823		11,41,654
Other Liabilities and Provisions	4,39,753	7,48,576	(11,20,930)
Cash generated from Operations		63,61,236	64,59,089
Income Tax Paid		(29,00,783)	(22,34,273)
Net cash flow from operating activities		34,60,453	42,24,816
B. Cash flow from investing activities			
Purchase of Current Investments	(40,29,55,493)		(34,16,41,927)
Sale of Current Investments	39,43,55,911		33,04,33,799
Dividend Income from Current Investments Received	50,20,493		43,91,927
Net cash used in investing activities		(35,79,089)	(68,16,201)
C. Cash flow from financing activities			
Net cash used in financing activities		—	—
Net increase/ (decrease) in cash and cash equivalents		(1,18,636)	(25,91,385)
Opening cash and cash equivalents		10,93,306	36,84,691
Closing cash and cash equivalents		9,74,670	10,93,306

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statements.

2. Cash and Cash Equivalents :

Cash on Hand	6,764	9,466
Cheques on Hand	2,75,630	—
Balances with Banks	6,92,276	10,83,840
Cash and bank balances (Note 13)	9,74,670	10,93,306

The accompanying notes 1 to 21 are an integral part of the financial statements

In terms of our report of even date

For A. F. Ferguson & Co.
Chartered Accountants

Shyamak R Tata
Partner

Mumbai, 2nd May, 2014

On behalf of the Board

R. Tandon
S. Dutta
K. Pansari

Chairman
Director
Manager & Company Secretary

Kolkata, 2nd May, 2014

NOTES TO THE FINANCIAL STATEMENTS

1. Share capital

	As at 31st March, 2014 (No. of Shares)	As at 31st March, 2014 (₹)	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2013 (₹)
Authorised				
Equity shares of ₹ 10/- each	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Issued and Subscribed				
Equity shares of ₹ 10/- each, fully paid	4,20,60,166	42,06,01,660	4,20,60,166	42,06,01,660
(A) Reconciliation of number of Equity Shares outstanding				
At the beginning and at end of the year	4,20,60,166	42,06,01,660	4,20,60,166	42,06,01,660

(B) Shareholders holding more than 5% of the Equity Share in the Company

	As at 31st March, 2014 (No. of Shares)	As at 31st March, 2014 (%)	As at 31st March, 2013 No. of Shares held	As at 31st March, 2013 (%)
Russell Credit Limited - the Holding Company	4,20,60,166	100	4,20,60,166	100

(C) Rights, preferences and restrictions attached to the Equity Shares

The Equity Shares of the Company, having par value of ₹ 10/- per share, rank pari passu in all respects including voting rights and entitlement to dividend.

2. Reserves and surplus

	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
General reserve		
At the beginning and at the end of the year	1,37,70,978	1,37,70,978
Surplus in the Statement of Profit and Loss		
At the beginning of the year	11,20,94,411	10,34,74,531
Add: Profit for the year	86,61,852	86,19,880
At the end of the year	12,07,56,263	11,20,94,411
Total	13,45,27,241	12,58,65,389

3. Other long-term liabilities

	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
Security deposits [includes deposits from Ultimate Holding Company ₹ 2,24,00,000/- (2013- ₹ 2,20,00,000/-)]	2,80,11,000	2,76,11,000
Total	2,80,11,000	2,76,11,000

4. Long-term provisions

	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
Provision for employee benefits		
Provision for compensated absences	14,57,145	17,40,389
Total	14,57,145	17,40,389

5. Other current liabilities

	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
Other Payables		
Statutory liabilities	2,64,363	1,23,362
Progress payments and advance received against projects	1,00,00,000	1,00,00,000
Liabilities for expenses	4,36,816	92,501
Total	1,07,01,179	1,02,15,863

6. Short-term provisions

	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
Current portion of long-term employee benefits		
Provision for compensated absences	2,59,972	4,22,289
Total	2,59,972	4,22,289

