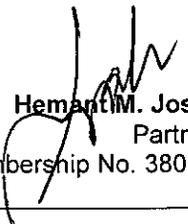




Creation, not Construction

FORM A
Covering letter of the annual audit report to be filed with the stock exchanges
(Pursuant to Clause 31 (a) of Listing Agreement)

1.	Name of the Company	Kolte-Patil Developers Limited
2.	Annual Standalone Financial Statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by –	
	<ul style="list-style-type: none">Mr. Rajesh Patil Chairman and Managing Director	
	<ul style="list-style-type: none">Mr. Vasant Gaikwad Chief Financial Officer	
	<ul style="list-style-type: none">Mr. Prakash Gurav Chairman of Audit Committee	 Place : Pune Date : 22 nd August, 2014
	<ul style="list-style-type: none">Auditor of the company	Refer our Audit Report dated May 20, 2014 on the standalone financial statements of the Company For DELOITTE HASKINS & SELLS LLP Chartered Accountants Firm's Registration No. 117366W/W-100018  Hemant M. Joshi Partner Membership No. 38019 Place : Pune Date : 28 th August, 2014

KOLTE-PATIL DEVELOPERS LTD.

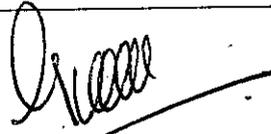
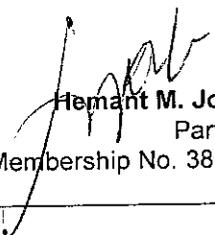
CIN : L45200PN1991PLC129428

Pune Regd. Office : 2nd Floor, City Point, Dhole Patil Road, Pune - 411 001, Maharashtra, India Tel.: +91 20 6622 6500 Fax : +91 20 6622 6511 Web : www.koltepatil.com
Bangalore Office : 22 / 11, 1st Floor, Park west, Vittal Malya Road, Bangalore - 560 001 India Tel. : + 91 - 080 - 2224 3135, 2224 2803, 4937 4444 Fax : + 91 - 080 - 2212 0654



Creation, not Construction

FORM A
Covering letter of the annual audit report to be filed with the stock exchanges
(Pursuant to Clause 31 (a) of Listing Agreement)

1.	Name of the Company	Kolte-Patil Developers Limited
2.	Annual consolidated Financial Statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by –	
	• Mr. Rajesh Patil Chairman and Managing Director	
	• Mr. Vasant Gaikwad Chief Financial Officer	
	• Mr. Prakash Gurav Chairman of Audit Committee	 Place : Pune Date : 22 nd August, 2014
	• Auditor of the company	Refer our Audit Report dated May 20, 2014 on the consolidated financial statements of the Company For DELOITTE HASKINS & SELLS LLP Chartered Accountants Firm's Registration No. 117366WW-100018  Place : Pune Date : 28 th August, 2014 Membership No. 38019 Hemant M. Joshi Partner

KOLTE-PATIL DEVELOPERS LTD.

CIN : L45200PN1991PLC129428

Pune Regd. Office : 2nd Floor, City Point, Dhole Patil Road, Pune - 411 001. Maharashtra, India Tel.: +91 20 6622 6500 Fax : +91 20 6622 6511 Web : www.koltepatil.com
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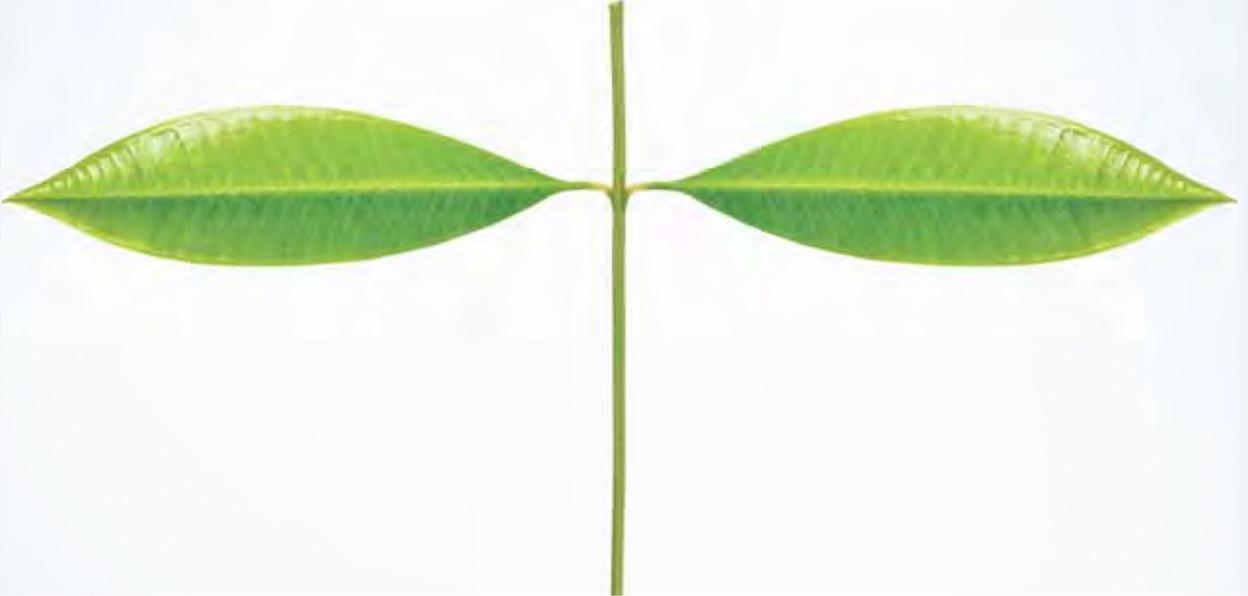


**ANNUAL REPORT
2013-2014**

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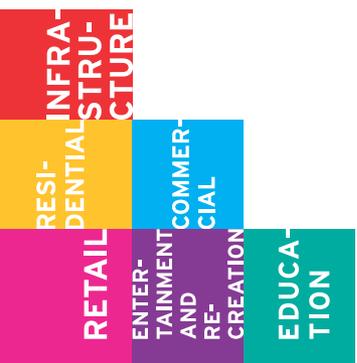
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FOR THE THINKING MIND

Dear Shareholders,

It is a pleasure to write to you once again to provide you with an update on the progress made by the Company during the year gone by and the strategies and growth outlook going forward.

Sales Performance

I am pleased to share with you that FY2014 marked the third consecutive year in which our sales volume exceeded over 2 million square feet with sustained double-digit increase in average price realization. This achievement is testimony to the strong recognition of and customers' trust in the Kolte-Patil brand. The regulatory scenario remained challenging through most of the year, adversely affecting new project launches. Despite a tough regulatory framework with approval delays resulting in deferred launches, we have registered new sales volumes of over 2.1 million square feet with the limited inventory at hand. Average price realization during the year increased over 14% year on year to Rs. 5,412/sft.

Strong Launch Pipeline

Towards the end of the last year, we have seen marked improvement in the approval scenario and have secured approvals of several key projects translating into a strong launch pipeline for FY2015.

The most noteworthy development that took place was the receipt of 'Locational Clearance' for the second phase of our Township project, Life Republic, which will provide a great fillip to our growth in coming years. We have also received further approvals to the tune of 5 million square feet across key projects translating into a strong launch pipeline for FY2015. We are at an inflection point and remain fully confident of executing our vision on the back of a well-articulated strategy, strong fundamentals and presence in attractive end-user driven markets.

Strong Execution

In FY14, we handed over completed projects aggregating to 3.6 million square feet thereby crossing a major landmark of completing over 10 million square feet of construction since our inception. This is a significant milestone in our journey throughout which we have focused on enhancing customer satisfaction through timely delivery of a superior quality product at the right price. We further expect deliveries of almost 5 million square feet to take place over FY2015-16.

Land Replenishment

During the year, we took a contrarian view to the market and leveraged the strength of our balance sheet to close two city-limit land deals in Pune at prime locations on attractive terms to replenish the stock we have executed over the past three years. This was in line with our

judicious approach to land acquisitions, investing in land parcels devoid of title issues and where most approvals are already in place. The first deal was in Wakad where we purchased a 34 acre land parcel for a consideration of Rs. 350 crore. For the second deal, we have partnered with ASK Real Estate Special Opportunities Fund to acquire a 30 acre land parcel at Kondhwa in South Pune for Rs. 160 crore.

Mumbai Foray

Further, we have also had an encouraging Mumbai foray, winning three redevelopment projects at prime locations in the first year of operations, which will diversify our business, boost profitability and improve the working capital cycle over the coming years.

Robust Balance Sheet

Despite being an investment year where we incurred our highest ever capital expenditure in a particular year, we have maintained a robust balance sheet with our net debt/equity at 0.17x as on 31st March, 2014. During the year, CRISIL Ratings also endorsed our healthy financial risk profile, marked by comfortable capital structure, and assigned an A+/Stable rating to the long-term bank facilities and any future non-convertible debenture (NCD) issuance of Kolte-Patil Developers Ltd. With this maiden rating, we are optimistic of bringing down the cost of our existing debt going forward.

Financial Performance

FY2014 marked the end of a 3-year growth cycle during which we have reported robust revenue, EBITDA and PAT CAGR of 57%, 37% and 24% respectively. In FY2014, revenue was up 5% at Rs. 764 crore. EBITDA margins expanded 250 bps to 29%, despite investments made in selling and marketing towards brand building in Mumbai and activating the network of channel partners.

Sustainable Development

I am also pleased to share with you that both of our Pune townships, Life Republic and Sanjivani, have received the Gold certification from the Indian Green Building Council (IGBC). Our other projects, Downtown (City Vista) and Giga Residency, have also received Gold certification from IGBC and you will see several such initiatives over the coming 12 months highlighting our commitment towards responsible, sustainable growth.

People and Processes

We are also focused on building our organization on multiple growth pillars and will continue to invest judiciously in brand building, technology enablement and people development. We are strengthening our internal processes and systems, building the engine to deliver on our strategic objectives. We have appointed a Chief People Officer during the course of the year to build

greater capability for change management and talent management throughout the business. These are just as critical to our future growth and success as any other element of our commercial strategy. We will continue to make such investments in people and processes to support our next phase of growth.

Corporate Governance

We recognize the importance of corporate governance in building long term value and are actively taking several steps to strengthen compliance, clarifying management responsibilities to ensure rapid, effective decision-making and business execution, and strengthening the information disclosure system.

Growth Outlook

With approvals in place and a healthy mix of township and non-township projects in our launch pipeline, the Company is geared to drive into its next three-year growth cycle. After achieving 7.6 million square feet of new area sales worth Rs. 3,500 crore between FY2012-14, the next three years we have set out to achieve new area sales of 12 million square feet of Rs. 7,200 crore. The sales value is more than double what we achieved between FY2012-14.

We are taking multiple initiatives simultaneously across each of our markets to meet our growth objectives but will continue to allocate capital judiciously based on future cash flow visibility across every new initiative and new project. We are firmly entrenched in high growth markets with a strong pipeline of projects with approvals in place. Over the next three years, we will consolidate our stronghold in a stable Pune market that continues to be

driven by strong employment and economic drivers. In Bengaluru, we are building our brand presence and will see increased contribution as many projects that are in our pipeline get activated. In Mumbai, we will add new projects in the redevelopment space while launching projects won last year.

Dividend

In line with our commitment to shareholders, the Board has declared a final dividend of Rs. 1.60/share, taking the total dividend for FY2014 to Rs. 3.10/share, amounting to a payout of 25% of profit after tax (PAT) and minority interests at the upper end of the stated dividend policy (15-25% of annual PAT). It reflects our confidence that the successful execution of our strategic plan will continue to generate strong cash flows, enabling us to strike a balance between investing in the business and regularly returning a larger proportion of cash to our shareholders.

I would like to take this opportunity to thank our shareholders, valued customers and business associates for their continuing trust and support in us. We also recognize the contribution and commitment of our staff, management and Board of Directors. Let us work together to scale greater heights in the years to come.

With best regards and wishes,

Rajesh Patil

Chairman and Managing Director



OUR CREATIONS ARE PREFERRED BY PEOPLE AND THE JURY ALIKE.



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Premium Project 2013
NDTV Award



24K GLITTERATI
Luxury Project 2013
Realty Plus



24K GLITTERATI
Luxury Residential Project 2013
Estate Awards



24K ALLURA
Best Luxury Segment Project 2013
CNBC Awaaz



24K ALLURA
Mid-range Housing 2014
Siliconindia India



IVY ESTATE
Residential Property 2013
Realty Plus



FLORENCE
100% Complete Residential 2013
CNBC Awaaz



UMANG
Best Housing Project 2012
CNBC Awaaz



UMANG
Best Housing Developer (West India) 2012
Bloomberg TV Group

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	:	Executive Director
Mr. G. L. Vishwanath	:	Independent Director
Mr. Achyut Watve	:	Independent Director
Mr. Jayant Pendse	:	Independent Director
Mrs. Manasa Vishwanath	:	Independent Director
Mr. Prakash Gurav	:	Independent Director

COMPANY SECRETARY: Mr. Vinod Patil

REGISTERED OFFICE:

2nd Floor, City Point,
Dhole Patil Road,
Pune – 411001
Tel. No. +91-20-66226500
Fax No. +91-20-66226511
Website: - www.koltepatil.com

REGIONAL OFFICE:

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

BANKERS:

IDBI Bank Limited
Axis Bank Limited
State Bank of India
Vijaya Bank
HDFC Bank Limited
ICICI Bank Limited

STATUTORY AUDITORS:

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants,
Firm Registration No. 117366W/W-100018
706, B Wing, 7th Floor, ICC Trade Tower,
International Convention Centre,
Senapati Bapat Road, Pune - 411016
Tel. No. +91-20-66244600
Fax No. +91-20-66244605

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
Email: - investor@bigshareonline.com

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KOLTE-PATIL DEVELOPERS LIMITED

Registered Office: 2nd Floor, City Point, Dhole Patil Road, Pune – 411001.

Website: www.koltepatil.com

Corporate Identity No. (CIN): L45200PN1991PLC129428

NOTICE

Notice is hereby given that the **23rd ANNUAL GENERAL MEETING** of **KOLTE-PATIL DEVELOPERS LIMITED** will be held at Maharashtra Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016, Maharashtra, India, on Saturday, September 13, 2014 at 11.00 AM to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To ratify the payment of Interim Dividend on Equity Shares for the financial year 2013-14 and to declare a final dividend on Equity Shares for the financial year 2013-14.

“RESOLVED THAT the interim dividend of ₹ 1.50 per share declared by the Board of Directors in their meeting held on October 26, 2013; on 7,57,74,909 equity shares of ₹ 10 each fully paid, absorbing ₹ 12.79 Crores (including dividend distribution tax) out of the profits of the Company, paid on November 22, 2013, be and is hereby ratified.

FURTHER RESOLVED THAT the final dividend of ₹ 1.60 per share on 7,57,74,909 equity shares of ₹ 10 each fully paid as recommended by the Board of Directors of the Company for the financial year 2013-14 be and is hereby declared.”

3. To appoint a Director in place of Mrs. Vandana Patil (DIN - 00588888), who retires by rotation and being eligible, offers herself for re-appointment.
4. To re-appoint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the fourth consecutive Annual General Meeting of the Company and to fix their remuneration and to pass the following resolution:

“RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 and the Rules made there under and pursuant to the recommendations of the Audit Committee, M/s. Deloitte Haskins & Sells LLP (LLP Registration No. AAB-8737,FRN - 117366W/W-100018), Chartered Accountants, Pune be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the fourth consecutive Annual General Meeting of the Company (subject to ratification of the appointment by the members at every Annual General Meeting held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the auditors and that such remuneration may be on progressive billing basis to be agreed upon between the auditors and the Board of Directors.”

Special Business:

5. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:**

“RESOLVED THAT in accordance with the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, the approval be and is hereby accorded to amend the Articles of Association of the Company by inserting new Article 178A after existing Article 178 and before existing Article 179.

178A. The Same individual may, at the same time, be appointed as the Chairperson of the Company as well as Managing Director or Chief Executive Officer of the Company.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to take all such steps and actions for the purposes of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval be and is hereby accorded to the appointment of Mr. Rajesh Patil (DIN - 00381866) as the Chairman and Managing Director of the Company, for a period of 5 (five) years with effect from April 15, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval be and is hereby accorded to the appointment of Mr. Naresh Patil (DIN - 00881077) as Whole Time Director designated as Vice Chairman of the Company, for a period of 5 (five) years with effect from April 15, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval be and is hereby accorded to the appointment of Mr. Milind Kolte (DIN - 00170760) as Whole Time Director designated as Executive Director of the Company, for a period of 5 (five) years with effect from April 15, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, approval be and is hereby accorded to the appointment of Mrs. Sunita Kolte (DIN - 00255485) as Whole Time Director designated as Executive Director of the Company, for a period of 5 (five) years with effect from April 15, 2015 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and/or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges, Mr. Jayant Pendse (DIN - 02434630), who retires by rotation at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges, Mrs. Manasa Vishwanath (DIN -05241229), who retires by rotation at this Annual General Meeting and who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to the Section 149, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges, Mr. G L Vishwanath (DIN- 01758785), a Non-executive Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. G L Vishwanath as a candidate for the office of director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to the Section 149, 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges, Mr. Achyut Watve (DIN- 01179251), a Non-executive Director of the Company, in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Achyut Watve as a candidate for the office of director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to the Section 149, 152, 160 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement with the Stock Exchanges, Mr. Prakash Gurav (DIN-02004317), who was appointed as an Additional Director of the Company by the Board of Directors with effect from August 13, 2014 and who holds office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Prakash Gurav as a candidate for the office of director and who has submitted a declaration that he meets the criteria for independence as provided in

Section 149 (6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation.”

15. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in supersession of earlier Special Resolution passed on 4th July 2007 in 16th Annual General Meeting and pursuant to sub-section (1) of Section 94 of the Companies Act, 2013 and other applicable provisions, if any and rules made there under (including subsequent modification thereof), the records related to registers and indexes of Members and Debenture holder and Returns prepared under Section 92 of the Companies Act, 2013 together with copies of certificates and documents required to be annexed thereto, be kept with the Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited at E 2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400072.

FURTHER RESOLVED THAT the Registers, Indexes, Returns, Books, Certificates and Documents of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 2013 be kept open for such inspection at the place where they are kept, by the persons entitles thereto to the extent and in the manner and on such payment of fees, if any, specified in the Companies Act, 2013 on any working day of the Company except when the Registers and Books are closed under the provisions of the Companies Act, 2013 or the Articles of Association of the Company provided, however, that the Register required to be maintained under Section 170 of the Companies Act, 2013 shall be open for inspection for the Members and debenture holders between the period prescribed in sub-section (1) of Section 171 of the Companies Act, 2013.”

16. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

[A] “**RESOLVED THAT** consent of the Company be and is hereby given in accordance with:

1. the provisions of Section 62 and all other provisions applicable, if any, of the Companies Act, 2013 (the Act) read with Companies (Share Capital and Debentures) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force,
2. the provisions of the Memorandum and Articles of Association of the Company and subject to:
 - a. the Listing Agreement with the Stock Exchanges and the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, (the Guidelines) and including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force and subject to any other applicable statutes, guidelines, regulations, approvals, consents, permissions or sanctions (the “Approvals”) of the Central Government, the Stock Exchanges, the Reserve Bank of India and any other appropriate authorities, institutions or bodies; and
 - b. such conditions as may be prescribed by any of them while granting any such approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter called “the Board” which term shall be deemed to include any Committee including Nomination and Remuneration Committee constituted for this purpose or any other Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution);
 - i) the Board be and is hereby authorized for and on behalf of the Company, to frame the proposed employees stock option scheme, (hereinafter referred to as “Kolte-Patil Employees Stock Option Scheme” or “KPESOS”) and to create, offer, issue and allot from time to time, in one or more tranches at any time to and for the benefit of the such person(s) who are in permanent employment of the Company under the proposed scheme such number of stock options convertible into equity shares not exceeding 25,00,000 equity shares, at such price and on such terms and conditions as the Board may decide in accordance with the regulations or other provisions of the law as may be prevailing at the relevant time.
 - ii) “Option Grantees or Eligible Employees” means person(s) as are in the permanent employment of the Company (who is not a promoter or belonging to the promoter group or who is not an Independent Director); whether working in India or out of India, and any director of the Company

whether a whole-time director or not (but who are not promoters of the Company or belonging to the promoter group), or who are eligible and considered by the Board (including Nomination and Remuneration Committee) for being granted stock options under Employee Stock Option Scheme of the Company.

- iii) The Board or the Nomination and Remuneration Committee be and is hereby also authorized to decide from time to time on the terms and conditions of the Stock Options, including but not limited to the following:
 - a. the manner in which the Stock options are granted
 - b. the period of the ESOS
 - c. grant Price of the Stock Options
 - d. the vesting schedule for exercise of stock options and generally to frame a comprehensive scheme governing such Stock Options
- iv) The said securities may be allotted directly to such employees or in accordance with a scheme framed in that behalf through any appropriate mechanism, including a trust or any other entity which may be set up in any permissible manner for that purpose and that such scheme may also contain provisions for providing the financial assistance to the employees/trust/entity to enable the employees/trust/entity to acquire, purchase or subscribe to the securities of the Company.
- v) The Board (including Nomination and Remuneration Committee) be and is hereby further authorised:
 - a. to make a fair and responsible adjustment to the number and other terms and conditions of the Stock Options granted in terms of this Resolution, in the event of any corporate action(s) including but not limited to rights issue(s), bonus issue(s), merger(s), demerger(s), divestment(s), restructuring, etc.
 - b. to adjust (i.e. to augment or reduce as the case may be, in due proportion) the number of shares to be allotted and the price to be paid by the option grantees in terms of this Resolution, upon sub- division or consolidation or any similar restructuring involving the face value or the paid up value of equity shares in the Company from its present level of ₹10/-per share, provided that such adjustment shall not affect any other rights or obligations of such allottees.
- vi) Subject to the terms stated herein, the shares allotted pursuant to this Resolution shall in all respects rank paripassu, inter se, as also with the then existing fully paid shares of the Company save and except that the dividend, if any, payable in respect of the shares shall be paid proportionately from the date of allotment.
- vii) The Board (including Nomination and Remuneration Committee) be and is hereby authorized to vary or modify the terms of KPESOS in accordance with any guidelines or regulations that may be issued, from time to time, by any appropriate authority unless such variation, modification or alteration is detrimental to the interest of the Option Grantees.
- viii) for the purpose of giving effect to the foregoing and without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution, the Board / Nomination and Remuneration Committee be and is hereby authorised for and on behalf of the Company:
 - a. for the purpose of creating, offering, issuing, allotting and listing of securities, the Board (including Nomination and Remuneration Committee) be and is hereby authorized on behalf of the Company to evolve, decide upon and bring into effect the scheme and to make any modifications, changes, variations, alterations or revisions in the said scheme from time to time or to suspend, withdraw or revive the scheme from time to time as may be specified by any statutory authority and to do all other acts, deeds matters and things as are necessary to give effect to the above resolutions and with power on behalf of the Company to settle any questions or difficulties that may arise with regard to the creation, offer, issue and allotment of shares without requiring the Board to secure any further consent or approval of the members of the Company in this regard.
 - b. to dispose off, from time to time, such of the Stock Options as are not vested or exercised, in such manner, as the Board may deem fit in its absolute discretion;
 - c. to enter into and execute all such arrangements as the case may be with any advisors, managers,

bankers, financial institutions, solicitors, guarantors, depositories, custodians and other intermediaries (the "Agencies") in relation to the grant of Stock Options and to remunerate any of the Agencies in any manner including payment of commission, brokerage, fee or payment of their remuneration for their services;

- d. to settle any questions, difficulties or doubts that may arise in regard to the grant of Stock Options;
- e. to seek and obtain the listing of the equity shares from time to time of exercised Stock Options, as may be required, on one or more Stock Exchanges."

[B] "RESOLVED THAT consent of the Company be and is hereby given in accordance with:

1. the provisions of Section 62 and all other provisions applicable, if any, of the Companies Act, 2013 (the Act) read with Companies (Share Capital and Debentures) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force,
2. the provisions of the Memorandum and Articles of Association of the Company and subject to:
 - a. the Listing Agreement with the Stock Exchanges and the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, (the Guidelines) and including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force and subject to any other applicable statutes, guidelines, regulations, approvals, consents, permissions or sanctions (the "Approvals") of the Central Government, the Reserve Bank of India and any other appropriate authorities, institutions or bodies; and
 - b. such conditions as may be prescribed by any of them while granting any such Approvals, which may be agreed to, in its sole discretion, by the Board of Directors of the Company (hereinafter called "the Board" which term shall be deemed to include any Committee including Nomination and Remuneration Committee constituted for this purpose or any other Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution); the Board be and is hereby authorised to extend and allot in one or more tranches, the benefit and coverage of the KPESOS referred to in Part [A] of this resolution, also to such persons who are in permanent employment of the Company's holding/subsidiary company (ies), whether working in India or outside India or any director, whether a whole-time director or not, under the Scheme in the manner mentioned in Part [A] of this resolution, under the proposed scheme such number of stock options convertible into equity shares not exceeding the limits as mentioned in Part [A] of this resolution for approval of KPESOS, at such price and on such terms and conditions as the Board may decide in accordance with the regulations or other provisions of the law as may be prevailing at the relevant time.
3. the Board or Nomination and Remuneration Committee be and is hereby authorised to decide from time to time on the terms and conditions of the Stock Options referred to in Part [A] of this resolution to the employees of the holding or subsidiary Companies, as may from time to time be allowed under the prevailing laws, rules and regulations and /or amendments thereto from time to time on such terms and conditions as may be decided by the Board.
4. "Option Grantees or Eligible Employees" means person(s) as are in the permanent employment of the holding or subsidiary Company(ies) whether working in India or out of India, Director whether a Whole-Time Director or not or who are eligible and considered by the Board (including Nomination and Remuneration Committee) for being granted stock options under Employee Stock Option Scheme of the Company.
5. The Board or Nomination and Remuneration Committee be and is hereby also authorized to decide from time to time on the terms and conditions of the Stock Options, including but not limited to the following:
 - a. the manner in which the Stock options are granted
 - b. the period of the ESOS
 - c. grant Price of the Stock Options
 - d. the vesting schedule for exercise of stock options and generally to frame a comprehensive scheme governing such Stock Options
6. for the purpose of giving effect to the foregoing and without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their

approval thereto expressly by the authority of this Resolution, the Board / Nomination and Remuneration Committee be and is hereby authorised for and on behalf of the Company:

- a. for the purpose of creating, offering, issuing, allotting and listing of securities, the Board (including Nomination and Remuneration Committee) be and is hereby authorized on behalf of the Company to evolve, decide upon and bring into effect the scheme and to make any modifications, changes, variations, alterations or revisions in the said scheme from time to time or to suspend, withdraw or revive the scheme from time to time as may be specified by any statutory authority and to do all other acts, deeds matters and things as are necessary to give effect to the above resolutions and with power on behalf of the Company to settle any questions or difficulties that may arise with regard to the creation, offer, issue and allotment of shares without requiring the Board to secure any further consent or approval of the members of the Company in this regard.
 - b. to dispose off, from time to time, such of the Stock Options as are not vested or exercised, in such manner, as the Board may deem fit in its absolute discretion;
 - c. to enter into and execute all such arrangements as the case may be with any advisors, managers, bankers, financial institutions, solicitors, guarantors, depositories, custodians and other intermediaries (the "Agencies") in relation to the grant of Stock Options and to remunerate any of the Agencies in any manner including payment of commission, brokerage, fee or payment of their remuneration for their services;
 - d. to settle any questions, difficulties or doubts that may arise in regard to the grant of Stock Options;
 - e. to seek and obtain the listing of the equity shares from time to time of exercised Stock Options, as may be required, on one or more Stock Exchanges."
17. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 188 (1) (f) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any of the Companies Act, 2013, the approval be and is hereby accorded for the appointment of Mr. Nirmal Kolte (relative of Mr. Milind Kolte and Mrs. Sunita Kolte – Executive Directors of the Company) as Vice President - Projects with effect from October 01, 2014 on the following terms and conditions for a period of Five (5) years:-

Salary: ₹ 250,000/- per month, however subject to a ceiling of ₹ 500,000/- per month.