7. Fixed Assets

Particulars	GROSS BLOCK							DEPRECIATION							NET BOOK VALUE		
	As at 31st March, 2012	Additions	Withdrawals & adjustments	As at 31st March, 2013	Additions	Withdrawals & adjustments	As at 31st March, 2014	Upto 31st March, 2012	For the year	On Withdrawals & adjustments	Upto 31st March, 2013	For the year	On Withdrawals & adjustments	Upto 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2012
Tangible assets																	
Land																	
Freehold	42,28,08,227	—	—	42,28,08,227	—	—	42,28,08,227	—	—	—	—	—	—	—	42,28,08,227	42,28,08,227	42,28,08,227
Buildings																	
Freehold	1,10,04,119	—	—	1,10,04,119	—	—	1,10,04,119	27,49,798	1,79,367	—	29,29,165	1,79,367	—	31,08,532	78,95,587	80,74,954	82,54,321
Plant and Equipment	57,783	—	—	57,783	—	—	57,783	37,243	2,377	—	39,620	2,377	—	41,997	15,786	18,163	20,540
Total	43,38,70,129	—	—	43,38,70,129	—	—	43,38,70,129	27,87,041	1,81,744	—	29,68,785	1,81,744	—	31,50,529	43,07,19,600	43,09,01,344	43,10,83,088

The above includes following assets given on operating leases, which are not non-cancellable and are usually renewable by mutual consent on mutually agreeable terms:

	Year Ended 31st March, 2014				Year Ended 31st March, 2013			
	Gross Block	Accumulated Depreciation	Net Block	Depreciation charge for the year	Gross Block	Accumulated Depreciation	Net Block	Depreciation charge for the year
Buildings (#)	1,10,04,119	31,08,532	78,95,587	1,79,367	1,10,04,119	29,29,165	80,74,954	1,79,367
Total	1,10,04,119	31,08,532	78,95,587	1,79,367	1,10,04,119	29,29,165	80,74,954	1,79,367

(#) The lease rental of ₹ 22,50,000/- (2013 - ₹ 16,80,000/-) is included in Lease rental income under Other income (Note No.16)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

8	Non-current investments (at cost)	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)	15.	Revenue from operations	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	Long term - trade (Unquoted)				Sale of services	2,47,48,139	2,27,90,458
	Investments in equity instruments				Total	<u>2,47,48,139</u>	<u>2,27,90,458</u>
	Classic Infrastructure & Development Limited	6,63,26,700	6,63,26,700		16.	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	16,50,000 equity shares of ₹ 10/- each, fully paid up				Dividend income from current investments	50,20,493	43,91,927
	Total	<u>6,63,26,700</u>	<u>6,63,26,700</u>		Lease rental income	32,50,000	26,80,000
	Aggregate amount of unquoted Investments	<u>6,63,26,700</u>	<u>6,63,26,700</u>		Interest on income tax refund	—	14,700
	9.	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)		Net Gain on sale of current investments	53,036	—
	Deferred tax assets				Total	<u>83,23,529</u>	<u>70,86,627</u>
	On fiscal allowances on fixed assets	10,851	12,020		17.	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	On employee benefits	5,24,449	5,65,873		Employee benefits expense		
	Total	<u>5,35,300</u>	<u>5,77,893</u>		Salaries and wages	89,99,915	98,01,499
	10.	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)		Contribution to provident and other funds	8,95,322	7,15,746
	Long-term loans and advances				Staff welfare expense	5,91,623	7,06,361
	Unsecured, considered good				Total	<u>1,04,86,860</u>	<u>1,12,23,606</u>
	Security deposit	1,55,000	1,55,000		18.	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	Project advances	32,90,278	32,90,278		Other expenses		
	Advance Tax (net of provisions)	17,05,843	6,05,059		Rates and taxes	45,796	60,276
	Advances to employees	34,250	7,000		Insurance	3,297	3,237
	Total	<u>51,85,371</u>	<u>40,57,337</u>		Travelling and conveyance	10,655	6,957
	11.	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)		Consultancy/Professional Fees	43,98,761	26,03,098
	Other non-current assets				Auditors' remuneration and expenses		
	Unsecured, considered good				Audit fees	90,000	90,000
	Payments towards land / project development (*)	1,23,71,911	1,23,71,911		Tax audit fees	50,000	45,000
	Total	<u>1,23,71,911</u>	<u>1,23,71,911</u>		Fees for other services	—	10,000
	(*) Suit for partition of land is pending				Reimbursement of expenses	3,149	2,006
	12.	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)		Communication expenses	6,744	10,973
	Current investments (at lower of cost and fair value)				Miscellaneous expenses	65,419	62,437
	Investment in mutual funds (Unquoted)				Total	<u>46,73,821</u>	<u>28,93,984</u>
	Birla Sun Life Floating Rate-Long Term Institutional Plan Daily Dividend - Reinvestment	—	2,92,81,543		19.	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	Nil (2013- 2,92,741) Units of ₹ 100/- each				Tax expense		
	Birla Sun Life Floating Rate Long Term -Daily Dividend-Regular Plan	3,13,59,027	—		Current tax - for the year	18,00,000	20,00,000
	3,13,438 (2013- Nil) Units of ₹ 100/- each				(A)	<u>18,00,000</u>	<u>20,00,000</u>
	ICICI Prudential Money Market Fund -Regular Plan-Daily Dividend	3,98,01,297	—		Deferred tax - for the year	42,593	28,668
	3,97,498 (2013- Nil) Units of ₹ 100/- each				(B)	<u>42,593</u>	<u>28,668</u>
	JP Morgan India Liquid Fund Super Institutional Plan - Daily Dividend Reinvestment	—	3,98,52,621		Total	<u>18,42,593</u>	<u>20,28,668</u>
	Nil (2013- 39,82,116) Units of ₹ 10/- each				20.	Additional notes to the Financial Statements	
	Reliance Liquidity Fund Treasury Plan Daily Dividend Reinvestment-Option LQDD	80,41,437	14,14,979		1.	2014 (₹)	2013 (₹)
	8,037 (2013-926) Units of ₹ 1,000/- each				Earnings Per Share :		
	Total	<u>7,92,01,761</u>	<u>7,05,49,143</u>		Profit for the year	86,61,852	86,19,880
	Aggregate amount of unquoted Investments	<u>7,92,01,761</u>	<u>7,05,49,143</u>		Weighted average number of Equity Shares outstanding	4,20,60,166	4,20,60,166
	13.	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)		Earnings per share on profit for the year - Basic and Diluted (Face Value - ₹ 10/- per share)	₹ 0.21	₹ 0.20
	Cash and bank balances				2.	Segment reporting - The Company operates in a single business segment namely property maintenance and in a single geographical segment.	
	Cash and cash equivalents				3.	Related party disclosures:	
	Balances with Banks				a)	Relationship:	
	Current accounts	6,92,276	10,83,840			Ultimate Holding Company	ITC Limited
	Cash on hand	6,764	9,466			Holding Company	Russell Credit Limited
	Cheques on hand	2,75,630	—			Fellow Subsidiary Company	Landbase India Limited
	Total	<u>9,74,670</u>	<u>10,93,306</u>			Employee Trusts where there is significant influence:	
	14.	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)			a)	Greenacre Holdings Limited Provident Fund
	Short-term loans and advances					b)	Greenacre Holdings Limited Gratuity Fund
	Unsecured, considered good					Key Management Personnel	
	Advances to employees	88,800	1,06,000			Mr. R. Tandon	Non - Executive Chairman
	Prepaid expenses	1,06,165	1,16,696			Mr. A. Nayak	Non - Executive Director
	Advance towards gratuity fund	19,873	3,31,375			Mr. S. Dutta	Non - Executive Director
	Balances with statutory authorities					Ms. K. Pansari	Manager w.e.f. 16.10.2013
	Service tax credit receivable	28,046	24,885				Company Secretary w.e.f. 01.11.2013
	Total	<u>2,42,884</u>	<u>5,78,956</u>			Ms. A. Prasad	Manager and Company Secretary till 30.09.2013

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(b) Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as on 31.03.2014

(Amount in ₹)