Salary includes Basic salary, House Rent Allowance, Medical Allowance and Other Allowance as per Company policy.

Perquisites and Allowances:

- (a) Medical and accident insurance premium as per company rules
- (b) Leave in accordance with the policy of the Company from time to time

FURTHER RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds, things as may be necessary to give effect to this resolution."

**By Order of the Board
For Kolte-Patil Developers Limited**

**Place: Pune
Date: August 13, 2014**

**Vinod Patil
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 relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 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, are annexed to this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 06, 2014 to Saturday, September 13, 2014 (both days inclusive).
5. Pursuant to Section 171 of the Companies Act, 2013, the Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
6. The Register of Contracts or arrangements, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company.
7. The Dividend would be payable on September 18, 2014 to the shareholders whose names appear in the Register of Members on September 05, 2014.
8. The 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. The 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 72 of the Companies Act, 2013, 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. **The Members are requested to note that dividend and IPO refund money not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Account will, as per Section 205C of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund (IEPF).**

The details of unclaimed amounts are as follows:-

Unclaimed Accounts	Date of transfer to unclaimed account	Unclaimed amount as on 31.03.2014 (Amount in INR)	Date of transfer to IEPF
IPO Refund Account	1 st January 2008	562,600/-	31 st December 2014
Final dividend for FY 07-08	16 th September 2008	494,039/-	15 th September 2015
Final dividend for FY 08-09	16 th September 2009	480,758/-	15 th September 2016
Final dividend for FY 09-10	16 th September 2010	298,278/-	15 th September 2017
Final dividend for FY 10-11	16 th September 2011	439,686/-	15 th September 2018
Final dividend for FY 11-12	16 th September 2012	457,161/-	15 th September 2019
Interim dividend for FY 12-13	30 th November 2012	665,854/-	29 th November 2019
Final dividend for FY 12-13	9 th September 2013	323,560/-	8 th September 2020
Interim dividend for FY 13-14	31 st December 2013	544,816/-	30 th December 2020

The list of investors or shareholders, who have not claimed, the IPO Refund and unclaimed dividend, is available on the Company's website www.koltepatil.com under Investor Section.

The applicants/Members wishing to claim IPO refund money or unclaimed dividend are requested to correspond with the Compliance Officer or Registrar and Share Transfer Agent of the Company i.e. M/s. Bigshare Services Private Limited.

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 under the Investors section.

PROCEDURE FOR E-VOTING

In compliance with provisions of Section 108 of the companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is required to provide the e-voting facility to the members of the Company for the business to be transacted at the General Meeting of the Company. In this regards, the Company entered into agreement with Central Depository Services (India) Limited for providing the e-voting facility to the members of the Company.

The e-voting will commence on Monday, September 08, 2014 at 09.00 AM and will close on Wednesday, September 10, 2014 at 05.30 PM. The Company has appointed Mr. S.V. Deulkar, Practicing Company Secretary, Pune as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The procedure and instructions for the same are as follows:

Log on to the e-voting website www.evotingindia.com

- (i) Click on "Shareholders" tab.
- (ii) Now, select the "COMPANY NAME – KOLTE-PATIL DEVELOPERS LIMITED" from the drop down menu and click on "SUBMIT"
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (v) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for Kolte-Patil Developers Limited to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Power of Attorneys/ Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s) who are authorized to vote, to the Scrutinizer at e-mail ID: deulkarcs@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_ EVEN NO”.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of atleast (2) witnesses not in the employment of the Company and make a Scrutinizer’s report of the votes cast in favour or against, if any, to the chairman of the Company.

The Results declared alongwith Scrutinizer’s Report shall be placed on the Company’s website www.koltepatil.com within two (2) working days of passing of the resolutions at the AGM of the Company and shall be communicated to National Stock Exchange of India Limited and BSE Limited.

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 102 of the Companies Act, 2013

Item No. 5

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Company can have a same individual as Chairman and Managing Director or Chairman and Chief Executive if the Articles of Association of the Company provides for the same. Hence, pursuant to the Section 14 of the Companies Act, 2013 it is proposed to amend the Articles of Association by inserting a new article in this regards.

The draft set of new Articles of Association of the Company will be available for inspection to the shareholders of the Company for all working days at Registered Office between 09.00 a.m. and 11.00 a.m. up to the date of this Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution at Item No. 5.

The Board recommends the resolution set forth at Item No. 5 for the approval of the members.

Item No.6

The Board, at its meeting held on August 13, 2014 on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Rajesh Patil as Chairman and Managing Director of the Company w.e.f. April 15, 2015 for a period of 5 (five) years on the terms and conditions mentioned herein below:-

I. Salary and Allowance:

Salary Per Month: In the scale of ₹ 5,00,000/- to ₹ 20,00,000/-

Salary of ₹ 5,00,000/- per month with such increment(s) as the Board may decide from time to time, however subject to a ceiling of ₹ 20,00,000/- per month.

Salary includes Basic salary, House Rent Allowance, Medical Allowance and Other Allowance as per Company policy.

II. Perquisites:

- a. Leave Travel concession for self and family once in a year incurred in accordance with the rules of the Company.
- b. Fees of clubs subject to maximum of two clubs. No admission and life membership fee will be paid.
- c. Personal accident insurance as per Company policy.
- d. Contribution towards Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company but to the extent these either singly or put together are not taxable under the Income Tax Act.
- e. Gratuity as per the rules of the Company but shall not exceed one half month's salary for each completed year of service.
- f. Free Telephone cell at residence subject to long distance personal call charges being reimbursed to the Company.
- g. Use of own car for official purpose subject to payment of appropriate conveyance allowance by the Company.
- h. Earned leave as per the rules of the Company not exceeding one month's salary leave for every eleven months of service.

The appointee will be entitled to the perquisites and allowances as per the Company rules.

In arriving at the value of perquisites, the value shall be determined on the basis of actual cost to the Company from time to time.

III. Commission

The Board of Directors of the Company will decide from time to time the percentage of Commission payable on Net profit of the Company for the respective financial year. For this purpose, Net profit shall be computed in accordance with the provisions of Section 198 of the Companies Act, 2013.

IV. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in the financial year during the currency of the tenure of Chairman and Managing Director, the Company has no profit or profits are inadequate, the

Company may pay minimum remuneration by way of salary, perquisite and allowances as per Schedule V of the Companies Act, 2013.

The above remuneration is within the limits prescribed by the applicable provisions of the Companies Act, 2013.

The Board recommends the resolution for the approval of the members.

Mr. Rajesh Patil-Chairman and Managing Director is concerned or interested in this resolution and Mr. Naresh Patil- Vice Chairman and Mrs. Sunita Kolte – Executive Director being relatives of Mr. Rajesh Patil are interested in this resolution.

Item No. 7

The Board, at its meeting held on August 13, 2014 on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Naresh Patil as Whole Time Director designated as Vice Chairman of the Company w.e.f. April 15, 2015 for a period of 5 (five) years on the terms and conditions mentioned herein below:-

I. Salary and Allowance:

Salary Per Month: In the scale of ₹ 5,00,000/- to ₹ 20,00,000/-

Salary of ₹ 5,00,000/- per month with such increment(s) as the Board may decide from time to time, however subject to a ceiling of ₹ 20,00,000/- per month.

Salary includes Basic salary, House Rent Allowance, Medical Allowance and Other Allowance as per Company policy.

II. Perquisites:

- a. Leave Travel concession for self and family once in a year incurred in accordance with the rules of the Company.
- b. Fees of clubs subject to maximum of two clubs. No admission and life membership fee will be paid.
- c. Personal accident insurance as per Company policy.
- d. Contribution towards Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company but to the extent these either singly or put together are not taxable under the Income Tax Act.
- e. Gratuity as per the rules of the Company but shall not exceed one half month's salary for each completed year of service.
- f. Free Telephone cell at residence subject to long distance personal call charges being reimbursed to the Company.
- g. Use of own car for official purpose subject to payment of appropriate conveyance allowance by the Company.
- h. Earned leave as per the rules of the Company not exceeding one month's salary leave for every eleven months of service.

The appointee will be entitled to the perquisites and allowances as per the Company rules.

In arriving at the value of perquisites, the value shall be determined on the basis of actual cost to the Company from time to time.

III. Commission

The Board of Directors of the Company will decide from time to time the percentage of Commission payable on Net profit of the Company for the respective financial year. For this purpose, Net profit shall be computed in accordance with the provisions of Section 198 of the Companies Act, 2013.

IV. Minimum Remuneration

Not with standing anything to the contrary herein contained, where in the financial year during the currency of the tenure of Vice Chairman, the Company has no profit or profits are inadequate, the Company may pay minimum remuneration by way of salary, perquisite and allowances as per Schedule V of the Companies Act, 2013.

The above remuneration is within the limits prescribed by the applicable provisions of the Companies Act, 2013.

The Board recommends the resolution for the approval of the members.

Mr. Naresh Patil- Vice Chairman is concerned or interested in this resolution. Mrs. Vandana Patil - Executive Director, Mr. Rajesh Patil - Chairman and Managing Director and Mrs. Sunita Kolte – Executive Director being relatives of Mr. Naresh Patil are interested in this resolution.

Item No. 8

The Board, at its meeting held on August 13, 2014 on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Milind Kolte as Whole Time Director designated as Executive Director of the Company w.e.f. April 15, 2015 for a period of 5 (five) years on the terms and conditions mentioned herein below:-

I. Salary and Allowance:

Salary Per Month: In the scale of ₹ 5,00,000/- to ₹ 20,00,000/-

Salary of ₹ 5,00,000/- per month with such increment(s) as the Board may decide from time to time, however subject to a ceiling of ₹ 20,00,000/- per month.

Salary includes Basic salary, House Rent Allowance, Medical Allowance and Other Allowance as per Company policy.

II. Perquisites:

- a. Leave Travel concession for self and family once in a year incurred in accordance with the rules of the Company.
- b. Fees of clubs subject to maximum of two clubs. No admission and life membership fee will be paid.
- c. Personal accident insurance as per Company policy.
- d. Contribution towards Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company but to the extent these either singly or put together are not taxable under the Income Tax Act.
- e. Gratuity as per the rules of the Company but shall not exceed one half month's salary for each completed year of service.
- f. Free Telephone cell at residence subject to long distance personal call charges being reimbursed to the Company.
- g. Use of own car for official purpose subject to payment of appropriate conveyance allowance by the Company.
- h. Earned leave as per the rules of the Company not exceeding one month's salary leave for every eleven months of service.

The appointee will be entitled to the perquisites and allowances as per the Company rules.

In arriving at the value of perquisites, the value shall be determined on the basis of actual cost to the Company from time to time.

III. Commission

The Board of Directors of the Company will decide from time to time the percentage of Commission payable on Net profit of the Company for the respective financial year. For this purpose, Net profit shall be computed in accordance with the provisions of Section 198 of the Companies Act, 2013.

IV. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in the financial year during the currency of the tenure of Executive Director, the Company has no profit or profits are inadequate, the Company may pay minimum remuneration by way of salary, perquisite and allowances as per Schedule V of the Companies Act, 2013.

The above remuneration is within the limits prescribed by the applicable provisions of the Companies Act, 2013.

The Board recommends the resolution for the approval of the members.

Mr. Milind Kolte, Executive Director is concerned or interested in this resolution and Mrs. Sunita Kolte – Executive Director being relative of Mr. Milind Kolte is interested in this resolution.

Item No. 9

The Board, at its meeting held on August 13, 2014 on the recommendation of the Nomination and Remuneration Committee, re-appointed Mrs. Sunita Kolte as Whole Time Director designated as Executive Director of the Company w.e.f. April 15, 2015 for a period of 5 (five) years on the terms and conditions mentioned herein below:-

I. Salary and Allowance:

Salary Per Month: In the scale of ₹ 5,00,000/- to ₹ 20,00,000/-

Salary of ₹ 5,00,000/- per month with such increment(s) as the Board may decide from time to time, however subject to a ceiling of ₹ 20,00,000/- per month.

Salary includes Basic salary, House Rent Allowance, Medical Allowance and Other Allowance as per Company policy.

II. Perquisites:

- a. Leave Travel concession for self and family once in a year incurred in accordance with the rules of the Company.
- b. Fees of clubs subject to maximum of two clubs. No admission and life membership fee will be paid.
- c. Personal accident insurance as per Company policy.
- d. Contribution towards Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company but to the extent these either singly or put together are not taxable under the Income Tax Act.
- e. Gratuity as per the rules of the Company but shall not exceed one half month's salary for each completed year of service.
- f. Free Telephone cell at residence subject to long distance personal call charges being reimbursed to the Company.
- g. Use of own car for official purpose subject to payment of appropriate conveyance allowance by the Company.
- h. Earned leave as per the rules of the Company not exceeding one month's salary leave for every eleven months of service.

The appointee will be entitled to the perquisites and allowances as per the Company rules.

In arriving at the value of perquisites, the value shall be determined on the basis of actual cost to the Company from time to time.

III. Commission

The Board of Directors of the Company will decide from time to time the percentage of Commission payable on Net profit of the Company for the respective financial year. For this purpose, Net profit shall be computed in accordance with the provisions of Section 198 of the Companies Act, 2013.

IV. Minimum Remuneration

Notwithstanding anything to the contrary herein contained, where in the financial year during the currency of the tenure of Executive Director, the Company has no profit or profits are inadequate, the Company may pay minimum remuneration by way of salary, perquisite and allowances as per Schedule V of the Companies Act, 2013.

The above remuneration is within the limits prescribed by the applicable provisions of the Companies Act, 2013.

The Board recommends the resolution for the approval of the members.

Mrs. Sunita Kolte, Executive Director is concerned or interested in this resolution and Mr. Milind Kolte – Executive Director, Mr. Rajesh Patil – Chairman and Managing Director and Mr. Naresh Patil – Vice Chairman being relatives of Mrs. Sunita Kolte are interested in this resolution.

Item No. 10, 11, 12 and 13

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. Jayant Pendse, Mr. Achyut Watve, Mr. G L Vishwanath and Mrs. Manasa Vishwanath as Independent Directors at various times.

In terms of the provisions of Section 149 of the Companies Act, 2013 ("the Act"), effective from April 01, 2014,

every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nomination and Remuneration Committee of the Company has recommended the appointment of these directors as Independent Directors from September 13, 2014 up to September 12, 2019 (i.e. for a term of five consecutive years from the conclusion of the ensuing 23rd Annual General Meeting).

Mr. Jayant Pendse, Mr. Achyut Watve, Mr. G L Vishwanath and Mrs. Manasa Vishwanath, Non-executive Directors of the Company have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a members along with a deposit of ₹ 100,000/- each proposing the candidature of Mr. Achyut Watve and Mr. G L Vishwanath for the office of Independent Director, to be appointed under the provisions of Section 149 of the Companies Act, 2013 with effect from September 13, 2014 up to September 12, 2019 (i.e. for a term of five consecutive years from the conclusion of the ensuing 23rd Annual General Meeting).

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is being placed before the shareholders for their approval.

The terms and conditions of appointment of the above Directors are available for inspection to the shareholders of the Company for all working days at Registered Office between 09.00 a.m. and 11.00 a.m. up to the date of this Annual General Meeting.

A brief resume of these Directors is given in the Notice of this Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Independent Directors are concerned or interested in the resolutions at Item No. 10, 11, 12 and 13 respectively.

The Board recommends the resolutions set forth at Item No. 10, 11, 12 and 13 for the approval of the members.

Item No. 14

Mr. Prakash Gurav was appointed as an Additional Director by the Board with effect from August 13, 2014, pursuant to Section 161 of the Companies Act, 2013, read with Article 148 of the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Prakash Gurav will hold office up to the date of ensuing Annual General Meeting. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of ₹ 100,000/- proposing the candidature of Mr. Prakash Gurav for the office of Independent Director, to be appointed under the provisions of Section 149 of the Companies Act, 2013 with effect from September 13, 2014 up to September 12, 2019 (i.e. for a term of five consecutive years from the conclusion of the ensuing 23rd Annual General Meeting).

Mr. Prakash Gurav has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In opinion of the Board, Mr. Prakash Gurav fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Prakash Gurav as Independent Director is being placed before the shareholders for their approval.

The terms and conditions of appointment of Mr. Prakash Gurav are available for inspection to the shareholders of the Company for all working days at Registered Office between 09.00 a.m. and 11.00 a.m. up to the date of this Annual General Meeting.

A brief resume of Mr. Prakash Gurav is given in the Notice of this Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Prakash Gurav, is concerned or interested in the resolution at Item No. 14.

The Board recommends the resolution set forth at Item No. 14 for the approval of the members.

Item No. 15

Pursuant to the Special Resolution passed on 4th July 2007 in 16th Annual General Meeting, the approval of members was taken under the provisions of the Companies Act, 1956 to keep the Registers of Members & Debenture holder and Returns at the Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited at E 2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400072.

Now, the provisions of the Companies Act, 2013 are enforced and Section 94 of the Companies Act, 2013 is applicable with effect from April 01, 2014. The approval of the members is sought to keep the Registers and returns at the Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited at E 2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai – 400072.

A copy of the aforesaid resolution will be filed in advance with the Registrar of Companies, pursuant to the provisions of Section 94 of the Companies and rules made therein.

None of the Director is deemed to be interested / concerned in the Special Resolution as mentioned at Item No. 15 of the Notice.

The Board recommends the resolution set forth at Item No. 15 for the approval of the members.

Item No. 16[A] and [B]

Human Resource is the key resource for the continuing growth and development of the Company. To motivate the employees and enable them to participate in the long-term growth and financial success of the organization, with a common objective of maximizing the shareholder value, the Company introduced an Employee Stock Option Scheme (ESOS). The ESOS would not only enable the Company to attract and motivate employees by rewarding performance as also to retain best talents but also enable the employees to develop a sense of ownership with the organization.

As required under the SEBI guidelines, the Nomination and Remuneration Committee will administer the ESOS 2014 and formulate the detailed terms and conditions of the scheme including;

The Nomination and Remuneration Committee will, specify, inter alia, the following:

- Quantum of options to be granted under ESOS per employee and in aggregate.
- Conditions under which options vested in employees may lapse in case of termination of employment for misconduct.
- Time period within which an employee may exercise vested options in the event of termination or resignation.
- Rights of an employee to exercise all vested options at one time or at various points of time within the exercise period.
- Procedure for making fair and reasonable adjustment to the number of options and to the exercise period, in case of rights issues, bonus issues, other corporate actions, or otherwise.
 - a) The number and the price of ESOS shall be adjusted in a manner such that the total value of the ESOS remains the same after corporate action.
 - b) For this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered.
 - c) The vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders.
- Lock-in period for the shares issued pursuant to exercise of options.
- The grant, vest and exercise of option in case of employees who are on long leave.
- Procedure for cashless exercise of options.

The salient features of the ESOS 2014 are presented below:

1. Total number of options to be granted:

The maximum number of Stock Options granted to all the Eligible Employees shall not exceed 25,00,000 of the aggregate number of fully diluted issued and paid up Share Capital of the Company on the Effective Date of ESOS 2014.

The Board may with the approval of the shareholders increase the maximum number of options under the ESOS at any time.

One option entitles the holder of the options to apply for one equity share of the Company.

2. Identification of classes of employees entitled to participate in the ESOS:

The employees of the Company and its holding and subsidiary Company(ies), as defined in ESOS Guidelines (including any statutory modification(s) or re-enactment of the Act or the Guidelines, for the time being in force), , whether working in India or out of India including the Directors, whether Whole-time Directors or otherwise, as may be decided by the Nomination and Remuneration Committee from time to time, would be entitled to be granted stock options under the ESOS Scheme(s).

An employee who is a promoter or belongs to the promoter group will not be eligible to participate in the ESOS. A director who either by himself or through his relative or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the company shall not be eligible to participate in the ESOS

The class of employees eligible for participating in the ESOS shall be determined on the basis of grade of the employee, length of service, his role and contribution to overall performance of the Company, the performance of profit centre/division to which he belongs, merits of employee, future potential contribution by the employee, etc. any other criteria as may be decided by the Board/Nomination and Remuneration Committee at its sole discretion from time to time.

The options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner.

3. Requirements of vesting and period of vesting :

Vesting of options may commence after a period of not less than 1 (one) year from the date of grant and the vesting period may extend up to maximum of 4 years or such further or other period as the Board/Nomination and Remuneration Committee may determine, from the Grant Date.

The vesting may occur in one or more tranches, subject to the terms and conditions of vesting as may be stipulated by the Board/Nomination and Remuneration Committee which may include satisfactory performance of the employees and their continued employment with the Company, as the case may be, unless such employment is discontinued on account of death, permanent/total disability or on retirement.

If the employer voluntarily terminates employment with the Company, the options to the extent not vested shall lapse/expire and be forfeited forthwith. However, this shall not be applicable to the employee of the Company who has resigned or who may resign from time to time, if, approved by the Board/Nomination and Remuneration Committee.

4. Transferability of Employee Stock Options:

The Stock Options granted to an Eligible Employee shall not be transferable to any person and shall not be sold pledged, hypothecated, mortgaged or otherwise alienated in any manner. However, in the event of the death of an employee while in employment, the right to exercise all the options granted to him till such date shall be transferred to his legal heirs or nominees.

5. Exercise Price or Pricing Formula:

The exercise price for the purpose of grant of options will be decided by the Nomination and Remuneration Committee at the time of the grant of options to an employee and shall not be less than the face value of the Company's Equity Shares. The exercise price for the purpose of grant of options will be the market price on the date of grant or the date of vesting of options or such other price as the Nomination and Remuneration Committee may determine within the guidelines prescribed by the Securities and Exchange Board of India or other relevant authority from time to time.

6. Exercise Period and the process of Exercise:

The Exercise period will commence from the date of vesting and the vested options will be exercisable by the Employees on payment of Exercise Price in full within a period of 2 years as mentioned in scheme.

The options will be exercised by the employees by written application to the designated officer of the Company/trust/other entity which may be set up in any permissible manner for the purpose of the scheme to exercise the options in such manner and on execution of such documents, as may be prescribed by the Nomination and Remuneration Committee from time to time.

The options will lapse if not exercised within the specified exercise period and may also lapse under certain circumstances as may be determined by the Nomination and Remuneration Committee even before the expiry of the specified exercise period.

7. Appraisal Process for determining the eligibility of the employees to ESOS:

The appraisal process for determining the eligibility of the employee will be specified by the Nomination and Remuneration Committee and will be based on criteria such as seniority of employee, length of service, performance record, merit of the employee, future potential contribution by the employee or such other criteria that may be determined by the Nomination and Remuneration Committee at its sole discretion.

The Nomination and Remuneration Committee will also determine the weightage / relative importance to be attached to each criteria for determining the eligibility of the employees.

8. Maximum number of options to be issued per employee and in aggregate:

The number of options that may be granted to employees under the Scheme shall be determined by the Nomination and Remuneration Committee from time to time. The maximum number of Stock Options granted to any Eligible Employee in any financial year shall not be more 1% of the Issued and Paid-up Share Capital of the Company on Fully Diluted Basis and in aggregate shall not exceed 25,00,000 Stock Options subject to fair and reasonable adjustment in case of corporate actions such as rights issue(s), bonus issue(s), merger(s), demerger(s), divestment(s), restructuring, etc.

9. Disclosure and Accounting Policies:

The Company and its subsidiary Companies shall comply with the disclosure and the accounting policies prescribed by SEBI and any other concerned authorities, from time to time.

10. Valuation Method:

The method of valuation which the Company will use to value its options will be fair value method as prescribed in the SEBI Guidelines.

In case the Company calculates the employee compensation cost using intrinsic value of the stock options, the difference between the employee compensation cost so computed and employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in Directors' Report.

As the ESOS 2014 provides for the issue of shares to be offered to persons other than existing shareholders of the Company, consent of the members is sought pursuant to Section 62 and all other applicable provisions, if any, of the Companies Act, 2013 and as per Clause 6 of the SEBI Guidelines.

11. Other particulars/General

As per ESOS guidelines, a separate resolution is required to be passed if the benefits of ESOS are to be extended to employees of holding or subsidiary Companies. Thus, separate resolution under item 16(Part B) is being proposed to cover those employees and /or such persons as may be permitted from time to time, under prevailing laws, rules and regulations and/or amendments thereto from time to time.

None of the Directors, Key Managerial Personnel or their relatives, are concerned or interested in the resolution at Item No. 16 [A] and [B].

The Board recommends the resolution set forth in Item No. 16 [A] and [B] for the approval of the members.

Item No. 17

The Board of Directors on the recommendation Nomination and Remuneration Committee in their meeting held on May 20, 2014 appointed Mr. Nirmal Kolte as Manager - Projects with effect from May 01, 2014 on the following terms and conditions:

Salary: up to ₹ 200,000/- per month, however subject to a ceiling of ₹ 250,000/- per month.