Related Party Transaction Summary	ITC Limited		Landbase India Limited		Employee Trusts		Key Management Personnel	
	2014	2013	2014	2013	2014	2013	2014	2013
1. Rent Received	24,40,000	19,60,000	—	—	—	—	—	—
2. Purchase of services	—	10,000	—	—	—	—	—	—
3. Sale of services	2,47,48,139	2,27,90,458	—	—	—	—	—	—
4. Expenses recovered	2,83,526	3,42,846	—	—	—	—	—	—
5. Expenses reimbursed	25,648	6,616	22,472	23,250	—	—	—	—
6. Contribution to Greenacre Holdings Limited Provident Fund	—	—	—	—	5,27,938	6,03,525	—	—
7. Contribution to Greenacre Holdings Limited Gratuity Fund	—	—	—	—	55,883	3,13,300	—	—
8. Remuneration to Key Management Personnel	—	—	—	—	—	—	21,66,424	24,07,726
9. Deposits received during the year	4,00,000	—	—	—	—	—	—	—
Balances as on 31st March								
1. Deposits Taken	2,24,00,000	2,20,00,000	—	—	—	—	—	—
2. Receivables	—	—	—	—	—	—	—	—
3. Payable	—	1,489	—	—	—	—	—	—

4. Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2014 and recognised in the financial statements in respect of Employee Benefit Schemes:

	For the year ended 31st March, 2014 (₹)		For the year ended 31st March, 2013 (₹)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Funded	Unfunded
I. Components of Employer Expenses				
1. Current Service Cost	2,07,653	1,14,197	2,42,569	1,30,177
2. Interest Cost	2,16,540	1,59,028	2,15,194	1,58,033
3. Expected Return on Plan Assets	(2,58,833)	—	(2,48,243)	—
4. Curtailment Cost/(Credit)	—	—	—	—
5. Settlement Cost/(Credit)	—	—	—	—
6. Past Service Cost	—	—	—	—
7. Actuarial Losses/(Gains)	2,02,024	72,607	(97,299)	(26,536)
8. Total expense recognised in the Statement of Profit and Loss	3,67,384	3,45,832	1,12,221	2,61,674
The Gratuity expenses have been recognized in "Contribution to provident and other funds" and Leave Encashment in "Salaries and wages" under Note No. 17.				
II. Actual Returns	2,21,225	—	2,52,316	—
III. Net Asset/(Liability) recognised in Balance Sheet				
1. Present Value of Defined Benefit Obligation	(24,99,091)	(17,17,117)	(29,01,509)	(21,62,678)
2. Fair Value on Plan Assets	25,18,964	—	32,32,884	—
3. Status [Surplus/(Deficit)]	19,873	(17,17,117)	3,31,375	(21,62,678)
4. Unrecognised Past Service Cost	—	—	—	—
5. Net Asset / (Liability) recognised in Balance Sheet	19,873	(17,17,117)	3,31,375	(21,62,678)
IV. Change in Defined Benefit Obligation (DBO)				
1. Present Value of DBO at the beginning of the year	29,01,509	21,62,678	28,42,884	20,49,819
2. Current Service Cost	2,07,653	1,14,197	2,42,569	1,30,177
3. Interest Cost	2,16,540	1,59,028	2,15,194	1,58,033
4. Curtailment Cost/(Credit)	—	—	—	—
5. Settlement Cost/(Credit)	—	—	—	—
6. Plan Amendments	—	—	—	—
7. Past Service Cost	—	—	—	—
8. Actuarial (Gains)/Losses	1,64,415	72,607	(93,225)	(26,536)
9. Benefits Paid	(9,91,026)	(7,91,393)	(3,05,913)	(1,48,815)
10. Present Value of DBO at the end of the year	24,99,091	17,17,117	29,01,509	21,62,678
V. Change in Fair Value of Assets				
1. Plan Assets at the beginning of the year	32,32,883	—	29,73,180	—
2. Acquisition Adjustment	—	—	—	—
3. Expected Return on Plan Assets	2,58,833	—	2,48,243	—
4. Actuarial Gains/(Losses)	(37,609)	—	4,074	—
5. Actual Company Contributions	55,883	—	3,13,300	—
6. Benefits Paid	(9,91,026)	—	(3,05,913)	—
7. Plan Assets at the end of the year	25,18,964	—	32,32,884	—

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	For the year ended 31st March, 2014 (₹)		For the year ended 31st March, 2013 (₹)	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Funded	Unfunded	Funded	Unfunded
VI. Actuarial Assumptions				
1. Discount Rate (%)	9.00	9.00	8.00	8.00
2. Expected Return on Plan Assets (%)	9.00	—	8.00	—
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.				