Salary includes Basic salary, House Rent Allowance, Medical Allowance and Other Allowance as per Company policy.

Perquisites and Allowances:

(a) Medical and accident insurance premium as per company rules

(b) Leave in accordance with the policy of the Company from time to time

Further, the Board of Directors on the recommendation Nomination and Remuneration Committee in their meeting held on August 13, 2014 and subject to the approval of members, revised the terms and conditions as follows:

Salary: ₹ 250,000/- per month, however subject to a ceiling of ₹ 500,000/- per month.

Salary includes Basic salary, House Rent Allowance, Medical Allowance and Other Allowance as per Company policy.

Perquisites and Allowances:

- (a) Medical and accident insurance premium as per company rules
- (b) Leave in accordance with the policy of the Company from time to time

Particulars pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- (a) Name of the Related Party: Mr. Nirmal Kolte
- (b) Name of the Director who is related: Mr. Milind Kolte – Executive Director and Mrs. Sunita Kolte – Executive Director
- (c) Nature of Relationship: Son
- (d) Nature, material terms, monetary value and particulars of contract or arrangement: Salary up to ₹ 250,000/- per month subject to a ceiling of ₹ 500,000/- per month.
- (e) Educational qualification of Mr. Nirmal Kolte: Bachelors in Construction Management from the University of Melbourne, Australia and Master in Management from Lancaster University, UK.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Milind Kolte- Executive Director and Mrs. Sunita Kolte – Executive Director are concerned or interested in the resolution at Item No. 17.

The Board recommends the resolution set forth at Item No. 17 for the approval of the members.

**By Order of the Board
For Kolte-Patil Developers Limited**

**Place: Pune
Date: August 13, 2014**

**Vinod Patil
Company Secretary**

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

Particulars	Mr. Rajesh Patil	Mr. Naresh Patil	Mr. Milind Kolte	Mrs. Sunita Kolte	Mrs. Vandana Patil
Designation	Chairman and Managing Director	Vice Chairman	Executive Director	Executive Director	Executive Director
Age (in years)	51	49	53	47	42
Date of Appointment	25 th November 1991	25 th November 1991	25 th November 1991	15 th April 1995	16 th January 2012
Qualification	B. E. (Civil)	B. Com	B. Com, LLB	B. Com	B. Com
Expertise in specific functional areas	Total experience of more than 23 years in business development, land procurement and funding requirements of the group companies, the new business planning and strategies.	Total experience of more than 23 years in Real Estate industry and his role and responsibilities include handling of the day-to-day business operations of the Company's business in Bangalore.	Total experience of more than 23 years in Real Estate industry for legal matters, operations, procurement, Liaisoning and planning of construction activity. His role and responsibilities include handling of the entire group Companies' day-to-day legal matters and operations, procurement and planning of construction activity.	Total experience of more than 20 years in Real Estate industry for sales promotion, advertisement, publicity and public relations for the Company	Total experience of more than 6 years in Cost Management and Human Resource Development.
Number of other Public Limited Companies (in India) in which Directorship held	8	3	8	1	3
Chairman/ Member of Committees of the Company	NIL	NIL	Member of Audit Committee & Nomination and Remuneration Committee	Member of Stakeholders Relationship Committee	Member of Corporate Social Responsibility Committee.
Relationship with other Directors	Brother of Mr. Naresh Patil, Vice Chairman and Mrs. Sunita Kolte, Executive Director	Husband of Mrs. Vandana Patil, Executive Director, Brother of Mr. Rajesh Patil, Chairman and Managing Director and Mrs. Sunita Kolte, Executive Director	Husband of Mrs. Sunita Kolte, Executive Director	Wife of Mr. Milind Kolte Executive Director, Sister of Mr. Rajesh Patil, Chairman and Managing Director and Mr. Naresh Patil, Vice Chairman	Wife of Mr. Naresh Patil, Vice Chairman
Number of shares held	1,54,86,031	1,49,49,148	64,42,156	55,39,553	70,39,319

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

Particulars	Mr. Jayant Pendse	Mr. Achyut Wate	Mr. G. L. Vishwanath	Mrs. Manasa Vishwanath	Mr. Prakash Gurav
Designation	Non-Executive Director	Non-Executive Director	Non-Executive Director	Non-Executive Director	Non-Executive Director
Age (in years)	68	62	52	54	61
Date of Appointment	29 th October 2009	26 th December 2006	26 th December 2006	17 th January 2012	13 th August, 2014
Qualification	Bachelors' Degree in Science (Geology) and Masters' Degree in Exploration Geophysics from Indian Institute of Technology, Kharagpur	B. E. (Civil)	LL.B	B.A., LL.B	Chartered Accountant
Expertise in specific functional areas	After completing his Masters degree, he joined Indian Revenue Service in 1969 as an Officer of Income Tax Department in various cities and was promoted as Commissioner of Income Tax in 1991 and was posted in Hyderabad, Chennai and Pune. During the service in Income Tax Department, he was also on deputation to Oil and Natural Gas Commission (ONGC) where he handled development of Bombay High from 1978 to 1984. He was also on deputation as member of Income Tax Appellate Tribunal. He was then promoted as Chief Commissioner of Income Tax at Madurai and as Director General Investigation at Hyderabad. Thereafter, he was appointed as an Additional Secretary to Government of India and was posted as the Member of Central Board of Direct Taxes (CBDT). In 2006, he was appointed as the member of Income Tax Settlement Commission (ITSC) promoted in February 2007 as Vice Chairman - ITSC and further promoted in October 2007 as Chairman - ITSC, a post equivalent to the Secretary to Government of India. After retirement in June 2008, he is practicing as an Advocate in Pune.	Total experience of more than 34 years in the field of structural Engineering. Under his leadership, his firm has provided structural designs and consultancy for almost all the builders/developers/architects in Pune and Mumbai. Majority of the recent high rise buildings, commercial and residential projects, hotels and retail projects in Pune and Mumbai are using structural designs of his firm.	Total experience of 28 years in legal field mainly constitutional Law, Corporate Law, M&A, Trademark, IPR, Contracts and Disputes relating to land property matters.	Total experience of 27 years in legal field mainly Civil Matter, Consumer Disputes, Family Law Matter and Property Law Matter.	He is a qualified Chartered Accountant with more than 35 years of professional experience. For 19+ years, he was associated with Cummins India Limited, a subsidiary of Cummins Inc., USA, one of the renowned companies in the world, engaged in design, development, manufacture and sale of IC engines for various applications, mainly for automotive and captive power equipment. He was on the Board of Cummins India Limited as an alternate Director and was also on the Board of many Cummins entities in India. He led the Finance function and was a member of senior management operations team, responsible for oversight of Cummins India operations. He had a stint of 12+ years at Tata Motors Limited (TML) and was Senior Vice President – Corporate Finance, at the time of his retirement on December 31, 2013. At TML, he set up captive "Shared Service" and led the initiative of listing of TML at the New York Stock Exchange, USA. He was on the Board of many TML subsidiaries. He has an extensive experience in Accounting and control, External Financial Reporting, Taxation, Costing, IT and Business Management. Currently, he is associated with Tata Capital as Senior Advisor – Private Equity group.
Number of other Public Limited Companies (in India) in which Directorship held	3	1	NIL	NIL	3
Chairman/ Member of Committees of the Company	Member of Audit Committee, Stakeholders Relationship and Corporate Social Responsibility Committee Chairman of Nomination and Remuneration Committee.	Member of Audit Committee, Stakeholders Relationship and Nomination and Remuneration Committee Chairman of Corporate Social Responsibility Committee.	Member of Audit Committee, Stakeholders Relationship and Nomination and Remuneration Committee	NIL	Chairman of Audit Committee Member of Stakeholders Relationship and Corporate Social Responsibility Committee and Nomination and Remuneration Committee
Relationship with other Directors	NIL	NIL	Husband of Mrs. Manasa Vishwanath	Wife of Mr. G. L. Vishwanath	NIL
Number of Shares held	NIL	10,000	NIL	NIL	NIL

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting 23rd Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended on 31st March 2014.

The Company is engaged in various segments namely Real Estate Development, Hospitality and Retail. However, in the financial year 2013-14, there was only one reportable segment namely Real Estate Development.

Financial Highlights:

(₹ In Lakhs)

Particulars	Consolidated		Standalone	
	2013-14	2012-13	2013-14	2012-13
Revenue from Operations	76,422	72,748	18,723	18,141
Other Income	1,516	3,653	4,403	4,963
Total Income	77,938	76,401	23,126	23,104
Profit before interest, depreciation, amortization and taxes (EBITDA)	23,598	22,858	8,067	10,055
Depreciation and amortization	708	587	175	147
Interest and finance charges	4,567	3,634	2,729	984
Profit Before Tax	18,323	18,637	5,163	8,924
Tax expenses	6,632	6,246	525	2,357
Profit After Tax	11,691	12,391	4,638	6,567
Minority Interest	2,487	1,647	--	--
Profit for the year	9,204	10,744	4,638	6,567
Earnings Per share (in ₹)	12.15	14.18	6.12	8.37

Dividend

Your Directors had declared and paid interim dividend of ₹ 1.50 per share on 7,57,74,909 equity shares during the year under review. Further, your Directors have recommended a final dividend of ₹ 1.60 per equity share on 7,57,74,909 equity shares of ₹ 10 each. This dividend is subject to the approval of the members at the forthcoming 23rd Annual General Meeting to be held on September 13, 2014.

During the year, the Company has paid/recommended dividend aggregating to ₹ 3.10 per share i.e. 31% of the Face Value of the Equity Shares of ₹ 10 each.

Projects under development

“**Life Republic**” is situated at Jambhe, Near Hinjewadi, Pune. The phase-I (approx. 150 acres) of the Life Republic project consists of various sectors i.e. 1/2/3 BHK Apartments, Row Houses, Twin Bungalows. The construction of various sectors of the phase 1 is completed more than 80% and the Company expects to deliver the possession before November 2014. Also, the Company has completed a substantial infrastructure of the project. The Company has received location clearance for Phase II of the project and applied for the requisite approvals. The phase 1 of the project is almost sold out.

“**Ivy Estates**” is located at Wagholi, Pune comprising Development form of 1 BHK to Independent Villas. It is spread across over approx. 73 acres of lush green surroundings. During the year, the company has completed the construction of 19 Lakhs sq. ft. saleable area in 1st phase and also developed the substantial infrastructure for IVY estate project. In respect of 2nd phase the Company has applied for requisites approvals, it is expecting all required approvals in the middle of FY 2014-15. The 1st phase of the project is almost sold out and the Company has given the possession of more than 1000 units. The Company is expecting good response for the proposed 2nd phase.

“**24K Jazz (24K Glitterati II)**” is another masterwork by 24K brand, based near the iconic Glitterati project. This project is designed for people who are born to indulge in extravagant luxury. The charismatic features and sensational design evidently elevate 24K Glitterati Phase II to the next level of architectural brilliance. The project is pre-launched and the company expects good response.

“**Tuscan Estate**” is located on the eastern side of the Pune city having many IT companies in the vicinity. The project consists of 3 BHK Luxury Apartments and 4 BHK penthouses. The total saleable area is approx. 129,400 sq. ft. The phase 1 of project is almost sold out and construction of phase I is completed and the company has given the possession to the flat owners. The construction of 2nd phase is in progress. The Directors foresee a good response for the 2nd phase of the project.

“**Down Town**” is located at Kharadi. The project consists of residential and commercial buildings. The project is divided into several parts namely Beryl, Cheryl and Langston (Residential Buildings) Arissa Avenues (Commercial Buildings). The Beryl project phase - 2 has been sold out to the extent of 65% and the project is expected to be completed by June 2015. The Cheryl project phase -2 is sold out to the extent of 55% and expected to be completed by May 2015. The Langston project is 80% sold out and expected to be completed by May 2015. The Arissa Avenues is 100% sold out and nearing completion. City vista is the new feather in our cap. Located in the Downtown, it comprises office space and retail ranging from area 708 to 5000 sq. ft. The project is 60% sold out and possession is expected to be given around December 15 onwards.

“**Florence**” is a 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 saleable area of approx. 540,000 sq. ft. The construction is in progress. The Company has received an excellent response for the project as it offers ambience of natural beauty while being closely connected to the essential necessities of life.

“**24K Glamorè**” is not just any other project. It is being conceived with a purpose to appeal to rich taste. Located in the area of 45-acre Hills and Dales. 24K Glamorè promises quality of life with a wide and well developed roads and ready to use amenities, beautiful villas in the vicinity, landscaped gardens with unique water bodies and rejuvenation facilities make sure you are always surrounded with the best that life has to offer.

“**Three Jewels**” is the project that is considered as gateway to prosperity. The Project is coming up near peaceful but well-connected Katraj - Kondhwa Road. Three Jewels enjoys complete social infrastructure and excellent connectivity to all important parts of the city. Spread across 35 acres, it features 1, 2 and compact 3 bedroom apartments and excellent lifestyle amenities.

Three Jewels is a home for everyone who wants to enjoy the benefits of living in a city without having to put up with the chaotic life. The homes with amenities and atmosphere full of serenity; offers everything that needs to enjoy life in every sense.

We have reserved more than 50% area of the project for open spaces which offers fresh air and closeness to nature and gardens. Every home gets beautiful views of the amenity space or surrounding majestic hills. The Company has launched the project and received an overwhelming response.

Projects Highlights - Bangalore

“**Raaga**” thoughtfully designed, competitively priced quality homes comprising 2 and 3 BHK on Kannur Road near Thanissandra, Bangalore. Raaga is spread over 4.5 acres and having saleable area of approx. 6,51,769 sq. ft. 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 Company has launched the phase 1 of the project and obtained the commencement certificate for the project and construction has started. The Company foresee a good response for the project.

“**Mirabilis**” is an upcoming luxury residential project situated at Horamavu - Banaswadi Road, Bangalore having saleable area of approx. 7,84,066 sq. ft. The Company has applied for the requisite approvals.

Projects in Mumbai

Link Palace Co-operative Housing Society Limited is the company's first project in Mumbai. Link Palace is located in the western suburb of Mumbai on Khar-Linking Road, next to shopping arcades and premium branded showrooms like Benetton, Tommy Hilfiger, OVS etc. The project has a plot area of 1,594 square meters with the company having an economic interest of ~20,000 square feet. Jay Vijay CHS is the second project located at Ville Parle East, having a total plot size of 8,979 square meters with the company having an economic interest of 1.6 lakh square

feet. The second project, Jumbo Darshan, is located in Andheri East, with a total plot size of 7,077 square meters with the company having an economic interest of 1.1 lakh square feet. The Company will commence construction on Link Palace by mid-FY2015 and will launch the other two projects once the requisite approvals are in place.

Projects in Goa

“**Mar Esmeralda**” is designed in a contemporary interpretation of Goan Architecture; it offers 62 residences with the finest of luxury features. At these finely crafted 3 BHK homes, even time stretches luxuriously in appreciation of life. The living spaces are designed to stretch the definition of luxury. Surrounded in pristine greens, Mar Esmeralda is located close to some of the best beaches in Goa. The beach life is just a walk away. Mar Esmeralda is the perfect residential destination, bringing together the highlights of Goan life. The Project is launched in June 2014 and the construction has been commenced and the Company foresees a good response.

The projects namely Life Republic, Ivy Estates, Tuscan Estates, Down Town, Florence and Three Jewels are developed under Special Purpose Vehicle and rest of the Projects are developed by the Company.

Directors

During the year under review, Mr. Prakash Gurav has been appointed as Additional Director (Non-Executive Independent Director) with effect from August 13, 2014 and the Board recommends his appointment for the approval of members in the ensuing 23rd Annual General Meeting. Mr. Manish Doshi – Non Executive Independent Director has been resigned from the Board with effect from August 13, 2014.

The current composition of Board of Directors is as follows:

1. Mr. Rajesh Patil – Chairman and Managing Director
2. Mr. Naresh Patil – Vice Chairman
3. Mr. Milind Kolte – Executive Director
4. Mrs. Sunita Kolte – Executive Director
5. Mrs. Vandana Patil – Executive Director
6. Mr. Achyut Watve – Non Executive Independent Director
7. Mr. Jayant Pendse – Non Executive Independent Director
8. Mr. G L Vishwanath – Non Executive Independent Director
9. Mrs. Manasa Vishwanath – Non Executive Independent Director
10. Mr. Prakash Gurav – Non Executive Independent Director

Pursuant to Section 152 of the Companies Act, 2013 read with the Article 167 of Articles of Association of the Company, Mrs. Vandana Patil, Mrs. Manasa Vishwanath and Mr. Jayant Pendse retire by rotation and being eligible, have offered themselves for re-appointment at the ensuing 23rd 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 23rd Annual General Meeting.

Subsidiary Companies

The Company has 13 subsidiary Companies as on 31st March 2014 namely, Tuscan Real Estate Private Limited, Kolte-Patil Real Estate Private Limited, Bellflower Properties Private Limited, Snowflower Properties Private Limited, Yashowardhan Promoter and Developers Private Limited, Jasmine Hospitality Private Limited, Sylvan Acres Realty Private Limited, Lilac Hospitality Private Limited, Olive Realty Private Limited, PNP Retail Private Limited, PNP Agrotech Private Limited, Regenesi Facility Management Company Private Limited and Regenesi Project Management Company 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 Statement of Profit and Loss of its subsidiaries to its Annual Report. The Ministry of Corporate Affairs vide its General Circular No. 2/2011 dated 8th February 2011 has 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 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 I to the Directors' Report.

Amalgamation of Oakwoods Hospitality Private Limited

Pursuant to the Scheme of Amalgamation as approved by High Court, Bombay, Oakwoods Hospitality Private Limited (a Wholly Owned Subsidiary of the Company) has been merged with the Company with effect from April 01, 2013. The High Court, Bombay has approved the scheme vide their order dated March 18, 2014 with effect from April 01, 2013. The all the assets and liabilities have been transferred with effect from April 01, 2013 in the books of the Company. The detailed note on amalgamation is given in point no. 33 in 'Notes to Accounts' forming part of the Audited Financial Statements.

Fixed Deposits

Your Company had been accepting Fixed Deposits for a period of 1 year, 2 years and 3 years. The Management is thankful to all the investors for participating in the scheme and for the faith reposed in the Company.

The outstanding Fixed Deposits accepted as on 31st March 2014 stood at ₹ 1265 Lakhs as against ₹ 1691 Lakhs in the previous year. For the year ended 31st March 2014, your Company has mobilized deposits aggregating to ₹ 235 Lakhs (Previous year ₹ 982 Lakhs). None of the deposits which have matured and claimed have remained unpaid. Pursuant to the provisions of the Companies Act, 2013, the Company will be repaying the outstanding fixed deposits by March 31, 2015.

Investors' Relation and Grievances

The Company has a Shareholders' and Investors' Grievance Committee which addresses the issues relating to investors. There were no investor grievances pending as on 31st March 2014. A confirmation to this effect has been received 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 31st March 2014 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. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018), Chartered Accountants, Pune 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

As we work towards building a sustainable organization, the two primary focus areas are to build a culture of meritocracy and customer centricity. Thus HR will focus on creating and implementing the building blocks towards this goal. This year, we aim to intensify focus on employees having clarity on their roles and responsibilities, creating job awareness and driving employee accountability.

HR will focus on driving the variable compensation which will be linked to individual as well as organization performance. This concept will be further drilled down by defining interfaces required with different functions by putting RACI for key processes and ensuring that the process owners work cohesively, as an integrated team.

In order to build a motivating workforce, this year we intend to roll out the Employee Reward and Recognition program that will ensure that attributes beyond performance are recognized and rewarded.

To ensure that we build a sustainable organisation that can support our growth and expansion plans, creating a leadership pipeline, is one of our key focus area. This will entail developing leadership and business competencies for employees across the various levels. We will continue to recruit from recognized institutions. We plan to procure training software that will help us train our employees on business competencies.

HR will focus on building capabilities by using the Capability Maturity Model in order to ensure that our goals and Objectives are achieved.

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

As the Company is not engaged in the manufacturing activities, the information related to Conservation of Energy and Technology absorption 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, therefore, these details have not provided.

The details of Foreign Exchange earnings and Outgo are given in point no. 30 in 'Notes to Accounts' forming part of the Audited Financial Statements.

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.

Acknowledgments

Your 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 consistently delivering quality to our 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 for reposing their confidence and faith in the Company and its management.

For and on behalf of the Board

Pune
Date: August 13, 2014

Rajesh Patil
Chairman and Managing Director

Annexure I - Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiaries Companies														₹ in Lakhs	
Name of the Subsidiary	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	Regensis Management Company Private Limited	Regensis Facility Management Company Private Limited	Regensis 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	
															31-Mar-14
1 Financial period ended	50,0001% in Equity	51% in Equity	100% in Equity	100% in Equity	100% in Equity	51% in Equity	100% in Equity	100% in Equity	100% in Equity	100% in Equity	100% in Equity	100% in Equity	100% in Equity	100% in Equity	100% in Equity
2 Holding Company's Interest	1,687	173	89	(262)	(1)	2,266	36	(11)	21	-	-	-	(2)	(35)	
3 Shares held by the Holding Company in the Subsidiary Company	500,000 equity shares of ₹10 each fully paid up	51,000 equity shares of ₹100 each fully paid up	185,000 equity shares of ₹10 each fully paid up	80,000,000 equity shares of ₹10 each fully paid up	500,000 equity shares of ₹100 each fully paid up	1,60,81,925 equity shares of ₹10 each fully paid up	20,000 equity shares of ₹10 each fully paid up	499,998 equity shares of ₹100 each fully paid up	1,000,000 equity shares of ₹10 each fully paid up	3,01,69,020 equity shares of ₹10 each fully paid up	50,000 Equity Shares of ₹10 each fully paid up	50,000 Equity Shares of ₹10 each fully paid up	50,000 equity shares of ₹10 each fully paid up	41,83,500 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	843	88	89	(262)	(1)	1,156	36	(11)	21	-	-	-	(2)	(35)	
a dealt with or provided for in the accounts of the Holding Company	843	85	-	(0)	-	1,110	0	(0)	0	-	-	-	(0)	(0)	
b not dealt with or provided for in the accounts for the Holding Company	1,360	405	100	(300)	53	680	28	1	-	-	-	-	(2)	(8)	
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	680	207	100	(300)	53	347	28	1	-	-	-	-	(2)	(8)	
a dealt with or provided for in the accounts of the Holding Company	680	199	-	(0)	-	333	0	0	-	-	-	-	(0)	(0)	
b not dealt with or provided for in the accounts for the Holding Company															
Subsidiary	Paid-up Capital	Reserves	Loans	Total Assets	Total Liabilities	Long Term	Investment Current	Total	Total Revenue	Profit/ (Loss) before taxation	Provision for Taxation	Profit/ (Loss) after taxation			
Bellflower Properties Private Limited	100	2,951	-	5,541	5,541	-	-	-	7,939	2,553	866	1,687			
Tuscan Real Estate Private Limited	100	390	6,435	10,586	10,586	-	-	-	5,979	245	72	173			
Yashwardhan Promoters and Developers Private Limited	19	243	-	1,753	1,753	-	-	-	371	132	43	89			
PNP Retail Private Limited	800	(786)	-	963	963	-	-	-	571	(377)	(115)	(262)			
Sylvan Acres Realty Private Limited	1,000	4,551	-	5,554	5,554	-	-	-	-	(1)	-	(1)			
Kolte-Patil Real Estate Private Limited	3,153	14,893	610	25,531	25,531	-	-	-	10,593	3,413	1,147	2,266			
Regensis Facility Management Company Private Limited	2	46	-	103	103	-	-	-	202	54	17	36			
Regensis Project Management Company Private Limited	500	(386)	-	115	115	-	-	-	3	(11)	-	(11)			
Olive Realty Private Limited	100	20	2,758	3,634	3,634	-	-	-	140	30	9	21			
Jasmine Hospitality Private Limited	3,017	718	166	3,910	3,910	-	-	-	-	-	-	-			
Snowflower Properties Private Limited	5	-	11,330	11,621	11,621	-	-	-	-	-	-	-			
Lilac Hospitality Private Limited	50	(47)	15	19	19	-	-	-	-	(2)	(0)	(2)			
PNP Agrotech Private Limited	418	(51)	146	928	928	-	-	-	27	(29)	6	(35)			

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 31st March, 2014.

Name	Designation	Qualification	Age (Years)	Joining Date	Experience (Years)	Total remuneration (₹ in Lakhs)	Previous employment, Designation	Percentage of Equity Shares held
Mr. Rajesh Patil	Chairman and Managing Director	B. E. Civil	51	25-Nov-91	23	60.40		20.44%
Mr. Naresh Patil	Vice Chairman	B. Com	49	25-Nov-91	23	60.40		19.73%
Mr. Milind Kolte	Executive Director	B. Com, LL. B.	53	25-Nov-91	23	60.40	Promoters of the Company	8.50%
Mrs. Sunita Kolte	Executive Director	B. Com	46	15-April-95	20	60.40		7.31%
Mrs. Vandana Patil	Executive Director	B. Com	42	16-Jan-12	6	60.40		9.29%

NOTES :

- 1) Designation denotes the nature of duties also.
- 2) Total Remuneration includes salary, Company's contribution to Provident Fund, allowances, bonus, perquisites 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.

Place: Pune

Date: August 13, 2014

For and on behalf of the Board of Directors

Rajesh Patil
Chairman and Managing Director

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

Corporate Governance is 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 a management's ability to take sound decisions in the best interest of all its stakeholders. Philosophy of Corporate Governance is primarily based on the principles of integrity, transparency, fairness, accountability, full disclosure, independent monitoring of the state of affairs.

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 and Bombay Stock Exchange Limited.

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 2013-14.

1. 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. As on March 31, 2014, 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 31st March, 2014 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 hereinbelow. 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 Stakeholders Relationship Committees:-

Name of Director	Category	Number of Board Meetings held during the year 2013-14		Whether attended last AGM held on 27 th July 2013	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	6	6	Yes	8	-	1
Mr. Naresh Patil** (Vice Chairman)	Non- Independent Executive	6	2	No	3	-	-
Mr. Milind Kolte (Executive Director)	Non- Independent Executive	6	6	Yes	8	1	-
Mrs. Sunita Kolte (Executive Director)	Non- Independent Executive	6	6	Yes	1	-	-
Mrs. Vandana Patil** (Executive Director)	Non-Independent Executive	6	2	No	3	-	-
Mr. Manish Doshi [§]	Independent Non-Executive	6	4	Yes	NIL	-	-
Mr. G. L. Vishwanath	Independent Non-Executive	6	1	Yes	NIL	-	-
Mr. Achyut Watve	Independent Non-Executive	6	5	No	1	-	-
Mr. Jayant Pendse	Independent Non-Executive	6	4	Yes	3	-	-
Mrs. Manasa Vishwanath	Independent Non-Executive	6	1	Yes	NIL	-	-

** Mr. Naresh Patil – Vice Chairman and Mrs. Vandana Patil – Executive Director were present for the Board Meetings through teleconference.

§ Resigned from the Board with effect from August 13, 2014.

4. Six 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 :

30th April, 2013; 21st June, 2013; 27th July, 2013; 13th September, 2013; 26th October, 2013 and 24th January, 2014.

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.

Among other important information, minutes of all the Committee meetings, are regularly placed before the Board in their meetings

AUDIT COMMITTEE:

The Audit Committee of the Company comprises of 5 members, in which 4 members are Independent Directors. Mr. Vinod Patil, 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:

- ❖ Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ❖ Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including internal and cost auditors, and fixation of audit fees and other terms of appointment;
- ❖ Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- ❖ Reviewing and monitoring the end use of funds raised through public offers and related matters;
- ❖ Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;
- ❖ Approval or any subsequent modification of transactions of the Company with related parties;
- ❖ Scrutiny of inter-corporate loans and investments;
- ❖ Valuation of undertakings or assets of the Company, wherever it is necessary;
- ❖ Evaluation of internal financial controls and risk management systems;
- ❖ Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems;
- ❖ Discussion with internal auditors, any significant findings and follow-up thereon; and
- ❖ Discussion with statutory auditors, before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.

b) Meetings

During the financial year 2013-14, the Audit Committee met Five (5) times on 30th April, 2013; 21st June, 2013; 27th July, 2013; 26th October, 2013 and 24th January, 2014.

c) Composition of Audit Committee and attendance

The composition of the Audit Committee as on 31st March, 2014 and attendance of members in the meetings held during the financial year 2013-14 are as under:

Name of the Member	Designation	Category	No. of meetings attended
Mr. Manish Doshi	Chairman	Independent Director	4
Mr. G. L. Vishwanath	Member	Independent Director	1
Mr. Achyut Watve	Member	Independent Director	4
Mr. Jayant Pendse	Member	Independent Director	3
Mr. Milind Kolte	Member	Executive Director	5

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of 5 members, in which 4 members are Independent Directors.

a) Terms of Reference to Nomination and Remuneration Committee

1. To recommend to the Board appointment, re-appointment of Directors, Executive Directors and Key Managerial Personnel and determination, fixation of the remuneration and revision in the remuneration payable to the existing Executive Directors of the Company and removal of the director/Executive Director/ Key Managerial Personnel;
2. To formulate the criteria for determining qualifications, positive attributes and independence of the director;
3. To recommend the Board a policy related to the remuneration of Directors, Key Managerial Personnel and other employees;
4. To carry out evaluation performance of every Director of the Company; and
5. To grant and allotment of stock options to the eligible employees.

b) Meetings of Nomination and Remuneration Committee

During the financial year 2013-14, the meeting of Nomination and Remuneration Committee was held on 30th April, 2013.

c) Composition of Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on 31st March, 2014 and attendance of members in the meetings held during the financial year 2013-14 are as under:

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

d) 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.

e) 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 2013-14 are as follows:-

Sr. No.	Name of the Director	No. of meetings attended	Sitting fees paid (₹ in Lakhs)
1.	Mr. Manish Doshi	4	0.80
2.	Mr. Achyut Watve	5	1.00
3.	Mr. G. L. Vishwanath	1	0.20
4.	Mr. Jayant Pendse	4	0.80
5.	Mrs. Manasa Vishwanath	1	0.20
Total			3.00

f) Details of remuneration paid to the Executive Directors of the Company

The remuneration paid to the Chairman and Managing Director and to the Executive Directors is within the ceiling limit, as decided by the Shareholders in their Annual General Meeting held on 31st July, 2010. The remuneration paid to the Executive Directors for the year ended on 31st March, 2014 is as follows:

(₹ in Lakhs)

Name of Director	Designation	Salary, Allowances and Perquisites
Mr. Rajesh Patil	Chairman and Managing Director	₹ 60.40
Mr. Naresh Patil	Vice Chairman	₹ 60.40
Mr. Milind Kolte	Executive Director	₹ 60.40
Mrs. Sunita Kolte	Executive Director	₹ 60.40
Mrs. Vandana Patil	Executive Director	₹ 60.40
Total		₹ 302.00

g) Shareholding of Independent Directors

The shareholding of Independent Directors as on 31st March, 2014 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

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship 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. The 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 2013-14, 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 Stakeholders Relationship Committee and Attendance

The constitution of the Committee as on 31st March, 2014 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 1st April, 2013 up to 31st March, 2014 is as follows:

Number of complaints received	No. of complaints resolved	Number of complaints pending
18	18	Nil

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee of the Company comprises of 5 members, in which 4 members are Independent Directors.

a) Terms of Reference to Corporate Social Responsibility Committee

- ❖ To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- ❖ To recommend the amount of expenditure to be incurred on the CSR activities;
- ❖ To monitor the implementation of the framework of the CSR Policy; and
- ❖ To recommend to the Board approval of CSR expenditure including contribution to corpus for projects/ programs related to CSR activities.

b) Composition of Corporate Social Responsibility Committee

The composition of the Corporate Social Responsibility Committee is as follows:

Name of the Member	Designation	Category
Mr. Achyut Watve	Chairman	Independent Director
Mr. Jayant Pendse	Member	Independent Director
Mr. Milind Kolte	Member	Executive Director
Mrs. Vandana Patil	Member	Executive Director

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	Purpose of Special Resolution
2010-11	30 th July, 2011 at 12.00 noon	Maharatta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016	NIL	N.A.
2011-12	28 th July, 2012 at 12.15 PM	Maharatta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016	NIL	N.A.
2012-13	27 th July, 2013 at 11.30 AM	Maharatta Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune – 411016	NIL	N.A.

POSTAL BALLOT

During the year, a Resolution for approval of Scheme of Amalgamation of Oakwoods Hospitality Private Limited (Wholly Owned Subsidiary) was passed by the Shareholders of the Company through Postal Ballot.

The Board had appointed Mr. S. V. Deulkar, Practising Company Secretary, as the scrutinizer to conduct the Postal Ballot process. The result of the postal ballot was declared on 17th June, 2013. Details of the voting pattern if as under:

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group**	5,64,79,095	0	0	0	0	0	0
Public – Institutional holders	48,50,504	11,75,338	24.23%	11,75,338	0	100%	0
Public-Others	1,44,45,310	140,556	0.97%	138,440	504	98.49%	0.36%
Total	7,57,74,909	13,15,894	25.20%	13,13,778	504	99.25%	0.36%

** Pursuant to the Clause 5.16 (a) of the SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013, the Promoter and Promoter Group have not taken part in postal ballot voting.

DISCLOSURES**(A) Subsidiary Companies**

The Company has two material non-listed Indian subsidiaries (namely Bellflower Properties Private Limited and Kolte-Patil Real Estate Private Limited) whose turnover exceeds 20% of the consolidated turnover of the listed holding and its subsidiaries in the immediately preceding accounting year.

The Company has complied with the Clause 49 of the Listing Agreement mainly:-

- i) The Company has appointed one independent director (i.e. Mr. Jayant Pendse – Independent Director) on the Board of Directors of Bellflower Properties Private Limited and one independent director (i.e. Mr. Achyut Watve – Independent Director) on the Board of Directors of Kolte-Patil Real Estate Private Limited
- ii) The Audit Committee of the Company has also review the financial statements, in particular, the investments made by Bellflower Properties Private Limited and Kolte-Patil Real Estate Private Limited.

- iii) The minutes of Bellflower Properties Private Limited and Kolte-Patil Real Estate Private Limited have been placed at the Board meeting of the Company. The management has periodically brought to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by Bellflower Properties Private Limited and Kolte-Patil Real Estate Private Limited.

(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) 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

(G) 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.

(H) Code of Conduct

The 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 Maharashtra Times, Business Standard and Economic Times. The results are also displayed on Company's website 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, September 13, 2014 at 11.00 AM
Venue	: Maharashtra Chamber of Commerce Industries & Agriculture, Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCA Trade Tower, Senapati Bapat Road, Pune 411 016, Maharashtra, India.
Financial Year	: 1 st April, 2013 to 31 st March, 2014.
Date of Book Closure	: Saturday, September 06, 2014 to Saturday, September 13, 2014 (both days inclusive).
Dividend Payment Date	: Thursday, September 18, 2014.

b) Listing on Stock Exchanges and Scrip Code

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

- National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051
- Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

Scrip Code	BSE Code: 532924 NSE Code: KOLTEPATIL
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Annual listing fees have been paid for the financial year 2014 – 2015 to NSE & BSE.

Annual custodian charges/issuers fees have been paid for the financial year 2014 – 2015 to NSDL & CDSL.

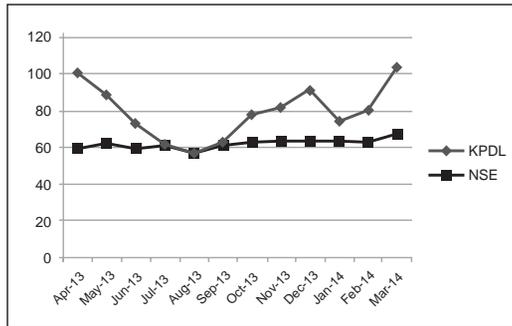
c) Market Price Data

The monthly high and low quotations and volume of shares traded on BSE and NSE from 1st April, 2013 upto 31st March, 2014 is as follows:

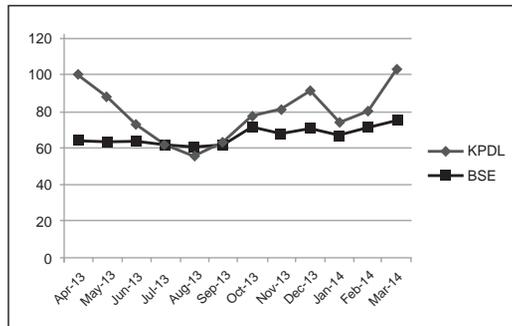
Month	National Stock Exchange (NSE)				Bombay Stock Exchange (BSE)			
	High (₹)	Low (₹)	Close Price (₹)	No. of Shares traded	High (₹)	Low (₹)	Close Price (₹)	No. of Shares traded
April 2013	109	85.55	100.7	66,73,648	109	85.55	100.45	28,77,250
May 2013	106.15	87.4	88.4	47,39,793	106.4	87.3	88	19,10,911
June 2013	90.35	70.2	73.1	14,82,265	90.45	70.2	73	588,622
July 2013	84.2	58	61.75	26,72,505	84	57.9	61.9	1218011
Aug- 2013	69.4	48.28	55.85	16,93,520	67.9	49.4	55.75	628,179
Sept- 2013	72.2	55.05	62.9	48,52,111	72.05	55.05	62.8	18,30,032
Oct- 2013	85.4	60.55	77.65	60,48,823	85.4	61.5	77.75	20,54,697
Nov- 2013	89.9	77.5	81.7	36,38,066	89.75	77.6	81.35	15,77,995
Dec- 2013	95.4	72.6	91.65	73,08,066	95.4	72.9	91.4	27,77,560
Jan-2014	97.9	71.75	74.35	84,02,254	97.75	72	74.2	32,33,234
Feb- 2014	81.35	70.7	80.3	38,03,456	81.25	70.9	80.2	13,48,805
Mar- 2014	105.45	78.1	103.65	78,63,918	105.4	78.35	103.25	26,31,146

d) Performance in comparison to the Board-based Indices

Performance in comparison to NSE Nifty



Performance in comparison to BSE Sensex



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
 E-Mail: investor@bigshareonline.com

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

f) Distribution of Shareholding / Shareholding Pattern as on 31st March, 2014

i. The distribution of shareholding of the Company as on 31st March, 2014 is as follows:

Shareholding of nominal value	Total Holders	% of Total Holders	Total Holding	% of Total Capital
0001 - 500	54,275	95.86	40,13,801	5.30
501 - 1000	1240	2.19	10,08,370	1.33
1001 - 2000	521	0.92	785,647	1.04
2001 - 3000	177	0.31	447,544	0.59
3001 - 4000	89	0.16	323,397	0.42
4001 - 5000	65	0.11	305,732	0.40

Shareholding of nominal value	Total Holders	% of Total Holders	Total Holding	% of Total Capital
5001 - 10000	111	0.20	823,193	1.09
10001 - 999999999	143	0.25	6,80,67,225	89.83
TOTAL	56,621	100	7,57,74,909	100

ii. The Shareholding pattern as on 31st March, 2014 is as follows:

Category	No. of shares	Percentage(%)
Promoters (including Persons Acting In Concert)	5,64,79,095	74.54
Public	1,13,68,826	15.00
Bodies Corporate	26,36,356	3.48
Non-Resident Indians	28,10,758	3.71
Foreign Institutional Investors	16,88,112	2.23
Financial Institutions, Banks and Mutual Funds	290,388	0.38
Employees	137,782	0.18
Clearing Members & Trusts	363,592	0.48
TOTAL	7,57,74,909	100

g) Dematerialization of shares and liquidity

On 17th 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.

The Equity shares of the Company representing 99.99% of the Company share capital are dematerlised as on 31st March 2014.

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.

a) Address of Correspondence

Mr. Vinod Patil

Company Secretary and Compliance Officer
Kolte-Patil Developers Limited
2nd Floor, City Point,
Dhole Patil Road,
Pune - 411001.

Tel No.: +9120 66226500

Fax No.: +9120 66226511

E-mail: investorrelation@koltepatil.com

Website :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 31st March, 2014, 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

August 13, 2014
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 31st March 2014. 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

August 13, 2014
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 on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with 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 and the representations made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Hemant M. Joshi
Partner
Membership No. 38019

Place: Pune,
Date: August 13, 2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. ECONOMIC OVERVIEW

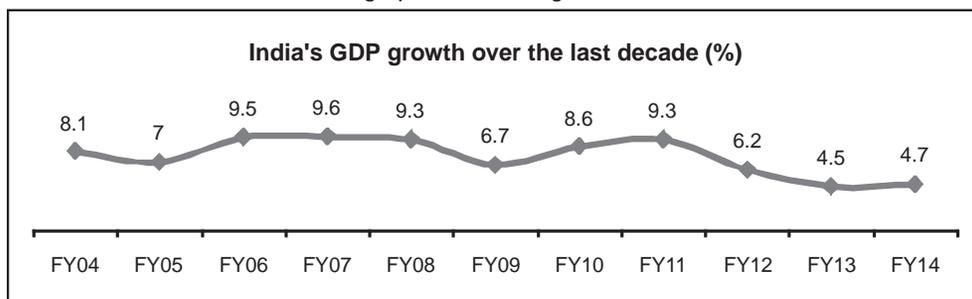
The Indian economy continued to remain weak in FY14 with GDP growth of 4.7%, marginally higher than 4.5% of FY13. This is in stark contrast to 8.2% average growth recorded between FY04 and FY12. The Indian economy has been through challenging times in the last two years, faced with a prolonged period of high inflation and low growth. This was reflected in the weak business sentiment, reduced investments, lower demand, and infrastructural deficiencies. However, following the formation of a strong Government, with a clear majority, at the centre, there is increasing optimism that over the next few years, the Indian economy will drive ahead on faster and decisive policy actions and reforms.

Despite the challenging economic environment that prevailed through last fiscal year, the Government exercised spending discipline to maintain its fiscal deficit at 4.5% of GDP in FY14. This was comfortably lower than the FY13 mark of 4.9% as also the revised FY14 estimate of 4.6% shared as recently as February this year. The budgetary target for FY15 is 4.1%, achieving which will require the country to continue on the path of fiscal prudence and may in turn help accelerate foreign investments and positively enhance investors' perceptions of the country's long term growth prospects.

The external sector has performed well in FY14 with exports from the country rising to US\$319 billion in FY14, aided by the depreciation in the domestic currency as well as gradual recovery in the global market. The sharp decline in gold imports led to a reduction of 7.2% in the aggregate value of the country's imports. Resultantly, the merchandise trade deficit declined from US\$ 196 billion in FY13 to US\$ 148 billion in FY14 and the current account deficit declined from US\$ 88 billion (4.7% of GDP) to US\$ 32 billion (1.7% of GDP), its lowest level in several years.

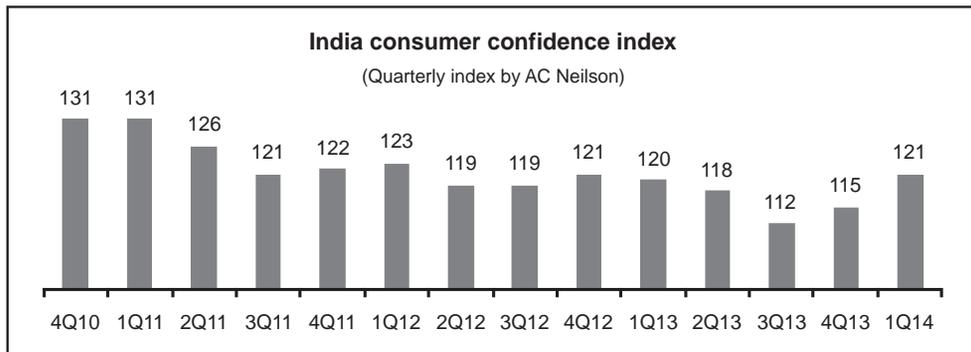
India remains a favoured investment destination for foreign investments given its strong growth drivers and rich demographic dividend. However, recent economic weakness largely induced by country-specific factors has impacted foreign inflows. After a 21% decline in FY13, FDI inflows increased 8% year on year to US\$ 24 billion in FY14. FII inflows witnessed a sharp decline of 71% to US\$ 9 billion in FY14 following the initiation of the process of winding down of the US monetary stimulus. However, FII inflows have surged following the election verdict in mid-May 2014 and are expected to accelerate further if investors see a stable, pro-growth direction from the new Government.

Going forward, the Indian economy is expected to improve its growth momentum in FY15. Industry estimates project FY15 GDP in the range of 5.0-5.5%. Further, based on the prognosis of both the IMF and World Bank, the global economy, led by developed countries, is also expected to see growth revival. A recovery in economic performance in the coming year will improve consumer sentiment and this augurs well for the real estate sector that is driven by rising disposable incomes, favourable demographics and rising urbanization.



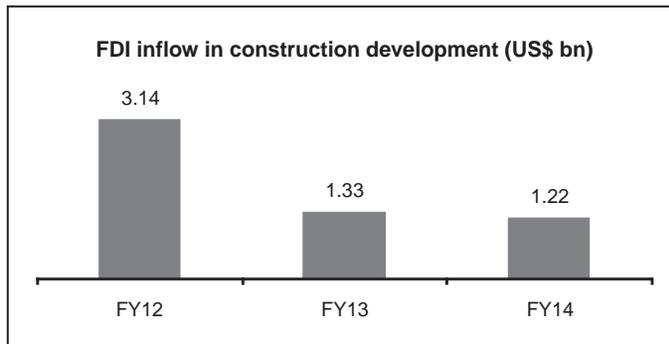
2. REAL ESTATE OVERVIEW

The real estate sector is one of the pillars of the Indian economy having a significant share in GDP growth, employment, banking & finance, foreign direct investment (FDI) and various other sectors. The report, "Assessing the Economic Impact of India's Real Estate Sector", released by the Ministry of Housing and Urban Poverty Alleviation, estimates that the sector accounted for around 6.3% of India's GDP in FY13. It also stated that the sector is the second largest employment generator after agriculture. According to the report, real estate generated approximately 7.6 million jobs in 2013. Hence, the long-standing prospects of the sector remain intact and will continue to be a key driver towards overall economic growth.



Source – Quarterly index by AC Neilson

However, the sector has been facing a slowdown in the recent years. In FY14, sluggish income growth, sustained weakness in the rupee, approval delays, spiralling inflation and high borrowing costs dented consumer sentiment. This reflected in subdued absorption rates and elevated unsold inventory levels. Liquidity in the sector also remained tight, as banks continued to be selective in extending loans to the industry in the light of rising NPA's. FDI inflow in real estate saw a significant decline of over 57% in FY13. FY14 saw a further dip, with FDI inflows declining over 8% year-on-year at ~ US\$ 1.22 billion.



Source - Department of Industrial Policy and Promotion (DIPP, GoI)

The silver lining during the year was the introduction of several regulatory and policy changes which could ease bottlenecks and renew momentum in the sector. Firstly, the proposed Real Estate (Regulation and Development) Bill, 2013 recommends establishing a 'Real Estate Regulatory Authority' in each state/union territory to improve transparency in the sector enforcing fair practices and greater accountability from developers and put in place a fast-track dispute resolution mechanism. This will improve buyers' confidence by ensuring timely execution of projects. Quality developers with superior execution track records and better disclosures standards would be the main beneficiaries of these policy changes in the long run.

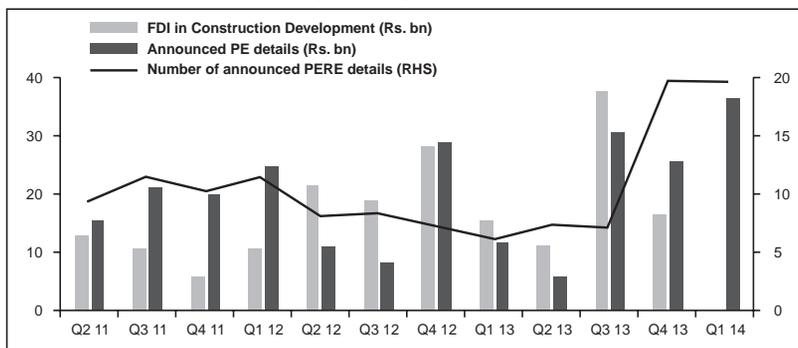
Further, the enactment of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 has been another step in the right direction. The principal objective of the new provisional Bill is fair compensation, thorough resettlement and rehabilitation of those affected, adequate safeguards for their well-being and complete transparency in the process of land acquisition. The new law will pave the way for inking of more public-private partnerships in the real estate sector and give land owners and Panchayati Raj institutions a fair say in matters involving land acquisition.

Another encouraging development during the year has been the introduction of a draft framework for Real Estate Investment Trusts (REITs) by market regulator SEBI. This is a significant step aimed at attracting more foreign investment in the real estate sector and providing developers an influx of funds to kick-start new projects, potentially replicating the success story of REITs globally.

Further, the RBI curtailed certain subvention schemes, which include innovative home loan products, popularly known as 80:20 or 75:25 schemes, mitigating risks pertaining to lump-sum disbursement of loan amounts, delayed payments, non-completion of projects etc. Providing additional impetus to these positive regulatory developments is the Companies Act, 2013 which will significantly help simplify corporate laws.

Thus, FY14 was primarily a year of regulatory transformation. Several changes were introduced to draw a level playing ground for all the players. In FY15, with a strong, stable government coming to power and decisive policy action and reduction in approval time lines, traction in new sales is expected to re-emerge.

The healthy growth in Private Equity (PE) investments in the sector by both domestic and international funds reflects the potential for stable yields and attractive capital values. A recent report from a global real estate consultancy, revealed that private equity investments in real estate during CY13 were recorded at ₹ 7,000 crore (US\$ 1.1 billion), an increase of 13% compared to 2012. Furthermore, the first quarter of CY14 witnessed PE investments to the tune of ₹ 2,800 crore (US\$ 460 million), up 2.5 times year-on-year.



The fundamental story supporting the growth of real estate across Indian cities remains intact with an ever growing middle class population, nuclear families and rapid urbanization. Increased transparency norms in the sector, backed by policy and banking infrastructure, and recovery in the overall economic trajectory should augur well for the industry in the coming years. The Indian real estate industry is expected to grow to US\$140 billion by FY17 from US\$79 billion in FY13, as per estimates from leading research firms.

RESIDENTIAL MARKET OVERVIEW AND OUTLOOK

Considering the huge demand-supply gap, residential demand remains the focal point for Indian real estate, regardless of market conditions. However, the demand does not equate to absorption in a price-sensitive country like India, where the greatest requirement for residential properties stems from the middle-income group. The high dependence on home loans by the salaried class underscores the price sensitivity factor even further.

In general, FY14 depicted sluggishness in residential housing demand with the pace of new launches slowing on account of approval delays and rising input costs. This led to reduced absorption rates and increased inventory levels in prime markets across the country. According to a leading property research company, pan-India residential inventory as of December 31, 2013 stood at approximately 779 million square feet (msf) as against quarterly sales run-rate of approximately 60-65 msf indicating approximately 3 years of available inventory in the market. In a striking contrast to previous years, the Diwali festival season in 2013 was also lackluster. Luxury housing was most affected and movement of premium and super-luxury properties in the metros slowed down considerably. However, affordable to mid-range homes continued to sell well.

Cities like Mumbai, NCR and Hyderabad witnessed volume slowdown. In particular, the Mumbai and NCR markets suffered from rising inventory levels, pricing pressure and approval issues. Meanwhile, employment-driven markets such as Pune, Bengaluru and Chennai with large number of 'right-priced' residential projects, proved to be a notable exceptions. These markets showed a very healthy demand for mid-priced residential properties throughout CY13 with a pick-up seen in the first quarter of CY14.

Pan-India sentiment on the residential property market is expected to improve going into FY15 with economic stability likely to return prompting purchase decisions from end-users. Cities offering better affordability and returns on investment will show traction. The ratio of sales over inventory in relatively overpriced cities will remain more or less equally balanced. However, certain suburban pockets in cities like Pune and Chennai that are seeing real-time infrastructure enhancements are expected to show price rises. The number of new residential launches during the first quarter of CY14 increased by 43% at 55,000 units across eight major cities, according to a report by a leading real estate consultancy firm with Bengaluru recording the largest number of units launched.

The total investments in the residential segment for CY13 was recorded at ₹ 4,050 crore (US\$ 650 million), an increase of 42% compared to 2012 levels, most of which came in towards the latter half of the year. The momentum

continued in the first quarter of CY14 with the value of investments in the residential segment recorded at ₹ 1,065 crore (US\$ 175 million). The sheer potential of the residential sector has always led to the asset class contributing significantly to overall real estate investments over the years. The sector contributed 58% to the overall real estate investments in CY13 compared to 42-46% in 2011 and 2012. Total number of deals in CY13 also increased to 35 from 25 each year in CY11 and 2012. Average deal size in the residential sector has remained stable at approximately ₹ 116 crores (US\$ 19 million).