VII. Major Category of Plan Assets as a % of the Total Plan Assets	As at 31st March, 2014	As at 31st March, 2013
1. Government Securities/Special Deposit with RBI	—	—
2. High Quality Corporate Bonds	—	—
3. Insurance Companies*	100%	100%
4. Mutual Funds	—	—
5. Cash and Cash Equivalents	—	—
6. Term Deposits	—	—

* In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets have not been disclosed.

VIII. Basis used to determine the Expected Rate of Return on Plan Assets

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by Life Insurance Corporation of India (LIC), since the fund is managed by LIC.

(Amount in ₹)

VIII. Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment)	For the year ended 31st March, 2014		For the year ended 31st March, 2013		For the year ended 31st March, 2012		For the year ended 31st March, 2011		For the year ended 31st March, 2010	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Present Value of Defined Benefit Obligation	24,99,091	17,17,117	29,01,509	21,62,678	28,42,884	20,49,819	27,27,984	19,41,994	20,89,233	17,17,567
Fair Value on Plan Assets	25,18,964	—	32,32,884	—	29,73,180	—	23,58,462	—	23,43,602	—
Status [Surplus/ (Deficit)]	19,873	(17,17,117)	3,31,375	(21,62,678)	1,30,296	(20,49,819)	(3,69,522)	(19,41,994)	2,54,369	(17,17,567)
Experience Adjustment of Plan Assets [Gain / (Loss)]	(2,66,267)	—	(3,684)	—	(8,203)	—	(61,732)	—	79,276	—
Experience Adjustment of Obligation [(Gain) / Loss]	4,63,285	2,15,253	(1,40,706)	(69,488)	(1,07,738)	(66,852)	6,41,666	4,49,894	(58,958)	(344)

- Amounts towards Defined Contribution Plans have been recognized under 'Contribution to provident and other funds' in Note No. 17 - ₹ 5,27,938/- (2013 - ₹ 6,03,525/-)

5. There are no Micro, Medium and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified based on information available with the Company.

6. Previous Year's figures have been regrouped / re-classified, where necessary to correspond with the current year's classification/disclosure.

21. Significant Accounting Policies

It is Corporate Policy

Convention

To prepare financial statements in accordance with applicable Accounting Standards in India. A summary of important accounting policies is set out below. The financial statements have also been prepared in accordance with relevant presentational requirements of the Companies Act, 1956.

Basis of Accounting

To prepare financial statements in accordance with the historical cost convention.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in revised Schedule VI to the Companies Act, 1956 based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

Fixed Assets

To state Fixed Assets at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. Expenses capitalized also include borrowing costs, if any.

To charge off as revenue expenditure, all upgradation/enhancements unless they bring similar significant additional benefits.

Depreciation

To calculate depreciation on Fixed Assets, on "Straight line" basis at the rates specified in Schedule XIV to the Companies Act, 1956.

Investments

To state Current Investments at lower of cost and fair value; and Long Term Investments at cost. Where applicable, provision is made to recognise a decline, other than temporary, in valuation of Long Term Investments.

Revenue Recognition

To recognize revenue at the time of rendering of services net of taxes recovered from customers.

Investment Income

To account for Income from Investments on an accrual basis, inclusive of related tax deducted at source. To account for Income from Dividends when the right to receive such dividends is established.

Method of Accounting - Projects

To recognize revenue on projects using percentage of completion method of accounting, if work completed can be reasonably estimated.

Employee Benefits

To make regular monthly contributions to Provident Fund which are in the nature of defined contribution schemes and such paid/payable amounts are charged against revenue. To administer such funds through duly constituted and approved independent trusts.

To determine the liabilities towards gratuity and employee leave encashment by an independent actuarial valuation as per the requirements of Accounting Standard -15 on "Employee Benefits". To determine actuarial gains or losses and to recognise such gains or losses immediately in the Statement of Profit and Loss as income or expense.

Lease Rentals

To accrue Rentals in respect of leased properties in the Statement of Profit and Loss.

Taxes on Income

To provide Current tax as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws.

To provide Deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence, measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Not to recognize Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

On behalf of the Board

R. Tandon
S. Dutta
K. Pansari

Chairman
Director
Manager & Company Secretary