Although the real estate sector in India is presently facing several obstacles, the urbanization driven growth story remains intact and presents a strong case for exponential real estate growth. Policy based efforts are being undertaken to make real estate more transparent and investment friendly. Consumer confidence is gradually improving with the formation of a majority Government at the centre and fence-sitting investors are likely to become more active, leading to increased absorption of residential units. A recently observed trend of a gradual fall in supply in response to the subdued demand will only reverse with a lag, helping prices to strengthen gradually.

RETAIL MARKET OVERVIEW AND OUTLOOK

Mall space absorption remained weak in CY13 from the low levels observed in CY12, across India's prime markets. Poor policy framework led to the lack of new mall construction. Retail has been subject to several difficulties on the policy front over the past couple of years, as progress on retail sector FDI hung in the balance. Moderated private consumption expenditure and high inflation further added to the woes of the retail sector.

Rentals and capital values remained largely flat in the seven leading cities in CY13. Retailers concentrated majorly on larger metros like Mumbai and Delhi as market conditions remained challenging across the country. This is reflected in the moderate fall in vacancy levels in these two cities, as against a rise in vacancy in the other cities in CY13. Subsequently, Mumbai recorded a marginal increase in rentals and prices for retail real estate assets. However, absolute vacancy levels remained significantly higher in Delhi and Mumbai when compared to other cities, on account of excess supply getting built over the last few years. The cities where vacancy rates increased during the year (over 2012) were Hyderabad, Pune, Bangalore and Kolkata. Hyderabad and Kolkata saw better absorption levels than in 2013, but witnessed a sharp rise in mall supply that led to a rise in vacant stock. In Bangalore and Pune, a combination of fall in absorption and a sharp increase in mall space led to a rise in vacant units.

The longer term prospects of organized retail remain robust. The potential resolution of various policy issues and the sustained attractiveness of India's consuming class will help boost the interest of global retailers in FY15. As per a report by a global real estate consultancy firm, approximately 900,000 square meters of additional retail space supply is going to hit the pipeline in CY14, as against the 590,000 square meters in CY13. Cities such as Delhi, Hyderabad and Bangalore will witness good supply of retail space, largely around the expanding city peripheries. Due to the limited supply of modern retail spaces in those areas, this new supply will meet with reasonably favourable pre-commitments. However, rental and capital values are expected to remain muted in most cities on account of the on-going slowdown. These factors provide an excellent opportunity for retailers to enter the market or expand their business.

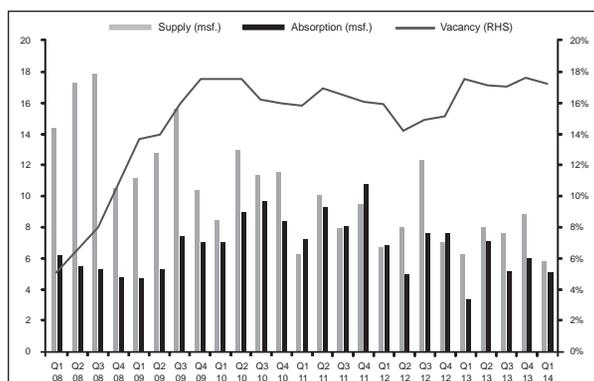
COMMERCIAL OFFICE MARKET OVERVIEW AND OUTLOOK

Commercial real estate also remained subdued this year since it bears direct correlation with the overall economic environment. Businesses have deferred their expansion plans leading to reduction in new office space, decline in leasing activity, lack of appreciation in capital values, compression in yields and lease rentals to some degree across major Indian cities of Delhi/NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune, Kolkata and Ahmedabad.

According to a study by a leading real estate consultancy, net office space absorption in CY13 stood at 23 msf. Mumbai and Bengaluru were the top cities in terms of net office space absorption at 4.7 msf. and 4.6 msf., respectively. Most cities witnessed a decline in the range of 20%–40%, except Pune which witnessed a growth of 15% year-on-year in demand for new office space, of which 78% was Grade A. The steep decline stems from companies focusing on streamlining costs, consolidating and relocating to more economic locations, a key trend that emerged over the last year. Total supply of commercial office space in CY13 stood at 34 msf., a decline of 14% over CY12. Office space vacancy stood at 19.4%, an increase of 0.9% from the previous year. Leasing activity also witnessed a marginal decline of 2% in CY13 over the year ago.

Moving into the first quarter of CY14, pan-India net absorption was recorded at 5.2 msf. which is up 51% year on year. Bengaluru continues to see healthy enquiries while the micro market of Madhapur in Hyderabad continues to see strong pre-leasing commitments. Although absorption levels are up 91% year on year in NCR, in absolute terms supply continues to outpace absorption with peripheral markets of Gurgaon seeing pressure on rentals due to

large upcoming supply coupled with existing high vacancies. Rentals remained flattish across most micro-markets, with Suburban Business Districts (SBD) in some cities witnessing a marginal uptick due to lack of quality space.



The sentiment going forward is more positive following the general elections. Net absorption and leasing activities are expected to garner pace with new firms entering the market, expansion plans by current players, and consolidation of business operations. The confidence is also indicated by increasing investor interest in the commercial office sector, with investments having doubled in Q1 CY14 to ₹ 1,435 crore from a year ago. This comes on the back of a subdued performance in CY13 when total value of investments in the commercial office segment declined 23% year on year to approximately ₹ 2,500 crore (US\$ 400 million). Investor interest in the asset class remains high with over ₹ 8,350 crore (US\$ 1.6 billion) invested in the segment since CY11. Investors are actively evaluating prime office assets across the top cities and transactions are expected to increase in FY15, considering the attractive valuations of assets, stable expected yields and potential for rising capital values.

PUNE REAL ESTATE MARKET OVERVIEW

Pune has always been a stable and robust market endowed with multiple demand drivers. It has been home to several manufacturing and auto ancillary companies like Daimler Chrysler, Tata Motors etc., since the 1970s. From the turn of the century, economic activity in the city has been anchored by the growing presence of IT/ITeS companies like TCS, Infosys, Cognizant, IBM, Tech Mahindra to name a few. Recently, there has been an influx of several financial services firms and biotech firms as well. Further, Pune has always been an education hub with ~5 lakh students graduating every year. Kolte-Patil has presence across growth markets and price points in Pune, and has consistently maintained its position as the #1 residential real estate player in Pune with a market share of 7-10%.

Despite the uncertainty in the economic environment, the Pune market remained resilient with the strong demand for office space driving residential sales. As per data from a leading real estate consultancy tracking the Pune market, commercial leasing increased 11% year on year in CY13 to around 3.5 msf with over 70% contribution coming from the IT/ITeS sector followed by banking and financial services. Some of the notable companies that looked to lease or purchase significant office space across the city included AXA, Barclays, Cummins, Deutsche Bank, NVIDIA, Symantec, Symphony Teleca, Synechron and others, either for office expansion or consolidation. To complement the strong demand, approximately 3.75 msf. of new supply was added to the Pune market in the year gone by, concentrated in suburban business district micro-markets such as Yerwada, Baner and Viman Nagar and in peripheral business district (PBD) micro-markets like Kharadi and Hinjewadi. Overall, vacancy rates remained unaltered during the year at 23%. Average rental values registered an increase of 5% year on year while capital values increased 8% year on year. Going into the first quarter of CY14, absorption declined significantly to 0.85 msf from 1.55 msf in Q4 CY13. The positive, however, was that more than 65% of the transactions were for business expansion indicating rebounding confidence levels in the industry. Overall, investments in Pune were to the tune of ₹ 1,460 crore in CY13, a four-fold increase over CY12, driven primarily by investments in leased office assets.

Pune is increasingly emerging as a preferred destination for residential housing in the country given strong employment drivers. It remains an end-user market with mid-income group (MIG) accounting for most of the demand. Despite the overall slowdown in the sector, the property market in Pune maintained the steady momentum that tends to define all stable real estate markets.

Though the city witnessed a significant decline in new launches in CY13, this was a function of delay in statutory approvals, and not a reflection of diminishing demand, as customers preferred to adopt a wait-and-watch approach

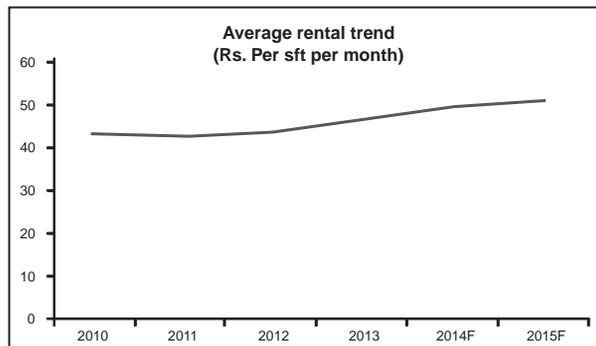
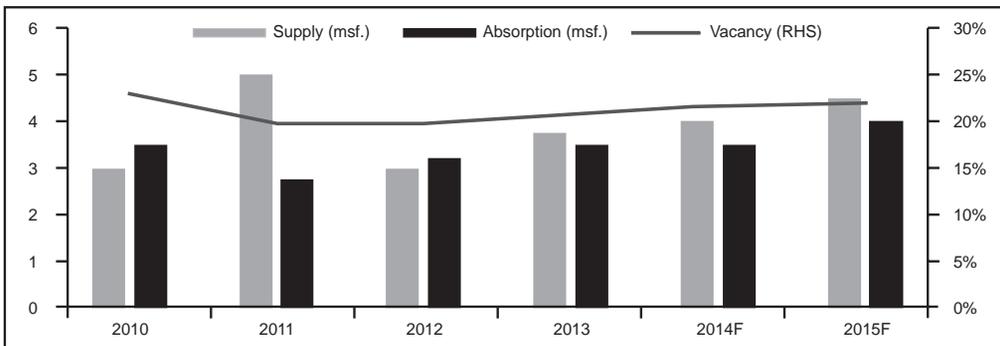
till new supply came into the market. The State Environment Committee for Maharashtra was disbanded in July 2013. The Union Ministry of Environment and Forests (MoEF) approved reconstitution of the State Expert Appraisal Committee (SEAC) in late November 2013 to appraise real estate projects across the state except in the MMR region and of the State Environment Impact Assessment Authority (SEIAA) that gives final environmental clearance to projects recommended by SEAC. Since then, faster environmental clearances and approvals have enabled developers to launch their projects, mainly in the MIG segment.

Considering the concentration of population that is professionally active in the IT, manufacturing industries and with new financial services firms having relocated to Pune, there is now a greater demand for multi-storey apartments. Strong demand is seen crystallizing and expanding in the middle income housing group with ticket sizes between ₹ 50 lakh to ₹ 1 crore. Residential micro-markets like Viman Nagar, Kharadi and Wagholi in East Pune and Pimple Nilakh, Hinjewadi and Wakad in West Pune are witnessing a lot of residential development, driven by good connectivity with the key centres of the city and the presence of good social infrastructure like schools, hospitals, malls and entertainment centres. Capital values in these locations are likely to witness appreciation in the short-to-medium term due to its proximity to IT/ITeS hubs and the Mumbai-Pune Expressway.

The luxury homes segment has been burgeoning on the Pune's real estate market, with many large players entering with new projects. During the year gone by, there continued to be demand for high-end housing. However, on account of the economic downturn decision cycles got elongated with buyers making several site visits before making their purchase decisions. Given the fair share of supply already in the market, the focus is shifting towards the affordable and mid-income segment.

The Pune real estate market is expected to remain buoyant owing to strong end-user driven demand, especially for mid-range housing in the short-to-medium term. There has been a 5-10% increase in ready reckoner rates across Pune city and Pimpri Chinchwad effective 1st January 2014. As developers will have to pay higher stamp duties and premiums, the property rates are expected to go up as developers pass on the increase to customers.

The outlook for commercial office space is promising. The IT/ITeS sector will continue to be the primary demand driver for office space absorption. On the supply front, new stock of 4 msf is expected in CY14, located in suburban and peripheral micro-markets. Controlled supply in tandem with absorption will keep vacancy levels unaltered. Micro-markets in East and West Pune will continue to interest occupiers due to availability of large floor plates, better infrastructure and proximity to residential pockets of the city.



BENGALURU REAL ESTATE MARKET OVERVIEW

During the last two decades, Bengaluru has expanded rapidly riding on development of the IT/ITeS sector. However, the urban expansion in the city has also been supported by several other emerging drivers such as biotechnology, automobiles, aviation and textiles that have together strengthened its economy and supported population growth rate of 47% over the last decade to 9.6 million. A Young working population with rising disposable incomes and substantial global exposure has created ongoing opportunities for real estate development across every segment. This has in-turn been supported by infrastructure upgrades through projects such as metro rail system, elevated road connectivity to the airport and the signal-free outer ring road. Planned projects include a peripheral ring road, high speed rail connectivity to the airport and a new monorail system that will further improve intra-city transportation facilities.

Real estate development in Bengaluru had been focused on the city's southern and eastern corridors until the city's new international airport became operational in 2008. Since then, the northern segment of the city has gained more prominence and its development has gained momentum. Also, in the recent past, areas such as Tumkur Road and its neighbouring locations in the west of the city have seen increasing availability of large land parcels and improved connectivity. Currently, real estate development in the city is getting to be even more diversified with new locations in the North-West region, Kanakapura Road towards the South and Old Madras Road towards the North-East showing high potential.

The Bengaluru office market continues to see the lowest vacancy levels across Indian cities at 14%. There has been a recovery in absorption levels over the last few quarters with a strong pipeline of enquiries. Following revisions in SEZ regulations, many SEZ Parks are likely to witness mixed developments owing to high residential demand. Bengaluru's residential sector remained strong through the year having not exhibited any signs of slowdown owing to rational pricing that has boosted sales volumes. The most vibrant micro-markets include Whitefield, outer ring road, Sarjapur Road and Bengaluru North. The city is poised for large supply in the retail sector in the coming years with rentals having registered an annual appreciation of 5-20% in shopping malls and 4-13% in high street locations in the recent past. Most of the operational space is concentrated in suburban and peripheral business district locations. With over 5 msf. of mall space under-construction, the city will also have 13.3 msf. of operational mall space by 2016, making Bengaluru a market with strong growth potential for real estate development across different segments.

MUMBAI REAL ESTATE MARKET OVERVIEW

The real estate market Mumbai has been reporting a lackluster performance in the recent past. Besides subdued demand owing to weak consumer sentiment, low affordability levels and economic uncertainty, the industry has been grappling with various supply-side challenges as well. Though some of the factors at play are largely systemic in nature, like slowdown in economic activity, others like regulatory and policy issues have been specific to the Mumbai market.

Given the scarcity of land, redevelopment is an attractive asset class in Mumbai. Nearly 20,000 housing societies and 5,000-6,000 tenanted buildings, built prior to 1980 are looking for redevelopment. Further, there are about 17,000 buildings in South Mumbai, which are known as repair-board-cessed-buildings that have been built prior to 1960 and are in need for redevelopment. Additionally, over 60% of land in Mumbai has been categorized as slum area which needs to be redeveloped. With rising migration to the city and increasing demand, redevelopment provides an enormous opportunity for developers.

The government is also supporting redevelopment and providing incentives by making the required amendments to the Development Control Rules. The government has increased FSI for private societies from 1.0 to 1.33. Additionally, 0.67 TDR (transferable developmental rights) has been provided, which effectively results in 1 FSI and 1 TDR. Then, the concept of fungible FSI was also introduced, which is 35%. FSI for slum rehabilitation was increased from 2.5 to 3. Similarly, for cluster development the FSI applicable at present is 4.

Unfortunately, while the government has been supporting the need for redevelopment, it has not been able to translate the enthusiasm into the right policy framework with complexities over the applicability of a law and implementation of a judgment. There were several regulatory changes that took place during the year which led to delayed approvals and subsequent new launches. A new directive from Supreme Court instructed builders to keep six meters space all around the building. The new rule leaves builders with little scope for redevelopment as most old buildings, were built very close to each other, making it unviable. Another such ruling disallows the recreating of open spaces on the podium level and has made it mandatory to have 15-25% open space at the ground level. The ruling will be applicable to all buildings that have not yet received commencement certificates. This has further lead to delays in projects as plans would have to be redesigned.

The Maharashtra government proposes to put in place the housing regulatory authority in the first half of FY 2015 after receiving the presidential assent for the same. The regulation is expected to provide greater transparency

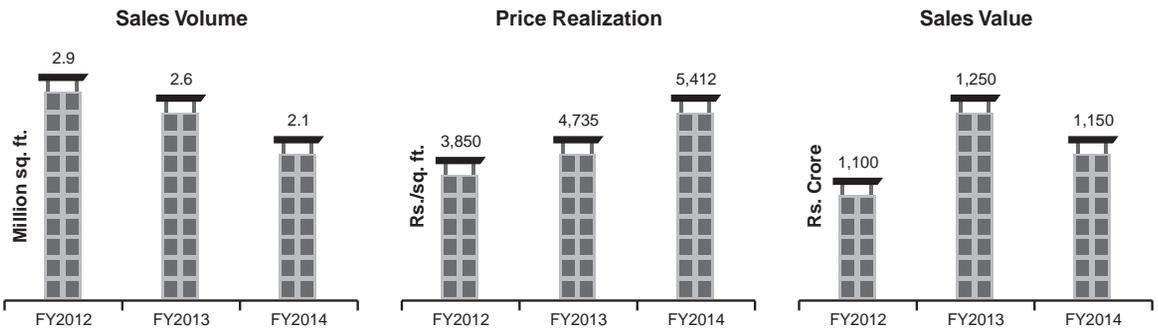
to both consumers and investors in terms of disclosures and greater control. The lower level of home ownership in Mumbai as compared to other cities, however, points to the large latent demand potential of the city. With the approvals gradually flowing in, the pace of new launches is expected to increase thereby leading to increase in supply in the market.

In terms of commercial office space, cumulative new leasing was down 21% YoY to 4.76 msf. in CY13 as corporates were cautious in the wake of a weak macro environment. Micro-markets like Central Mumbai, Navi Mumbai, Andheri East and Western suburbs accounted for almost 70% of the total absorption. The total supply in CY13 stood at 3.5 msf. concentrated in the Andheri-Kurla and Malad-Goregaon stretch. There was a marginal 3% YoY decrease in rentals in the CBD and Lower Parel, around 1% YoY decline in Andheri East and Kalina; while western and central Mumbai witnessed a marginal increase of 1% and 2% YoY respectively. Limited new supply is expected to be added in CY14. Andheri, BKC and Lower Parel will remain the favoured micro-markets.

C. OVERVIEW OF OPERATIONS

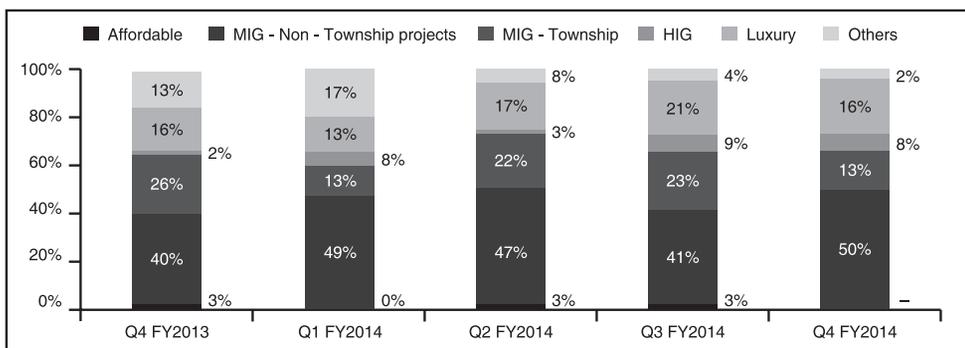
1. Sales and Pricing Trends

The Company registered new sales volume of over 2.1 million square feet, despite approval delays. The average selling price was higher by 14% YoY at ₹ 5,412 per square foot. With an improvement in the regulatory environment, sales bookings picked up in Q4 FY14 to 0.79 million square feet of new sales, an 80% jump over the preceding quarter.



2. Product-wise Sales Breakup

The Company has a broad portfolio with ticket sizes ranging from ₹ 40 lac to upwards of ₹ 5 crore. However, majority of its sales (~60-70%) are focused towards the middle-income group with an average ticket size between ₹ 50 lakhs to ₹ 1 crore, the pulse of the market.



3. New Launches

Projects	Saleable Area (msf.)
Margosa Heights Phase III	0.3
Tuscan Phase II	0.4
Life Republic - Phase I – R3 Avenue	0.3
Allura - Phase II (24K Glamore)	0.3
Raaga Phase II	0.3
Jazz Phase I	0.2
Mirabillis, Horamavu	0.9
Total	2.7

4. Area Delivered

- Robust deliveries to the tune of over 3.6 msf. took place in FY14 of various phases of projects that were launched 2-4 years ago
- These included Corolla Phase I, Tuscan Phase I, Glitterati, Margosa Heights, R2 Sector in Life Republic Phase I and Allura Phase I to name a few
- Further deliveries of over 5 msf. are expected in FY15

5. Mumbai Expansion

- Forayed into Mumbai real estate market with a low capital intensive society redevelopment project in a prime location at Khar (West) on Linking Road
 - Link Palace Premises Co-operative Society Limited at Khar (West), having a total plot size of 1,594 square meters with a total developable area of about 0.1 msf.
- Further expanded presence by signing two new redevelopment projects in Western Suburbs
 - Jay Vijay CHS located at Ville Parle East, having a total plot size of 8,979 square meters and total area of approximately 3.4 lakh square feet (economic interest of 0.16 msf.)
 - Jumbo Darshan located in Andheri East, with a total plot size of 7,077 square meters and a total area of approximately 2.6 lakh square feet (economic interest of 0.12 msf.)
- Current portfolio includes three projects in high value locations with a saleable area (economic interest) of 0.3 msf.

6. Land acquisitions**Wakad**

Announced the closure of the acquisition of a 34 acres land parcel in Wakad, Pune for approximately ₹ 350 crore

Largest contiguous land parcel within the city municipal limits with a prime location on the Mumbai-Pune highway

100% owned by Kolte-Patil with a total saleable area of 2.3 msf.

Kondhwa

Partnered with ASK Real Estate Special Opportunities Fund to acquire a 30 acre land parcel in Kondhwa, Pune for approximately ₹ 160 crore

7. Debt rating

In January 2014, CRISIL Ratings assigned “CRISIL A+/Stable” rating to the long-term bank facilities and non-convertible debentures of Kolte-Patil Developers Ltd (KPD), making KPD the highest-rated listed, pure-play residential player in the CRISIL ratings universe at that time

8. Building organizational competencies

Ms. Manjusha Raulkar (20 years of experience in HR across different industries) appointed as Chief People Officer to support future growth and help build greater capability for change management and talent management throughout the business.

OPPORTUNITIES

Company-level

1. Healthy project pipeline

Projects under execution (Area in msf)	Ongoing	Forthcoming	Future Potential	Total
Overall	16.6	12.8	24.3	53.7
KPDL Share	11.6	6.6	12.4	30.6

KPDL has a healthy pipeline of projects under execution with several new launches planned for FY15, spread across township as well non-township projects. The company is optimistic of the success of these new launches which provide strong revenue and cash flow visibility. The new sales from these projects are expected to come at higher realizations, thereby driving margins going forward. Majority of the projects are located in Pune which is a stable market with consistent volumes and strong growth drivers. KPDL holds the position as the leading player in the Pune residential real estate market with high brand recall and track record of timely, good quality execution. The Company is confident of consolidating its strong position over the next few years.

2. Location clearance for Township projects

The company, in early FY15, has received 'locational clearance' from the Urban Development Department (UDD) for its township projects in Pune - Phase II of 'Life Republic' located in Hinjewadi and Sanjivani Township located at Urse. Both the townships have already received the Gold pre-certification rating from the Indian Green Building Council (IGBC).

3. Foray into Mumbai market

The company forayed into the Mumbai market through low capital intensive private society redevelopment model. It bagged its first project on Khar-Linking road in August 2013. Since then the company has announced two more projects in Andheri (E) and Ville Parle (E) taking the total saleable area (KPDL share) in the Mumbai portfolio to 0.3 msf. within a year. The company is looking to leverage its strong brand name, execution track record and healthy balance sheet to capitalize on the enormous opportunities the Mumbai redevelopment market offers. The Mumbai story is expected to contribute significantly to the company's bottom line in the years to come and also enhance the working capital cycle.

4. Expansion in Bengaluru market

Bengaluru is an attractive, high growth market being end-user driven and backed by affordably priced properties. KPDL has nearly a two decades presence in Bengaluru. Its current pipeline includes 1.4 msf. of ongoing projects and 0.8 msf. of planned projects expected to be launched over the next fiscal year. All projects are located at prime locations like Kormangala, Horamavu, Hennur Road, Richmond Road and Hosur Road. This augurs well for the company's growth prospects going forward.

Industry-level

5. Huge demand for urban housing

According to the Ministry of Housing and Urban Poverty Alleviation (MHUPA), in 2012 there was a housing shortage of 18.78 million units in urban India. A leading real estate consultancy firm, has estimated demand for urban housing to increase by nearly 12 million units by 2017 based on just the current growth of population, with ~23% of the total demand generated in the top eight cities of India. The total housing demand in the country by 2017 could be as high as 88.78 million units. This presents the real estate industry with an enormous opportunity for growth.

Estimated Indian Housing Demand for 2017

Demand for housing	Units in mn.
Urban shortage in 2012	18.8
Rural shortage in 2012	43.7
Additional demand due to population growth in 2012-2017	26.3
Total demand	88.8

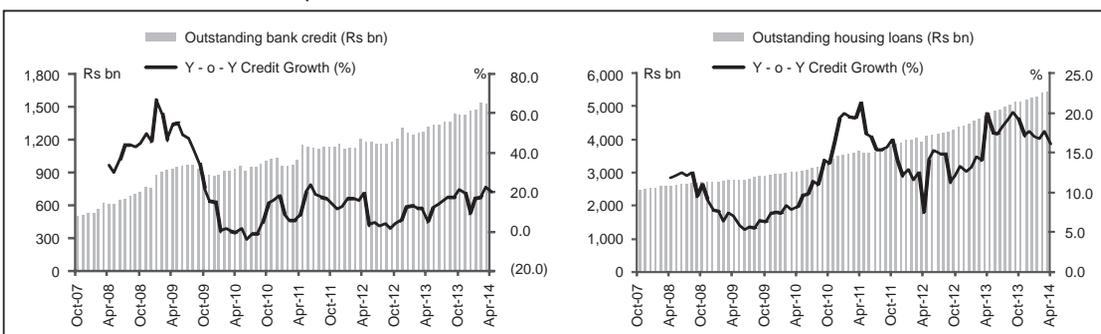
Policy-Induced Growth Opportunities

Policy paralysis has been one of the primary reasons for the slowdown in India over the last few years. Proper implementation of the initiatives introduced in FY13 like the Real Estate Regulatory Bill, Land Acquisition Bill, would encourage transparency and corporate governance in the sector. Further, introduction of Real Estate Investment Trusts (REITs) could attract large pools of money into the real estate sector at relatively cheaper cost. These factors can help the Indian real estate sector sustain its attractiveness.

6. Rise in Bank Penetration

The housing mortgage market in India is currently low at 9% (mortgage-to-GDP ratio) when compared to other emerging Asian economies such as Malaysia (31%), Thailand (19%) and China (17%). In developed economies, this ratio averages around 60% of the GDP, with countries such as Switzerland, Netherland and Denmark close to the 100% level.

Deeper penetration of banks and innovative financial products would help the mortgage market to expand in India. As per RBI data, even in the highly progressive state of Maharashtra, bank offices are largely concentrated around metro cities (40% of total ~10,000 bank branches in the state). Many banks are already aggressively enhancing their rural penetration to stay ahead of the anticipated rise in competition. The housing sector will benefit a lot from this development.



Source - RBI

7. Lowering of interest rates

The sector has been reeling under the pressures of high land costs, high interest rates, high input costs and low demand. Some relief for both developers and investors can be expected in the form of decline in interest rates and increased liquidity in the near future. This could help spur demand for real estate, increase sale of units, enable timely project completions and lead to better economic growth prospects.

THREATS, RISKS AND CONCERNS

1. Delays in new project approvals

The real estate sector has grappled with lengthy regulatory and approval processes. Any change in local laws, changes in government regulations, environmental laws, land authorities and legal proceedings could cause delays in the launch of new projects and could adversely impact financial performance.

2. High mortgage rates

Increase in mortgage rates, withdrawal of tax benefits or difficulty in availing credit could reduce affordability and result in decreased demand.

3. Slowdown in the IT/ITeS sector

The Company's operations are mainly located in Pune and Bengaluru. The end user market in these two cities is largely driven by the IT/ITES sector. Any slowdown in the sector and decline in the overall job market could adversely impact real estate sales.

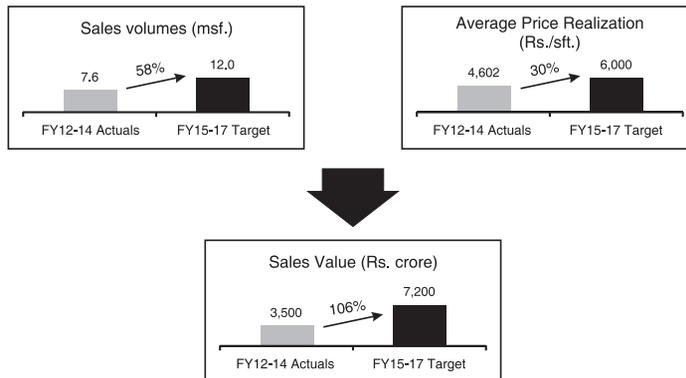
4. Decline in property prices in Pune market

Even though Pune continues to be a highly affordable market for end users, any volume oversupply situation could lead to a significant drop in realizations and affect profitability.

5. Replenishment of land reserves

Inability to grow existing land bank as desired at strategic locations and low cost could hamper future growth prospects of the Company.

D. COMPANY OUTLOOK



With approvals in place and a healthy mix of township and non-township projects in the launch pipeline, the Company is geared to drive into its next three-year growth cycle. After achieving 7.6 million square feet of new area sales worth ₹ 3,500 crore between FY2012-14, the Company has set itself a target to achieve new area sales of 12 million square feet, amounting to total sales value of ₹ 7,200 crore over the next three years (FY2015-17). The Company is undertaking multiple initiatives simultaneously across each market to meet its growth objectives but will continue to allocate capital judiciously based on future cash flow visibility across every new initiative and new project.

The Company handed over projects aggregating 3.6 msf. in FY2014 and further expects deliveries of over 5 msf. to take place in FY15. The Company is confident of achieving new area sales of 2.5-3 msf. in FY2015 and has planned a series of new launches of 7-9 msf. in FY2015. Some of the key launches in FY2015 include Jazz Phase II, Wakad, Bavdhan, to name a few.

The Company is firmly entrenched in high growth markets with a strong pipeline of projects with approvals in place. Over the next three years, the Company will be focused on consolidating its stronghold in a stable Pune market that continues to be driven by strong employment and economic drivers. In Bengaluru, efforts will be on building brand presence and will see increased contribution as many projects in the pipeline get activated. In Mumbai, the Company will add new projects in the redevelopment space while launching projects won last year. Leveraging its strong brand and execution capabilities, the Company plans to enter into Development Management Agreements (DMAs) in Pune and other regions. This will provide a strong opportunity to add fee income and add to profitability.

E. PROJECT-WISE SUMMARY

Project-wise Sales performance till 31st March 2014

Projects	Saleable Area (msf.)	Location	KPDL Share (%)	Area Sold (msf.)	Sales Value (₹ mn.)	Average Realization (₹/sft.)	Collections (₹ mn.)
Life Republic - Phase I	2.6	Hinjewadi, Pune	45%	2.80	11,448	4,087	9,506
Life Republic - Phase I - R3 Avenue	0.3	Hinjewadi, Pune	45%				
Corolla - Phase I	1.9	Wagholi, Pune	37%	1.84	5,670	3,074	5,455
Corolla Gulmohar (Umang Pride)	0.11	Wagholi, Pune	37%	0.06	256	3,997	61
Tuscan - Phase I & II	0.8	Kharadi, Pune	51%	0.45	2,236	4,984	1,800
Allura - Phase I	0.3	Undri - NIBM, Pune	75%	0.25	1,078	4,286	1,025

Projects	Saleable Area (msf.)	Location	KPDL Share (%)	Area Sold (msf.)	Sales Value (₹ mn.)	Average Realization (₹/sft.)	Collections (₹ mn.)
Allura - Phase II (24K Glamore)	0.3	Undri - NIBM, Pune	75%	0.15	617	4,238	332
Margosa Heights I, II & III	1.0	Mohamad Wadi, Pune	50%	0.83	2,997	3,607	2,594
Downtown - Phase I & II	1.8	Kharadi, Pune	51%	0.68	3,627	5,340	1,971
Glitterati 24K	0.5	Aundh Annexe, Pune	100%	0.46	2,275	4,952	2,109
Green Olive Venture	0.1	Hinjewadi, Pune	60%	0.12	461	3,983	443
Cilantro	0.1	Wagholi, Pune	50%	0.04	139	3,518	118
City Bay	0.1	Boat Club Road, Pune	100%	0.04	395	8,795	270
City Centre	0.1	Hinjewadi, Pune	60%	0.04	245	5,813	195
Giga Residency	0.4	Viman Nagar, Pune	100%	0.07	602	8,146	196
Wakad	2.3	Wakad, Pune	100%	0.16	1,018	6,540	321
Jazz	0.9	Aundh, Pune	100%	0.06	340	6,022	92
Kondhwa	1.42	Kondhwa	100%	0.11	509	4,805	16
Ragga	0.7	Hennur Road, Bengaluru	100%	0.28	920	3,286	369
Alyssa	0.04	Richmond Road, Bengaluru	100%	0	0	-	0
Mirabilis	0.9	Horamavu, Bengaluru	70%	0.05	208	4,078	15
Link Palace, Mumbai	0.02	Khar (W), Mumbai	100%	0.00	76	34,375	40
Total	16.7		70%	8.5	35,118	4,136	26,928

Details of revenue recognition in key projects

Projects	Cumulative Revenues Recognized (FY12-14)**	Cumulative Revenues Recognized (FY10-14)**
Life Republic - Phase I	8,558	8,558
Corolla - Phase I	4,752	4,885
Allura - Phase I & II	1,251	1,883
Tuscan - Phase I & II	1,592	1,592
Margosa Heights I & II	2,192	2,508
Downtown - Phase I	2,026	2,026
Glitterati 24K	2,039	2,222
City Bay	326	326
Green Olive Venture	385	385
Raaga	366	366
Other projects	1,788	3,700
Total	25,274	28,452

** Note: This refers to gross project-level revenue – KPDL share of this is typically around 60-65%

Details of planned projects

Projects	Saleable Area (msf.)	Location	KPDL Share (%)	KPDL Share (msf.)	Approval Status/Expected date of launch
Life Republic - Phase II	6.9	Hinjewadi, Pune	45%	3.1	Under approval process
Corolla - Phase II	3.1	Wagholi, Pune	37%	1.1	Under approval process
Atria	0.2	Aundh, Pune	100%	0.2	Under approval process
Glitterati II	0.3		100%	0.3	Under approval process
Green Olive - Phase II	0.1	Hinjewadi, Pune	60%	0.1	Under approval process
Bavdhan	1.1	Pune	62%	0.7	Launch expected in Q1 FY15
The Classique	0.2	Kormanagala, Bengaluru	100%	0.2	Launch expected by Q3 FY15
Hosur Road	0.6	Bengaluru	100%	0.6	Launch expected by Q3 FY15
Jay-Vijay Society	0.2	Ville Parle (E), Mumbai	100%	0.2	Launch expected by Q4 FY15
Jumbo Darshan	0.1	Anderi (E), Mumbai	100%	0.1	Launch expected by Q4 FY15
Total (msf.)	12.8			6.6	

Future Development Potential

Project	Title/MOU/ DAPA / Saledeed/JV	Area (msf.)	Share of KPDL	KPDL Share (msf.)*	Comment
Sanjivani Township, Urse, Pune	JV	15.0	50%	7.5	50:50 profit sharing JV with Sanjivani Remedies, a Pune based Pharma firm
Ghotawade, Pune	JV	3.2	50%	1.6	JV with a petroleum company EC applied for in April 2014 – launch in FY16
Sadapur, Lonavala	JDA	4.0	33.3%	1.3	Target launch of residential project in FY16
Lohgad, Lonavala	JDA	0.2	33.3%	0.1	At the design drawing level
Aundh, Pune	JV	1.0	100%	1.0	Not under approval stage for next one year
Kalyani Nagar	Owned	0.6	100%	0.6	Not under approval stage for next one year
Boat Club Road, Pune	Sale deed	0.3	100%	0.3	Not under approval stage for next one year
Total		24.3		12.4	

F. CONSOLIDATED PROFIT AND LOSS ANALYSIS:

A comparative table showing the synopsis of the Profit and Loss statement for FY 2014 v/s FY 2013 is provided below:

(₹ In crore)

P&L Snapshot (₹ crore)	FY2014	FY2013	YoY (%)
Total operating income	764	728	5.0%
Total Expenses	551	541	1.7%
EBITDA	221	192	15.0%
EBITDA Margin (%)	28.9%	26.4%	
EBIT	214	186	14.8%
EBIT Margin (%)	28.0%	25.6%	
Profit before tax	183	186	-1.7%

Profit after tax	117	124	-5.7%
Minority Interest	25	17	51.0%
Adjusted PAT after minority interest	92	107	-14.3%
PAT margin (%)	12.0%	14.8%	
Basic EPS (in ₹)	12.1	14.2	

1. Income from Operations

The total operating income of the Company for FY 2014 was ₹ 764 crore representing a growth of 5% YoY as compared to ₹ 728 crore in the previous year. The operating income mainly comprised income earned from the sale of flats, units, apartments and land. Revenue recognition could have been higher had it not been for the delay in receiving OC's at some of our projects and securing registrations with the buyers.

2. Other Income:

Other income for FY 2014 stood at ₹ 15 crore as compared to ₹ 37 crore in FY 2013. The other income was higher in FY13 on account of dividend payments from subsidiaries which were not received in FY14.

3. Total expenses:

The total operating and other expenses for FY 2014 was ₹ 550 crore as compared to ₹ 541 crore in FY 2013. The costs of key raw materials remained fairly stable through the year. Selling expenses increased as more projects got activated and operations expanded to Mumbai.

4. EBITDA:

EBITDA for FY 2014 increased 15% to ₹ 221 crore as compared to ₹ 192 crore in FY 2013. Margins expanded 250 bps YoY to 28.9% in FY 2014 on account of the strong cost control measures at various sites, stable raw material prices and land divestments made through the year.

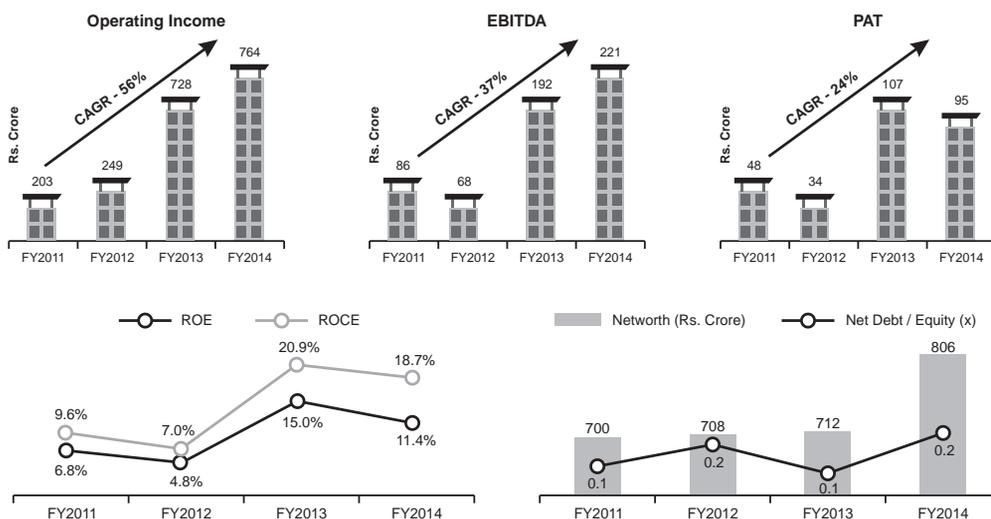
5. Interest and Finance Cost:

Finance costs for FY 2014 were to the tune of ₹ 46 crore as compared to ₹ 36 crore in FY 2013.

6. Profit after tax:

Net profit for FY 2014 stood at ₹ 92 crore as compared to ₹ 107 crore recorded in FY 2013.

Highlights of Financial and Operational Performance (Consolidated)

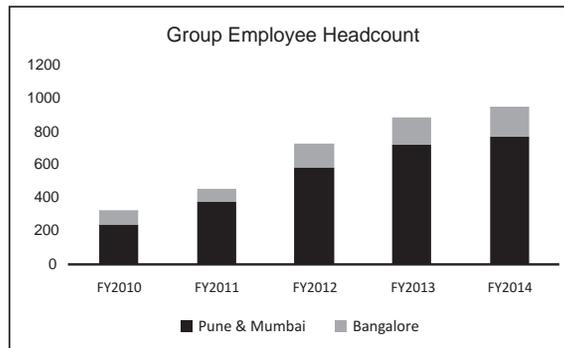


G. INTERNAL CONTROL SYSTEMS

Since the Company is growing fast there is a need to improve the efficiency of business operations, manage costs while reacting pro-actively to market dynamics, Improve quality of service and enhance customer satisfaction, seamlessly integrate the enterprise across diverse activities, provide information visibility throughout the value chain to improve service delivery & decision making, need to collaborate effectively with alliances and third party, ensure corporate governance and compliance standards, minimize costs and enhance profitability, leverage assets and achieve return on investment on technology spend. For achieving these objectives, the Company will need to differentiate by strategy, execution, innovation & collaboration models. For this purpose, the Company has appointed IBM as partner with the Company by bringing in the required capabilities unlocking business value over the term of the relationship and on an overall basis; IBM's interventions will help us achieve our objectives. As a part of business transformation process, the Company has initiated implementation of SAP system for a replacement of existing ERP system.

H. HUMAN RESOURCES

As of March 31, 2014, KPDL's employee strength stood at 957. This represents a 2.5-3x increase over FY09-10 and is in line with the company's strategy of scaling up its operations. Ms. Manjusha Raulkar (20 years of experience in HR across different industries) was appointed as Chief People Officer to support future growth and help build greater capability for change management and talent management throughout the business.



KPDL is encouraging new talent, recruiting management trainees and graduate trainee engineers from renowned management and engineering institutes, to infuse fresh ideas into the Company. New talent will be nurtured, encouraged to think out of the box, and groomed to be future managers and business leaders.

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 and 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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KOLTE-PATIL DEVELOPERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **KOLTE-PATIL DEVELOPERS 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

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

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 the 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 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.

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 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

1. 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.
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 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Hemant M. Joshi
Partner
Membership No. 38019

Place: Pune,
Date: 20th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to the nature of the Company's business / activities / results during the year, clauses (x), (xiii) and (xiv) of paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of 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 explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The Company has not disposed off any fixed assets during the year.
- (iii) In respect of its inventories:
 - (a) Inventories comprise projects under construction/development (work-in-progress) and stock of units in completed projects. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act 1956, according to the information and explanations given to us:
 - (a) The Company has granted loans aggregating ₹ 3,994 lakhs to 4 parties during the year. At the year-end, the outstanding balances of such loans granted aggregated ₹ 3,994 lakhs (number of parties 4) and the maximum amount involved during the year was ₹ 4,566 lakhs (number of parties 4).
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company. The loans granted to 4 wholly owned subsidiary companies aggregating to ₹ 3,994 lacs are non-interest bearing. In our opinion and according to the information and explanations given to us, terms and conditions of such loans given by the Company are prima facie, not prejudicial to the interest of the Company.
 - (c) The aforesaid loans given by the Company are repayable on demand. As explained to us, repayment of principal amount was as demanded during the year and thus there is no overdue amount.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

- (a) The Company has taken loans aggregating ₹ 5,135 lakhs from one party during the year. At the year-end, the outstanding balances of such loans taken aggregated ₹ 5,135 lakhs (from one party) and the maximum amount involved during the year was ₹ 5,135 lakhs (from one party).
- (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.
- (c) The payments of principal amounts and interest in respect of such loans are regular as per stipulations.

- (v) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
- (b) Where each of such transaction is in excess of ₹ 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A , 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (viii) In our opinion, the internal audit functions carried out during the year by an external agency appointed by the Management have been commensurate with the size of the Company and the nature of its business
- (ix) 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.
- (x) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- Having regard to the operations of the Company during the year ended 31st March, 2014, dues relating to Excise Duty were not applicable to the Company.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, which have not been deposited as on 31st March, 2014 on account of disputes are given below:

Name of statute	Nature of the dues	Amount (₹ In lakhs)	Period to which the amount relates (A.Y.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3	AY 2005-06	ITAT Pune
Income Tax Act, 1961	Income Tax	1,547	AY 2007-08	ITAT Pune
Income Tax Act, 1961	Income Tax	69	AY 2008-09	ITAT Pune
Income Tax Act, 1961	Income Tax	184	AY 2009-10	ITAT Pune
Income Tax Act, 1961	Income Tax	187	AY 2010-11	CIT (A) - II
Income Tax Act, 1961	Income Tax	152	AY 2011-12	Appeal in process
	Total	2,142		

- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions or banks. The Company has not issued any debentures.
- (xii) According to the information and explanations given to us and based on documents and records examined by us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xv) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- (xvi) 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.
- (xvii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- (xviii) The Company has not raised any money by public issues during the year.
- (xix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Hemant M. Joshi
Partner
Membership No. 38019

Place: Pune,
Date: 20th May, 2014

BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in Lakhs)

PARTICULARS	NOTE NO.	As at 31.03.2014	As at 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	7,577	7,577
(b) Reserves and surplus	4	67,862	68,404
		<u>75,439</u>	<u>75,981</u>
(2) Non-current liabilities			
(a) Long-term borrowings	5	10,633	6,137
(b) Deferred tax liabilities (net)	6	-	68
(c) Other long-term liabilities	7	67	56
(d) Long-term provisions	8	200	194
		<u>10,900</u>	<u>6,455</u>
(3) Current liabilities			
(a) Short-term borrowings	9	6,410	8,007
(b) Trade payables	10	5,843	1,764
(c) Other current liabilities	11	23,539	5,548
(d) Short-term provisions	12	2,129	3,004
		<u>37,921</u>	<u>18,323</u>
Total		<u>124,260</u>	<u>100,759</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
i Tangible assets	13.1	1,397	1,156
ii Intangible assets	13.2	50	73
iii Capital work-in-Progress		457	-
(b) Non-current investments	14	40,955	46,921
(c) Deferred tax assets (net)	6	27	-
(d) Long-term loans and advances	15	23,468	12,435
(e) Other non-current assets	16	128	115
		<u>66,482</u>	<u>60,700</u>
(2) Current assets			
(a) Current investments	17	1,541	557
(b) Inventories	18	43,778	25,392
(c) Trade receivables	19	5,185	4,232
(d) Cash and bank balances	20	1,192	5,165
(e) Short-term loans and advances	21	5,705	4,402
(f) Other current assets	22	377	311
		<u>57,778</u>	<u>40,059</u>
Total		<u>124,260</u>	<u>100,759</u>

See accompanying notes forming part of the financial statements

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 Executive Director
G. L. Vishwanath Director	Manasa Vishwanath Director	Manish Doshi Director	Achyut Watve Director	Jayant Pendse Director
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants			Vasant Gaikwad Chief Financial Officer	Vinod Patil Company Secretary

Hemant M. Joshi
Partner

Place : Pune
Date: 20 May, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014
(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2014	Year ended 31 March 2013
I. Income			
Revenue and other income	23	23,126	23,104
		23,126	23,104
II. Expenses			
(a) Cost of construction / development, land, plots and development rights	24	11,191	9,023
(b) Employee benefits expense	25	1,807	1,754
(c) Finance costs	26	2,729	984
(d) Depreciation and amortisation expense	13	175	147
(e) Other expenses	27	2,061	1,961
(f) IPO Expenses and amortisation		-	311
Total expenses		17,963	14,180
III. Profit before tax (I - II)		5,163	8,924
IV. Tax expense :			
(a) Current tax expenses		620	2,303
(b) Deferred Tax charge/ (credit)		(95)	54
Net tax expense		525	2,357
V. Profit for the year (III - IV)		4,638	6,567
VI. Earnings per share			
(Face value ₹ 10/- per equity share)			
Basic and Diluted (Rupees)		6.12	8.67

See accompanying notes forming part of the financial statements

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 Executive Director
G. L. Vishwanath Director	Manasa Vishwanath Director	Manish Doshi Director	Achyut Watve Director	Jayant Pendse Director
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants			Vasant Gaikwad Chief Financial Officer	Vinod Patil Company Secretary

Hemant M. Joshi
Partner

Place : Pune
Date: 20 May, 2014

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

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax:	5,163	8,924
<u>Adjustment for:</u>		
Depreciation/Amortisation	175	146
Finance Cost	2,729	984
Interest & Dividend received on Investments	(4,360)	(2,043)
Share of Profit from Firms and LLP	(1,125)	(1,204)
Liabilities Written back	(16)	(1)
Amounts written off	-	75
IPO Expenses written off	-	311
Other non-cash charges: Adjustment on account of amalgamation of Oakwood during the year	(2,483)	-
Operating profit before Working Capital changes	83	7,192
Adjustments for changes in Working capital		
(Increase)/Decrease in Inventories	(18,386)	(3,062)
(Increase)/Decrease in Trade Receivables	(953)	(1,331)
(Increase)/Decrease in Short term Loans and advances	(1,303)	(425)
(Increase)/Decrease in Long term Loans and advances	(1,160)	2,740
(Increase)/Decrease in Other current assets	-	398
(Increase)/Decrease in Other non-current assets	(13)	(300)
(Increase)/Decrease in Restricted Cash Balances (e.g. Dividend A/c)	(7)	(11)
Increase/(Decrease) in Long term Provisions	6	18
Increase/(Decrease) in Trade Payables	4,095	248
Increase/(Decrease) in Other current liabilities	10,800	861
Increase/(Decrease) in Other Long Term Liabilities	11	(6)
Increase/(Decrease) in Short term Provisions	(112)	145
Cash generated from/ (used in) operations	(6,939)	6,467
Income taxes (paid)/refund received	(1,758)	(1,730)
Net Cash from / (used in) operating activities	(8,697)	4,737

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

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets,CWIP including capital advances	(850)	221
Non Current Investments made	(4,259)	(19,244)
Proceeds from sale of /redemption of Non-current investments	10,225	7,428
Amounts received/(Invested) from partnership firms & LLPs	(4,003)	1,204
(Investments in) /Proceeds from Current investments	(984)	1,737
Interest & Dividend received on Investments	4,294	2,043
Net Cash from/(used in) investing activities	4,423	(6,611)
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long term borrowings	(3,660)	(1,894)
Proceeds from Long term borrowings	10,874	6,110
Net increase / decrease in working capital borrowings	(1,597)	5,969
Dividend & Tax on dividend Paid	(2,593)	(3,166)
Finance cost paid	(2,730)	(984)
Net Cash from/(used in) financing activities	294	6,035
D NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,980)	4,161
Cash and Cash Equivalents (Opening balance)	5,131	970
Cash and Cash Equivalents (Closing balance)	1,151	5,131
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,980)	4,161

Notes :

1 Reconciliation of Cash and Cash equivalents with balance sheet

Cash and cash equivalents as per Cash Flow Statement	1,151	5,131
Add: balance in bank account earmarked for payment of unpaid dividend	41	34
Cash and bank balance as per Balance Sheet (Refer Note 20)	1,192	5,165

2 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 Executive Director
G. L. Vishwanath Director	Manasa Vishwanath Director	Manish Doshi Director	Achyut Watve Director	Jayant Pendse Director
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants			Vasant Gaikwad Chief Financial Officer	Vinod Patil Company Secretary

Hemant M. Joshi
Partner

Place : Pune
Date: 20 May, 2014

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 under the historical cost convention, on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles ('GAAP') in India and comply 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). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

C. Inventories

Inventory comprises of completed properties for sale 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.

D. Cash Flow Statement

Cash flow statement is prepared under the 'Indirect Method' Prescribed under Accounting Standard 3 'Cash Flow Statements' prescribed under the Companies (Accounting Standard) Rules, 2006. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

E. Fixed Assets

Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets comprises its purchase price, directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

F. Depreciation/Amortization

Depreciation on fixed assets is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956.

In respect of leasehold building, leasehold improvement plant & machinery and leasehold improvement furniture & fixtures, depreciation has been provided over the period of lease.

G. Revenue Recognition

- i. Revenue from real estate projects is recognized on the 'Percentage of Completion Method' of accounting, in accordance with Revised Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), on 'Accounting for Real Estate Transactions (Revised 2012)'.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution, only after the stage of completion of the project work reaches a reasonable level of development. A reasonable level of development is not achieved if the expenditure incurred on construction and development costs is less than 25 % of the total estimated construction costs (excluding cost incurred in acquisition of Land and development rights). Accordingly, cost of construction and development (including cost of Land) is charged to the statement of profit and loss in proportion to the revenue recognized during the year and balance costs are carried as part of 'Work in Progress' under inventories.

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

The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined.

- ii. In case of joint development projects, revenue is recognised to the extent of company's percentage share of the underlying real estate development project.
- iii. Revenue from sale of land is recognised when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.
- iv. Facility charges, management charges, project management fees, rental, hire charges, sub lease and maintenance income are recognized on accrual basis as per the terms and conditions of relevant agreements.
- v. Interest income is accounted on accrual basis except for interest on delayed payments by the customers, which are accounted on receipt basis.
- vi. Dividend income is recognized when right to receive is established.
- vii. Share of profit (Loss) from partnership firms/LLPs in which the Company is partner is recognized based on the financial information provided and confirmed by the respective firms.

H. Cost of Construction / Development:

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.

I. Foreign Currency transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realization is recorded to the statement of profit & loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the statement of profit and loss.

J. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

K. Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

a) Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the statement of profit and loss in the period in which they

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

c) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

d) Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

L. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

M. Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals receipts / payments under operating leases are recognised in the statement of profit and loss on a straight-line basis.

N. Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

O. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

P. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 March 2014	As at 31 March 2013
NOTE 3 - SHARE CAPITAL		
(a) Authorised		
112,000,000(PY 80,000,000) Equity Shares of ₹ 10/ each (Refer Note 3E)	11,200	8,000
	11,200	8,000
(b) Issued, subscribed and fully paid up		
75,774,909 (PY 75,774,909) Equity Shares of ₹ 10/ each	7,577	7,577
	7,577	7,577

(3A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares	Amount ₹ in lakhs	Number of shares	Amount ₹ in lakhs
Equity Shares at the beginning of the year	75,774,909	7,577	75,774,909	7,577
Issued during the year	-	-	-	-
Outstanding at the end of the year	75,774,909	7,577	75,774,909	7,577

(3B) Details of shares held by each shareholder holding more than 5% equity shares:

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares held	% holding	Number of shares held	% holding
Rajesh Anirudha Patil	15,486,031	20.44%	15,486,031	20.44%
Naresh Anirudha Patil	14,949,148	19.73%	14,949,148	19.73%
Milind Digambar Kolte	6,442,156	8.50%	6,442,156	8.50%
Sunita Milind Kolte	5,539,553	7.31%	5,524,553	7.29%
Sunita Rajesh Patil	7,021,861	9.27%	7,006,861	9.25%
Vandana Naresh Patil	7,039,319	9.29%	7,024,319	9.27%

(3C) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share held.

(3D) The Company declares and pays dividend in Indian Rupees. The Board of Directors had declared Interim Dividend of ₹ 1.5 per share in their meeting held on October 26, 2013. A final dividend of ₹ 1.6 per share has been recommended by the Board of Directors in their meeting held on May 20, 2014, subject to the approval of shareholders in the ensuing Annual General Meeting. If approved, the total dividend (Interim and Final dividend) for the financial year 2013-2014 will be ₹3.1 per equity share. The total dividend appropriation for the year ended 31st March 2014 amounted to ₹ 2,697 lakhs including Corporate Dividend Distribution Tax of ₹ 348 lakhs (Previous year ₹3,078 lakhs including Corporate Dividend Distribution Tax of ₹426 lakhs).

(3E) Pursuant to the Scheme of Amalgamation of wholly owned subsidiary i.e. Oakwoods Hospitality Private Limited (Oakwoods) with effect from 1st April 2013, authorised share capital of the Company has been increased to ₹ 11,200 lakhs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2014	31 March 2013
NOTE 4 - RESERVES AND SURPLUS		
(a) Securities Premium Account		
Opening balance	31,060	31,060
Add : Addition / (Utilisation) during the year	-	-
	31,060	31,060
(b) General Reserve		
Opening balance	3,383	2,450
Add: Transferred from surplus in Statement of Profit and Loss	464	933
	3,847	3,383
(c) Surplus in Statement of Profit and Loss		
Opening balance	33,961	31,129
Add : Profit/(Loss) for the year	4,638	6,567
Less: Allocations/Appropriations		
- Adjustment for excess amount of Investment in Oakwoods carried in Company's Accounts over the amount of Networth acquired from Oakwoods on amalgamation during the year	(2,483)	-
- Transferred to General reserve	(464)	(657)
- Interim dividend [₹ 1.50 per share (PY ₹ 2 per share)]	(1,137)	(1,515)
- Tax on Interim dividend	(142)	(242)
- Dividend proposed to be distributed to equity shareholders [₹ 1.60 per share (PY ₹ 1.5 per share)]	(1,212)	(1,137)
- Tax on Final dividend	(206)	(184)
Closing balance	32,955	33,961
Total	67,862	68,404

NOTE 5 - LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	Non Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Term Loans				
from banks (Secured)	5,171	4,895	1,570	1,817
from Financial Institutions / Others (Secured)	5,345	-	2,105	-
Vehicle Loans				
from banks (Secured)	103	65	112	73
from Financial Institutions / Others (Secured)	14	31	18	17
Public Deposits (Unsecured)	-	1,146	1,365	545
	10,633	6,137	5,170	2,452
Less: Amount disclosed under 'Other Current Liabilities' (refer note 11)	-	-	(5,170)	(2,452)
Total	10,633	6,137	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Details of terms of repayment and securities provided in respect of secured term loans are as under:

- i) Term Loan from Banks :**
- a) IDBI Loan Against property (Sanctioned ₹ 1,000 lakhs): Outstanding Balance ₹1,000 lakhs (PY - ₹1,000 lakhs)**
- Primary Security: Office No 101-B,102,105D,106,107AB,112C,201-203-204-205-206-207-208,First & Second Floor, City Point S.no 347B, 347A, Hissa No 3C/1A/1, 348A 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.
- Collateral Security: 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
- Rate of Interest : BBR Plus 5.25% (i.e.effective 15.50% p.a.)
- Repayment Terms : In 23 Quarterly Installments commencing from 1st April 2014 (22 instalments of ₹ 44 lakhs and last 23rd installment of ₹ 32 lakhs)
- b) IDBI Project Term Loan - 24 K Glitterati (Sanctioned ₹ 2,102 lakhs): Outstanding Balance ₹ 681 lakhs (PY - ₹2,102 lakhs)**
- Primary Security: Mortgage of land at survey no 14 Hissa No 14/3/1/1, 14/4/1, 14/5/12 to 4 admeasuring 34400 sq. mtr. located at Pimple Nilakh in Pune.
- Collateral Security: 1) Extension of Regd. mortgage of boat club Road Land, Final Plot no 188 S.no 347B, 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
- The Company has provided personal guarantees of Mr. Rajesh Patil, Mr. Naresh Patil, Mr. Milind Kolte and Mrs. Sunita Kolte, directors of the Company.
- Rate of Interest : BBR Plus 550 bps (effective 15.75% p.a.)
- Repayment Terms : 12 Equal Quarterly Installment commenced from 1st Dec 2011 and ending on September 2014
- c) IDBI Project Term Loan - City Bay (Sanctioned ₹ 1,000 lakhs) : Outstanding Balance ₹ 712 lakhs (PY - ₹750 lakhs)**
- Primary Security: Floor No - Ground to 5th floor of Building named City Bay Situated at plot no 188, Tower 3 admeasuring 3606.55 Sq. Mtr.
- Collateral Security: Extension of Regd. Mortgage of Boat Club Road Land Final Plot no 188, S.no 347-B, 347/A,3C/1A/1,348/1/1 and348A/1/2A, Total area113883 Sq. Ft. at Pune and Office No 101B,102,105D,106,107AB,112C,201-202-203-204-206-207-208, first and second floors city Point s.no 347B,347A Hissa No 3C/1A/1,348A Hissa No 1/1, 348A hissa No 1/2A, final Plot No 188CTS No 14(part)14/1,14/2 Dhole Patil Road Pune-01
- Rate of Interest : BBR plus 300 bps (i.e. effective 13.25% p.a.)
- Repayment Terms : 14 monthly installments commencing from 1st Dec 2013 (13 installment of ₹72 Lakhs and Last 14th installment of ₹64 lakhs)
- d) Vijaya Bank Construction Finance - City Bay (Sanctioned ₹ 2,000 lakhs): Outstanding Balance ₹1,499 lakhs (PY - ₹850 lakhs)**
- Security : Exclusive Charge by way of equitable Mortgage on proposed sixth, seventh, eighth and ninth floor admeasuring 318,421 sq.ft. of proposed Building, City Bay
- Rate of Interest : Base Rate +2.75%+0.25% p.a.(floating) (i.e. 13.45% p.a. at present)
- Repayment Terms : The Principal is to be repaid in 72 equal monthly installments after a moratorium period of 24months from the date of first disbursement. Interest is to be serviced as and when debited.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

e) State Bank of India Projects Term Loan - Raaga - Bangalore (Sanctioned ₹ 4,300 lakhs): Outstanding Balance ₹ 2,849 lakhs (PY - ₹1,864 lakhs)

Primary Security: Land admeasuring 6 acres 29 Guntas i.e. 292,941 sq. ft. for phase I and II and buildings to be constructed at s.no 33, Kannur Village, Bidarahalli Hobli Nr Yelakhanka, Bangalore East Taluka.

Collateral Security : land admeasuring 5,400 sq. ft. and house property (basement +g+2 admeasuring 9200 sq.ft. built up)at No 978 (amalgamation of 978 &979) HAL 2nd stage indiranagar Bangalore. Prime: Negative lien on unsold flats.

The Company has provided personal guarantees of Mr. Rajesh Patil, Mr. Naresh Patil, Mr. Milind Kolte and Mrs. Vandana Patil, directors of the the Company.

Rate of Interest : Base Rate 9.75% + Spread 3.75% (i.e. 13.50%)

Repayment Terms : Quarter ending Dec 2014 ₹ 1,000 lakhs, March 2015 ₹ 1,000 lakhs, June 2015 ₹ 1,000 lakhs and Sept 15 ₹ 1,000 lakhs

f) Axis Bank Loan Against Property (Sanctioned ₹ 500 lakhs) : Outstanding - Nil (PY - ₹146 lakhs)

Security: 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 Repaid in equal 81 monthly installments commencing from January 2008 and ending on August, 2014.

ii) Term Loan from Financial Institutions / others :

a) Capital First Limited - (Sanctioned ₹ 7,500 lakhs): Outstanding Balance ₹ 5,850 lakhs (PY - ₹ Nil)

Security : Exclusive Charge on the escrow on all the receivable credited to KPDL after payment is made to the respective construction finance lender from Glitterati Project. Exclusive charge by way of Mortgage of all unsold projects assets and exclusive mortgage on land, hypotication over all the project receivable and inventory of giga residency Projects. Escrow of all projects cash flow accruing from sale of projects, including but not limited to deposits/ rentals/sale proceeds/ any other receipts of any nature in such form and manner as may be required by the lender from the projects mentioned above till our facility is fully repaid.

Rate of Interest : 18% p.a. payable quarterly fixed for entire term of the facility

Repayment Terms : Repayment in quarterly installments after the moratorium period of 12 months i.e. Repayment of loan shall commence from the last day of the 12th Month from drawdown; but subject to mandatory prepayment.

b) Aditya Birla Finance Limited - (Sanctioned ₹ 1,600 lakhs): Outstanding Balance ₹ 1,600 lakhs (PY - ₹ Nil)

Security: First and Exclusive charge by way of Registered MoE on the Commercial Property Alyssa (area approx. 19,600 sq.ft.) having New no 23 old No 28 Richmond Road, Richmond Town Bangalore - 560025 and hypotication of receivables from M/s Mirabilis Project

The Company has provided personal guarantees of Mr. Naresh Patil and Mrs. Vandana Patil, Directors of the the Company.

Rate of Interest : Facility 14.50% P.a. floating which is linked to ABFL long term reference Rate (i.e. ABFL LTRR+/-Margin) LTRR of ABFL at Present is 16.50 % P.a. Margin offered is -2%for Facility

Repayment Terms : Month -0 to Month 06 interest on the draw down amount to be serviced on monthly basis Month 07 to Month 48 installment of ₹ 48.80 lakhs

iii) Vehicle Loans: Outstanding Balance ₹ 247 lakhs (PY - ₹ 186 lakhs)

Security: All the Vehicle loans are secured by the respective vehicles only.

Rate of Interest : The Rate of Loans are between 10 to 18%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 6 - DEFERRED TAX ASSET / (LIABILITY) (NET)		
Tax effects of:		
Item Constituting Deferred Tax Liabilities:		
Differences in book balances and tax balances of fixed assets	87	74
Item Constituting Deferred Tax Assets:		
Other temporary disallowances under Income Tax Act, 1961	114	6
Deferred tax asset/(liability) - Net	27	(68)
NOTE 7 - OTHER LONG TERM LIABILITIES		
Security Deposits Received	67	56
Total	67	56
NOTE 8 - LONG TERM PROVISIONS		
Provision for Employee Benefits:		
Provision for leave encashment	200	194
Total	200	194
NOTE 9 - SHORT TERM BORROWINGS		
Secured:		
Loans repayable on demand		
from Banks - Cash Credit	932	2,000
from Banks - Overdraft	343	303
Unsecured:		
Loans and advances from related parties (Refer Note 41)	5,135	5,704
Total	6,410	8,007

1. IDBI Bank Cash Credit : ₹ Nil (PY - ₹ 2,000 lakhs)

Primary Security: Hypothecation of Construction Material, WIP, receivables and Plant and Machinery with all fixture and fittings attached embedded fastened thereon and also other plants machinery goods, articles chattels, things, stores, motor trucks, motor cars, motor vehicles, that are possessed/under process or otherwise, under control of the Company.

Collateral Security: 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 113,883 sq. ft. at Pune. Regd. Mortgage of land at C.S. No. 23/170 A & B, Aundh Land. Total Area 572,587 sq. ft. Office No. 101B, 102, 105D, 106, 107AB, 112C, 201-202-203-204-205-206-207-208. Total Area 11,845 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

The Company has provided personal guarantees of Mr. Rajesh Patil, Mr. Naresh Patil, Mr. Milind Kolte and Mrs. Vandana Patil, directors of the the Company.

Repayment Terms: On demand

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. Axis Bank : ₹932 lakhs (PY - ₹ Nil)

Primary Security: Exclusive first hypothecation charge on Current assets (construction Material WIP and receivables) of all the real estate projects of the company present and future excluding the project for which the company has availed project specific funding from any other bank.

Collateral Security: Exclusive registered mortgage of land located at S.no. 171/1and 171/2and 172 1/2 admeasuring 9460 sq mtr at Tal. Mulshi, Wakad, Pune in the name of Bouvardia Developers LLP (an entity in KPDL group).Extension of charge on the Commercial premises Showroom no 6 on the Ground floor of Building Delta Giga Space admeasuring 5,300 sq. ft. standing in the name of the Company .

Interim additional security : Exclusive mortgage of property at unit nos 12,13, 30 at Biz Bay project in the in the name of the company admeasuring 3,750 sq. ft. of salable area.

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

Repayment Terms: On demand

3. IDBI Bank - Overdraft Facility

Security - Bank Fixed Deposit

Rate of Interest : Bank FD plus 1.5%

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 10 - TRADE PAYABLE		
Trade Payables for land, supplies, material and services	5,843	1,764
Total	5,843	1,764
NOTE 11 - OTHER CURRENT LIABILITES		
Current maturities of long-term debt (Refer Note 5)	5,170	2,452
Interest accrued and due on borrowings	-	1
Unclaimed dividends	38	31
Other payables		
Advance from customers	13,361	2,480
Statutory dues	146	237
Advance from Partnership Firms	4,734	267
Maintenance deposit	73	60
Other liabilities	17	20
Total	23,539	5,548
NOTE 12 - SHORT-TERM PROVISIONS		
a. Provision for Employee Benefits:		
Provision for Gratuity	112	128
Provision for Leave encashment	23	-
b. Provision- Others:		
Provision for Employee related payables	166	285
Provision for Income tax (net of advances ₹ 2,442 lakhs (PY-₹ 2,636 lakhs))	410	1,270
Provision for proposed dividend	1,212	1,137
Provision for tax on proposed dividend	206	184
Total	2,129	3,004

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 13 - FIXED ASSETS

13.1 TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2013	Additions	Deletions / Adjustments	As at 31.03.2014	As at 01.04.2013	For the Year	Deletion / Adjustments	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
Building	401	-	-	401	23	7	-	30	371	378
Plant and Machinery	228	42	-	270	65	12	-	77	193	163
Furniture and Fixtures	185	28	-	213	56	11	-	67	146	129
Vehicles	768	287	-	1,055	349	87	-	436	619	419
Computers	231	32	-	263	164	31	-	195	68	67
TOTAL (A)	1,813	389	-	2,202	657	148	-	805	1,397	1,156
TOTAL (Previous Year)	1,609	204	-	1,813	537	120	-	657	1,156	

13.2 INTANGIBLE ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2013	Additions	Deletions / Adjustments	As at 31.03.2014	As at 01.04.2013	For the Year	Deletion / Adjustments	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013
Computer Software	167	4	-	171	94	27	-	121	50	73
TOTAL (B)	167	4	-	171	94	27	-	121	50	73
Previous Year	150	17	-	167	67	27	-	94	73	
TOTAL (A) + (B)	1,980	393	-	2,373	751	175	-	926	1,447	1,229
Total (Previous Year)	1,759	221	-	1,980	604	147	-	751	1,229	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 March 2014	As at 31 March 2013
NOTE 14 - NON CURRENT INVESTMENTS		
A. Trade Investments (Unquoted, at cost)		
l) Investments in equity shares of		
a. Subsidiaries		
i) Tuscan Real Estate Private Limited 51,000 (51,000) Shares of ₹ 100 Each	51	51
ii) Bellflower Properties Private Limited 500,000 (500,000) Shares of ₹ 10 each	50	50
iii) Kolte-Patil Real Estate Private Limited 18,939 (18,939) Shares of ₹ 10 each 4,734,866(7,284,866) Shares of ₹10 at ₹ 90 premium 9,012,000 (9,012,000) Shares of ₹10 at ₹ 15 premium 2,316,120 (2,316,120) Shares of ₹10 at ₹ 21.5625 premium	7,721	10,271
iv) Yashowardhan Promoters and Developers Private Limited 111,000 (111,000) Shares of ₹ 10 each 74,000 (74,000) Shares of ₹ 10 each at ₹1098.11 premium	831	831
v) Regenesys Facility Management Company Private Limited 20,000 (20,000) Shares of ₹ 10 each	2	2
vi) Regenesys Project Management Co. Private Limited 499,998 (499,998) Shares of ₹ 100 each	500	500
vii) Oakwoods Hospitality Private Limited Nil (8,772,000) Shares of ₹ 10 each Nil (8,428,000) Shares of ₹ 10 each at a premium of ₹ 30.48	-	4,306
viii) Lilac Hospitality Private Limited 500,000 (500,000) Shares of ₹ 10 each	50	50
ix) Jasmine Hospitality Private Limited 14,366,200 (14,366,200) Shares of ₹ 10 each 13,802,820 (13,802,820) Shares of ₹ 10 each at premium of ₹ 12.82 2,000,000 (Nil) Shares of ₹ 10 each at premium of ₹ 35.89	5,520	4,602
x) Olive Realty Private Limited 1,000,000 (1,000,000) Shares of ₹ 10 each	100	100
xi) Snowflower Properties Private Limited 50,000 (50,000) Shares of ₹ 10 each	5	5
xii) PNP Retail Private Limited 8,000,000 (8,000,000) Shares of ₹ 10 each	800	800
xiii) PNP Agrotech Private Limited 4,183,500 (4,183,500) Shares of ₹ 10 each	418	418
xiv) Sylvan Acres Realty Private Limited 450,000 (450,000) Shares of ₹ 100 each 50,000 (50,000) shares of ₹100 each at a premium of ₹ 900	951	951
b. Joint Ventures - Jointly Controlled Entities		
i) Kolte-Patil I-ven Townships (Pune) Limited 4,500,000 (4,000,000) Equity Shares of ₹ 10 each	450	400
ii) Corolla Realty Limited 10,000 (10,000) Equity Shares of ₹ 10 each 204,356 (204,356) Shares of ₹ 10 each at ₹ 531.53 premium	1,108	1,108

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 14 - NON CURRENT INVESTMENTS (cont...)		
II) Investment in Preference shares of		
a. Subsidiaries		
Sylvan Acres Realty Private Limited 4,500,000(4,500,000) 0.0001% Red. Pref. Shares of ₹ 10 at premium of 90 500,000 (500,000) Shares of ₹10 each at premium of ₹ 90	5,001	5,001
b. Joint Ventures - Jointly Controlled Entities		
Kolte-Patil I-ven Townships (Pune) Limited 3,294,666 (3,294,666) 0.0001% Red. Pref. Shares of ₹ 10 each at premium of ₹90	3,295	3,295
III) Investment in Debentures/Bonds of		
a. Subsidiaries		
i) Tuscan Real Estate Private Limited 23,482,333 (28,482,333) 15% OCD of ₹ 10 each	2,348	2,848
ii) Bellflower Properties Private Limited Nil (233,263) 15% NCDs of ₹ 1000 each	-	2,333
iii) Oakwoods Hospitality Private Limited Nil (2,010,000) 15% OCD of ₹ 10 each	-	201
iv) Jasmine Hospitality Private Limited 1,656,100 (1,656,100) 15% OCD of ₹ 10 each	166	166
v) Snowflower Properties Private Limited 31,61,370 (Nil) 15% OCD of ₹ 100 each	3,161	-
b. Joint Ventures - Jointly Controlled Entities		
i) Kolte-Patil I-ven Townships (Pune) Limited. 65,874,987 (65,874,987) 15% CCD of ₹ 10 each 15,754,500 (15,754,500) 15% OCD of ₹ 10 each	8,163	8,163
ii) Corolla Realty Limited Nil (334,803) 15% OCD of ₹ 100 each	-	335
IV) Investment in Partnership firm (Fixed Capital)		
Ankit Enterprises	-*	-*
V) Investment in Limited Liability Partnerships (Fixed Capital)		
i) KP-Rachana Real Estate LLP	212	83
ii) Sanjivani Integrated Township LLP	51	51
iii) Bouvardia Developers LLP	1	-
B. Other Investments		
I) Investment in government or trust securities		
National Savings Certificates	-*	-*
II) Other non-current investments		
20 (20) Equity shares of Rupee Bank of ₹ 25 each	-*	-*
TOTAL	40,955	46,921

* Amount less than ₹ 1 Lakh

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 14A

The details of all partners, capital and profit sharing ratio in partnership firms where company is a partner

Particulars	2013-14		2012-13	
	Profit Sharing Ratio	Fixed Capital ₹ In lakhs	Profit Sharing Ratio	Fixed Capital ₹ in lakhs
Ankit Enterprises				
Kolte-Patil Developers Ltd.	75%	0.375	75%	0.375
Mr. Rajesh Patil	5%	0.025	5%	0.025
Mr. Naresh Patil	5%	0.025	5%	0.025
Mr. Milind Kolte	5%	0.025	5%	0.025
Mrs. Sunita Kolte	5%	0.025	5%	0.025
Mrs. Sunita Patil	2.50%	0.013	2.50%	0.013
Ms. Ankita Patil	2.50%	0.013	2.50%	0.013
Kolte-Patil Homes				
Kolte-Patil Developers Ltd.	60%	-	60%	-
Mr. Naresh Patil	30%	-	30%	-
Mrs. Vandana Patil	10%	-	10%	-

Note 14B

The details of all partners, capital and profit sharing ratio in LLPs where company is a partner

Particulars	2013-14		2012-13	
	Profit Sharing Ratio	Fixed Capital ₹ in lakhs	Profit Sharing Ratio	Fixed Capital ₹ in lakhs
KP-Rachana Real Estate LLP				
Kolte-Patil Developers Ltd.	50%	212.46	50%	82.82
Rachana International Pvt.Ltd	50%	708.21	50%	193.24
Sanjivani Integrated Township LLP				
Kolte-Patil Developers Ltd.	50.50%	50.50	50.50%	50.50
Mr. Nitin Govind Sable	24.75%	24.75	24.75%	24.75
Mrs. Surekha Rajiv Sable	24.75%	24.75	24.75%	24.75
Bouvardia Developers LLP				
Kolte-Patil Developers Ltd.	99.00%	0.99	-	-
Yashowardhan Promoters & Developers Pvt. Ltd	1.00%	0.01	-	-

(₹ in Lakhs)

Particulars

As at
31 March 2014

As at
31 March
2013

NOTE 15 - LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

(a) Loans and advances to related parties

- Inter corporate Deposits	-	100
- Loans to Subsidiary and associate group Company	3,994	4,053
- Eq. Share Application Money to Subsidiary	-	4
	<u>3,994</u>	<u>4,157</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
(b) Current account in partnership firms	-	1,737
(c) Current account in LLP	12,071	739
(d) Security Deposit	756	211
(e) Prepaid expenses	48	35
(f) Advances given under Joint Venture Operations	3,852	3,133
(g) Advance income tax (Net of Provisions ₹ 13,226 lakhs (PY ₹11,552 lakhs))	2,498	2,220
(h) Balances with government authorities	249	203
	<u>19,474</u>	<u>8,278</u>
Total	<u>23,468</u>	<u>12,435</u>
Note 15A: Long Term Advances includes amount due from:		
Firms/LLPs in which any director is a partner		
Ankit Enterprises - Current Capital	-	1,737
	<u>-</u>	<u>1,737</u>
Private companies in which any director is a director or member		
Lilac Hospitality Private Limited	15	23
Olive Realty Private Limited	2,759	3,202
PNP Retail Private Limited	825	489
PNP Agrotech Private Limited	395	317
Snowflower Properties Private Limited	-	22
Kolte-Patil Real Estate Private Limited	-	100
Jasmine Hospitality Private Limited		4
	<u>3,994</u>	<u>4,157</u>
NOTE 16 - OTHER NON CURRENT ASSETS		
Other Advances (including Maintenance Charges Recoverable)	128	115
Total	<u>128</u>	<u>115</u>
NOTE 17 - CURRENT INVESTMENT		
(a) Investment in equity instruments	3	3
13,200 (13,200) Eq Shares of ₹ 24 each - Vijaya Bank		
(b) Investment in Mutual Funds- Quoted	1,538	554
(All the investment in mutual fund are of Daily Dividend Reinvestment Plan)		
Total	<u>1,541</u>	<u>557</u>
NOTE 18 - INVENTORIES		
(At lower of cost and net realisable value)		
Land, plots and construction work-in-progress	42,269	24,844
Completed Finished Properties	1,509	548
Total	<u>43,778</u>	<u>25,392</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 19 -TRADE RECEIVABLES		
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	1,573	892
Other Trade receivables (Less than six months)	3,612	3,340
Total	5,185	4,232
Note 19A: Trade receivables include debts due from:		
Private companies in which any director is a director or member		
- Kolte-Patil Real Estate Private Limited	50	61
- Bellflower Properties Private Limited	-	71
- Tuscan Real Estate Private Limited	-	41
Total	50	173
NOTE 20 - CASH AND BANK BALANCES		
A. Cash and cash equivalents		
(a) Cash on hand	13	9
(b) Cheques, drafts on hand	2	133
(c) Balances with Banks:		
(i) In Current Account	572	4,354
(ii) In demand deposit accounts	564	635
	1,151	5,131
B. Other bank balances		
(a) In earmarked accounts		
- Unpaid dividend accounts	41	34
Total	1,192	5,165
Note 20A: Of the above, the balances that meet the definition of cash and cash equivalents as per Accounting Standards -3 "Cash Flow Statements."	1,151	5,131
NOTE 21 - SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
A. Loans and advances to related parties	44	44
B. Other short term loans and advances		
Advances to suppliers and contractors	485	381
Advances for Purchase of Land	5,026	3,969
Advance Against Salary	77	-
Advance For Expenses (Site)	4	-
Other Advances	69	8
Total	5,705	4,402
Note 21A: Short Term Advances includes amount due from:		
Directors (Refer Note 41)	44	44
	44	44
NOTE 22 - OTHER CURRENT ASSETS		
(i) Interest accrued on deposits	49	9
(ii) Interest accrued on investments	328	302
Total	377	311

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
NOTE 23 - REVENUE & OTHER INCOME		
Revenue from operations		
Operating revenue		
Sale of Constructed Properties (Residential and commercial)	13,379	14,826
Sale of Land	2,650	203
	16,029	15,029
Other operating revenue		
Rent income	118	61
Project management fees	1,451	1,367
	1,569	1,428
Share of Profit / (Loss) from Partnership Firms / LLPs		
Share of profit from partnership firms - Net (refer note 23A)	1,002	1,204
Share of profit from LLPs - Net (refer note 23A)	123	35
	1,125	1,239
Other Income		
(a) Interest Income:		
i) Interest income from customers/employees	3	13
ii) Interest income from long term investments in subsidiaries/JVs	1,932	2,043
(b) Dividend income from :		
i) Current investments (Mutual Funds)	22	38
ii) Long-term investments (Shares in Subsidiaries & JVs)	2,236	575
(c) Net gain on sale of long term investments in Subsidiaries & JVs	167	2,684
(d) Miscellaneous Income	27	54
(e) Liabilities/provisions no longer required written back	16	1
	4,403	5,408
Total	23,126	23,104
Note 23A: Share of Profit/(Loss) from partnership firms & LLPS:		
1. Ankit Enterprises	1,033	1,206
2. Kolte-Patil Homes	(31)	(2)
3. KP-Rachana Real Estate LLP	125	35
4. Bouvardia Developers LLP	(2)	-
Total	1,125	1,239

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
NOTE 24 - COST OF CONSTRUCTION / DEVELOPMENT, LAND, PLOTS AND DEVELOPMENT RIGHTS		
(a) Opening work in progress	25,392	22,330
Add : Inventory of Oakwoods Hospitality Private Limited, amalgamated during the year (Refer Note 33)	1,258	-
A	26,650	22,330
(b) Add: Cost incurred during the year		
Cost of land/ development rights	16,636	440
Purchase of material & transportation	3,757	4,519
Contract cost, labour and other charges	2,589	3,123
Other construction expenses	4,657	3,588
Personnel costs (Contract cost, labour and other charges)	680	415
B	28,319	12,085
(c) Less : Closing work in progress	C	25,392
Cost of construction / development	(A+B-C) 11,191	9,023
NOTE 25 - EMPLOYEE BENEFITS EXPENSE		
(a) Salaries and wages	1,590	1,553
(b) Contributions to provident and other funds	182	181
(c) Staff Welfare Expenses	35	20
Total	1,807	1,754
NOTE 26 - FINANCE COST		
(a) Interest expense on Borrowings	2,579	917
(b) Other borrowing costs	150	67
Total	2,729	984
NOTE 27 -OTHER EXPENSES		
(a) Advertisement and Selling Expenses	634	638
(b) Lease rent	278	126
(c) Repair & Maintenance		
- Buildings	61	35
- Machinery	41	46
- Others	52	47
(d) Insurance	37	41
(e) Rates & Taxes	32	174
(f) Communication	58	45
(g) Travelling and conveyance	250	230
(h) Printing and Stationery	29	28
(i) Legal and professional charges (Refer Note 29)	411	233
(j) Amount Written Off	-	75
(k) Miscellaneous Expenses	178	243
Total	2,061	1,961

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28. Contingent liabilities (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Claims against the Company not acknowledged as debt *	2,152	1,960
(b) Income Tax matters (pending in Appeal)	2,142	3,296
(c) Guarantees issued by the Company on behalf of Subsidiary Companies and Associates **	15,600	12,500
Total	19,894	17,756

*in the opinion of the management the above claims are not sustainable and the Company does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

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

29. Auditors remuneration (net of service tax) towards

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Statutory Audit, Limited Review and Certification for the year	14	6
For taxation matters	-	1
Total	14	7

30. Expenditure in foreign currency

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Travelling	36	32
Advertisement Expenditure	-	17
Total	36	49

31. CIF value of Import

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Raw Material	163	143
Total	163	143

32. Domestic Transfer Pricing

The Company enters into "domestic transactions" with specified parties that are subject to the Transfer Pricing regulations under the Income Tax Act, 1961 ('regulations'). The pricing of such domestic transactions will need to comply with the Arm's length principle under the regulations. These regulations, inter alia, also required the maintenance of prescribed documents and information including furnishing a report from an accountant which is to be filed with the Income tax authorities.

The Company has undertaken necessary steps to comply with the regulations. The management is of the opinion that the domestic transactions are at arm's length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33. Disclosures under Accounting Standards 14 - Amalgamation : Details of Amalgamation of Oakwood

In terms of the Scheme of Arrangement (the Scheme), Oakwoods Hospitality Private Limited, wholly owned subsidiary of the Company (referred to as 'Transferor Company'), has been merged with the Company (Transferee Company), upon which the undertaking and the entire business, including all assets and liabilities of the Transferor Company stand transferred to and vested in the Transferee Company. The amalgamation has been accounted under the pooling of interest method and the assets and liabilities transferred have been recorded at their book value. Oakwoods Hospitality Private Limited was engaged in the business of establishing, developing, setting up, managing, furnishing, providing various types of hospitality services

The Scheme filed by the Company has been approved by the Hon'ble High Court of Judicature at Mumbai, with an appointed date of 1 April, 2013 and an effective date of 18th March, 2014 ('the Effective Date'), being the date on which all the requirements under the Companies Act, 1956 have been completed.

The Transferor Company is a wholly owned subsidiary of the Transferee Company and its entire share capital is held by the Transferee Company in its own name and/or jointly with its nominees. Accordingly, there is no issue of shares of the Transferee Company to the shareholders (including those holding the shares as nominees of the Transferee Company) of the Transferor Company. Pursuant to the merger of the Transferor Company with the Transferee Company, the investment in the shares of the transferor Company, appearing in the books of account of the Transferee Company is stand cancelled.

Details of assets and liabilities acquired on amalgamation and treatment of the difference between the net assets acquired and cost of investment in the Transferee Company by the Transferor Company:

(₹ in Lakhs)

Particulars	Year ended 31 March 2014
Value of assets and liabilities acquired:	
Fixed assets	41
Net current assets	2,001
Secured loans	(218)
Unsecured loans	(1)
Total	1,823
Less: Carrying value of investments in the Transferor Company	4,306
Excess amount of Investment in Oakwoods carried in Transferee Company's accounts over the amount of Networth acquired from transferor company (Oakwoods) on amalgamation during the year has been adjusted in Reserves	2,483

34. Employee Benefits

The details of employee benefits as required under Accounting Standard 15 'Employee Benefits' is given below

(A) Defined Contribution Plan:

Amount recognized as an expense in the Statement of Profit and Loss in respect of Defined Contribution Plans (Provident and other funds) is ₹ 106 lakhs (31st March, 2013 ₹ 96 lakhs)

(B) Defined benefit plan:

Gratuity is a defined benefit plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or termination of employment of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of five years of service.

Disclosure as required under Accounting Standard – 15 (Revised) on "Employee Benefits" in respect of defined benefit plan is as under:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

i. Changes in the present value of defined obligation

(₹ in Lakhs)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Present value of benefit obligation at the beginning of the year	206	161
Current service cost	50	43
Interest cost	17	14
Actuarial (gains) / losses	(31)	(11)
Benefits paid	(8)	(1)
Present value of Defined Benefit Obligation as on Balance Sheet date.	234	206

ii. Changes in the fair value of plan assets

(₹ in Lakhs)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Fair value of Plan Assets at the beginning of the year	78	14
Acquisition adjustment	Nil	(6)
Expected return on plan assets	9	3
Actual company contributions	56	67
Actuarial gains and (losses)	(14)	-
Benefits paid	(7)	-
Plan assets as on the end of the year	122	78
Actual Returns on Plan Assets	(5)	3

iii. Net asset/(Liability) recognised in the Balance Sheet:

(₹ in Lakhs)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Present value of defined benefit obligation at End of the year	234	206
Fair value of plan assets	122	78
Funded status [Surplus/(Deficit)]	(112)	(128)
Unrecognized Past Service Costs	Nil	Nil
Net asset / (liability) recognised in the Balance Sheet	(112)	(128)

iv. In respect of Funded Benefits with respect to gratuity, the fair value of Plan assets represents the amounts invested through "Insurer Managed Funds"

v. Expenses recognized in the statement of profit and loss

(₹ in Lakhs)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Current service cost	50	43
Interest cost	17	14
Past service cost	Nil	Nil
Expected return on plan assets	(9)	(3)
Net actuarial loss/(Gain) recognized in the year	(17)	(11)
Total expense recognised in the Statement of Profit and Loss	41	43

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

vi. Principal Actuarial Assumptions

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Discount Rate	9.20%	8.20%
Rate of Increase in compensation levels of covered employees	9.00%	9.00%
Rate of Return on Plan Assets	9.00%	9.00%
Expected Average Remaining working lives of employees (Years)	16.46	16.58

vii. Actuarial assumptions for long-term compensated absences (Leave Salary)

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
Discount Rate	9.20%	8.20%
Rate of Increase in compensation levels of covered employees	9.00%	9.00%
Expected Average Remaining working lives of employees (Years)	16.46	16.58

- The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- Salary Increase Rate : The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors

35. Segment Information

The Company is predominantly engaged in Real Estate. The operations of the company do not qualify for reporting as business segments as per the criteria set out under Accounting Standard 17 (AS-17) on "Segment Reporting". The Company is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under AS-17.

36. Operating Leases

The Company has taken and given certain facilities and office premises under operating lease basis which include leases that are renewable on a yearly basis and cancellable at the Company's option.

Rental income from operating leases included in the Statement of Profit and Loss for the year is ₹ 118 Lakhs [Previous Year - ₹ 61 Lakhs].

Rental expense for operating leases included in the Statement of Profit and Loss for the year is ₹ 278 Lakhs [Previous Year- 126 Lakhs].

37. Earnings per share

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.

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Net Profit attributable to shareholders (₹ in lakhs)	4,638	6,567
Weighted average number of equity shares (in lakhs)	758	758
Basic earnings per share – ₹	6.12	8.67
Diluted earnings per share – ₹	6.12	8.67
Nominal value of equity shares – ₹	10.00	10.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

38. Particulars of joint ventures

The Company has interests in the following Jointly controlled entities (JCE):

Sr. No	Joint Venture Entity	Location	Principal activities	Ownership interest
1	Kolte-Patil I-Ven Townships (Pune) Limited (Township)	Pune, India	Development and construction of townships	45%
2	Corolla Realty Limited (Corolla)	Pune, India	Development and construction of townships	37%

Financial interest of the Company in jointly controlled entities is as under

Particulars	Township		Corolla	
	Year 2014	Year 2013	Year 2014	Year 2013
Assets	22,708	21,625	5,433	6,127
Liabilities	17,534	18,613	2,251	4,485
Income	20,454	17,177	6,043	8,479
Expenses	15,471	14,029	3,483	5,559
Contingent Liabilities	-	-	36	-

Note: The Company's share of assets, liabilities, income and expenditure has been included on the basis of audited financial statements of the above mentioned Joint venture entities

39. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	₹ in Lakhs	
	As at 31 March 2014	As at 31 March 2013
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1	- *
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

* Amount less than ₹ 1 lakh

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

40. Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges

Loans and advances in the nature of loans given to entities in which directors are interested:

(₹ in Lakhs)

Name of the party	Relationship	Amount outstanding	Maximum balance outstanding during the year
Olive Realty Private Limited	Subsidiary	2,759 (3,202)	3,321 (3,321)
Lilac Hospitality Private Limited	Subsidiary	15 (23)	25 (23)
PNP Retail Private Limited	Subsidiary	825 (489)	825 (489)
Snowflower Properties Private Limited	Subsidiary	- (22)	- (22)
Kolte-Patil Real Estate Private Limited (ICDs)	Subsidiary	- (100)	- (551)
PNP Agrotech Private Limited	Subsidiary	395 (317)	395 (317)

Note: Figures in bracket relate to the previous year.

41. Related Party Transactions

A. List of related Parties

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

i. Subsidiary Companies

1. Bellflower Properties Private Limited
2. Tuscan Real Estate Private Limited
3. Jasmine Hospitality Private Limited
4. Lilac Hospitality Private Limited
5. Oakwoods Hospitality Private Limited(Merged with the Company w.e.f. 1st April, 2013)
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

ii. Joint Ventures

1. Kolte-Patil I-Ven Townships (Pune) Limited
2. Corolla Realty Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

iii. Key Management Personnels and Relatives of Key Management Personnels

- a. Key Management Personnel
 1. Mr. Rajesh Patil
 2. Mr. Naresh Patil
 3. Mr. Milind Kolte
 4. Mrs. Sunita Kolte
 5. Mrs. Vandana Patil
- b. Relatives of Key Management Personnels
 1. Mrs. Sunita Patil
 2. Ms. Ankita Patil
 3. Mr. Digambar Kolte
 4. Mrs. Pramila Kolte
 5. Mr. Nirmal Kolte
 6. Mr. Pradeep Kolte

iv. Entities over which the Company, Subsidiary Companies or key management personnel or their relatives, exercise significant influence

1. Ankit Enterprises
2. Kolte-Patil Homes
3. KP-Rachana Real Estate LLP
4. Sanjivani Integrated Township LLP
5. Bouvardia Developers LLP
6. Green Olive Venture
7. Vibhu-KPDL Venture
8. Kolte-Patil Enterprises

B. Related Party Transactions and Balance Outstanding

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Joint Venture Entities	Key Management Personnel and their Relatives	Firms, LLPS, Entities under Significant influence
I. Transactions during the year:				
Unsecured Loan Received	277 (5,594)			
Unsecured Loan Repaid	846 (57)			
Advances / Loans Given	3,881 (1,044)			
Advance / Loans received back during the year	4,040 (621)			
Investment made in Debentures	3,161 -	- (8,163)		
Redemption of Investment in Debentures	2,833 (7,124)	335 (1,028)		
Investments made in equity shares	918 (7,096)	50 (400)		
Buyback of equity shares	2,550 -	- (46)		
Investments made in Preference Shares	- (501)	- (3,295)		
Dividend Received	327 (25)	1,890 (446)		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Transaction / Outstanding Balances	Subsidiary Companies	Joint Venture Entities	Key Management Personnel and their Relatives	Firms, LLPS, Entities under Significant influence
Interest received on Debentures	488 (1,842)	1,240 (144)		
Interest on Capital Invested / ICD	5 (26)			142 (31)
Share of Profit from Firms/ LLP				1,158 (1,241)
Share of loss from Firms/ LLP				33 (2)
Interest Paid on fixed Deposits			3 (2)	
Acceptance of Fixed Deposits			7 (6)	
Repayment of Fixed Deposits			9 (2)	
Project Management fees Received	420 (435)	1,031 (932)		
Amount paid for purchase of land			9 (1)	
Managerial remuneration			302 (569)	
II. Balances at year end				
Trade Receivables	50 (173)	1,080 (380)		
Advances given for land purchase		100 (100)	93 (102)	
Advances received for land purchase				
Payable for Land purchase				
Interest Receivable	328 (302)			
Loans / Advances Given	3,994 (4,153)			
Loans (Borrowings) / Advances Taken	5,135 (5,704)	- (229)	22 (22)	
Fixed Deposits				
Investments in Equity Share	16,999 (22,937)	1,558 (1,508)		
Investments in Preference share	5,001 (5,001)	3,295 (3,295)		
Investment in Debentures	5,675 (5,548)	8,163 (8,498)		
Investment in Partnership & Limited Liability Partnerships (Fixed Capital and Current Capital)				12,336 (2,610)
Advance from Partnership & Limited Liability Partnerships				4,733 (267)

Note: Figures in bracket relate to the previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

C. Details of material related party transactions:

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Joint Venture Entities	Key Management Personnel and their Relatives	Firms, LLPS, Entities under Significant influence
I. Transactions during the year				
Unsecured Loan Received				
Yashwardhan Promoters & Developers Private Limited	227 (180)			
Sylvan Acres Realty Private Limited	50 (5,414)			
Unsecured Loan Repaid				
Yashwardhan Promoters & Developers Private Limited	517 (57)			
Sylvan Acres Realty Private Limited	329 (-)			
Advances / Loans Given				
PNP Agrotech Private Limited	78 (317)			
PNP Retail Private Limited	336 (434)			
Olive Realty Private Limited	42 (107)			
Snowflower Properties Private Limited	3,423 (16)			
Kolte-Patil Real Estate Private Limited	- (170)			
Advance / Loans received back during the year				
Olive Realty Private Limited	485 (-)			
Snowflower Properties Private Limited	3,445 (-)			
Kolte-Patil Real Estate Private Limited	100 (621)			
Investment made in Debentures				
Snowflower Properties Private Limited	3,161 (-)			
Kolte-Patil I-ven Townships (Pune) Limited		- (8,163)		
Redemption of Investment in Debentures				
Bellflower Properties Private Limited	2,333 (-)			
Tuscan Real Estate Private Limited	500 (500)			
Sylvan Acres Realty Private Limited	- (6,624)			
Corolla Realty Limited		335 (1,028)		
Investments made in equity shares				
Jasmine Hospitality Private Limited	918 (3,166)			
Kolte-Patil I-ven Townships (Pune) Limited		50 (400)		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Transaction / Outstanding Balances	Subsidiary Companies	Joint Venture Entities	Key Management Personnel and their Relatives	Firms, LLPS, Entities under Significant influence
Buyback of equity shares				
Kolte-Patil Real Estate Private Limited	2,550 (-)			
Corolla Realty Limited		- (46)		
Investments made in Preference Shares				
Sylvan Acres Realty Private Limited	- (501)			
Kolte-Patil I-ven Townships (Pune) Limited		- (3,295)		
Dividend Received				
Yashowardhan Promoters & Developers Private Limited	292 (-)			
Corolla Realty Limited		- (446)		
Kolte-Patil I-Ven Townships (Pune) Limited		1,890 (-)		
Regenesis Facility Management Company Private Limited	35 (25)			
Interest on Debentures received				
Bellflower Properties Private Limited (Debentures)	123 (349)			
Tuscan Real Estate Private Limited (Debentures)	365 (471)			
Kolte-Patil I-Ven Townships (Pune) Limited (Debentures)		1,224 (-)		
Corolla Realty Limited (Debentures)		16 (144)		
Sylvan Acres Realty Private Limited (Debentures)	- (1,022)			
Interest on Capital Invested / ICD				
Kolte-Patil Real Estate Private Limited (ICD)	5 (26)			
KP-Rachana Real Estate LLP				20 (-)
Sanjivani Integrated Township LLP				122 (31)
Share of Profit from Firms/ LLP				
Ankit Enterprises				1,033 (1,206)
KP-Rachana Real Estate LLP				125 (35)
Share of loss from Firms/ LLP				
Kolte-Patil Homes				31 (2)
Project Management fees Received				
Bellflower Properties Private Limited	183 (245)			
Kolte-Patil Real Estate Private Limited	145 (91)			
Tuscan Real Estate Private Limited	92 (99)			

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Transaction / Outstanding Balances	Subsidiary Companies	Joint Venture Entities	Key Management Personnel and their Relatives	Firms, LLPS, Entities under Significant influence
Kolte-Patil I-Ven Townships (Pune) Limited		857 (584)		
Corolla Realty Limited		174 (348)		
II. Balances at year end				
Trade Receivables				
Bellflower Properties Private Limited - Project Management Fees	- (60)			
Kolte-Patil Real Estate Private Limited - Project Management Fees	50 (61)			
Kolte-Patil I-Ven Townships (Pune) Limited- Project Management Fees		525 (-)		
Corolla Realty Limited - Project Management Fees		555 (380)		
Advances received for land purchase				
Kolte-Patil I-Ven Townships (Pune) Limited		100 (100)		
Interest Receivable				
Bellflower Properties Private Limited(Debenture)	- (201)			
Tuscan Real Estate Private Limited (Debentures)	328 (95)			
Loans / Advances Given				
Olive Realty Private Limited	2,759 (3,202)			
PNP Agrotech Private Limited	395 (317)			
PNP Retail Private Limited	825 (489)			
Loans (Borrowings) / Advances Taken				
Sylvan Acres Realty Private Limited	5,135 (5,414)			

Note: Figures in bracket relate to the previous year.

42. Previous year's figures

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
Executive Director

G. L. Vishwanath
Director

Manasa Vishwanath
Director

Manish Doshi
Director

Achyut Watve
Director

Jayant Pendse
Director

Vasant Gaikwad
Chief Financial
Officer

Vinod Patil
Company Secretary

Place : Pune

Date: 20 May, 2014

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF KOLTE-PATIL DEVELOPERS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **KOLTE-PATIL DEVELOPERS LIMITED** (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated 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 Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated financial statements that give a true and fair view 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 consolidated 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, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Other Matter

We did not audit the financial statements of 17 subsidiaries, whose financial statements reflect total assets (net) of ₹ 53,565 lakhs as at 31st March, 2014, total revenues of ₹ 27,544 lakhs and net cash flows amounting to ₹1,772 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Hemant M. Joshi
Partner
Membership No. 38019

Place: Pune

Date: 20 May, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2014	As at 31 March 2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	7,577	7,577
(b) Reserves and surplus	4	72,975	69,473
		80,552	77,050
(2) Minority Interest			
		17,402	14,911
(3) Non-current liabilities			
(a) Long-term borrowings	5	25,391	10,308
(b) Deferred tax liabilities (net)	6A	13	80
(c) Other long-term liabilities	7	74	63
(d) Long-term provisions	8	449	220
		25,927	10,671
(4) Current liabilities			
(a) Short-term borrowings	9	2,351	4,553
(b) Trade payables	10	11,217	9,177
(c) Other current liabilities	11	44,287	27,226
(d) Short term provisions	12	5,534	6,639
		63,389	47,595
Total		187,270	150,227
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
i Tangible assets	13.1	8,887	7,862
ii Intangible assets	13.2	146	102
iii Capital work-in-Progress		1,498	549
(b) Goodwill on Consolidation	35	2,175	5,326
(c) Non-current investments	14	-	-
(d) Deferred tax assets (net)	6B	386	265
(e) Long-term loans and advances	15	21,606	9,619
(f) Other non-current assets	16	168	139
		34,866	23,862
(2) Current assets			
(a) Current investments	17	1,541	757
(b) Inventories	18	126,940	98,256
(c) Trade receivables	19	8,459	7,624
(d) Cash and Bank Balances	20	6,957	11,215
(e) Short-term loans and advances	21	8,456	8,492
(f) Other current assets	22	51	21
		152,404	126,365
Total		187,270	150,227

See accompanying notes forming part of the financial statements

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 Executive Director
G. L. Vishwanath Director	Manasa Vishwanath Director	Manish Doshi Director	Achyut Watve Director	Jayant Pendse Director
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants			Vasant Gaikwad Chief Financial Officer	Vinod Patil Company Secretary

Hemant M. Joshi
Partner

Place : Pune
Date: 20 May, 2014

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

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2014	Year ended 31 March 2013
I. Income			
Revenue and other income	23	77,938	76,401
		<u>77,938</u>	<u>76,401</u>
II. Expenses			
(a) Cost of construction/development, land, plots and development rights	24	46,173	46,002
(b) Employee benefits expense		2,922	2,787
(c) Finance costs		4,567	3,635
(d) Depreciation and amortisation expense	13	708	587
(e) Other expenses	25	5,245	4,442
(f) IPO Expenses and amortisation		-	311
Total expenses		<u>59,615</u>	<u>57,764</u>
III. Profit before tax (I - II)		18,323	18,637
IV Tax expense :			
(a) Current tax expenses		6,344	6,064
(b) Short provision for tax relating to prior years		476	-
(c) Deferred Tax charge/ (credit)		(188)	182
Net tax expense		<u>6,632</u>	<u>6,246</u>
V Minority Interest		2,487	1,647
VI Profit for the year (III - IV - V)		<u>9,204</u>	<u>10,744</u>
VII Earnings per share (Face value ₹ 10/- per equity share)			
Basic and Diluted (Rupees)		12.15	14.18

See accompanying notes forming part of the financial statements

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 Executive Director
G. L. Vishwanath Director	Manasa Vishwanath Director	Manish Doshi Director	Achyut Watve Director	Jayant Pendse Director
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants			Vasant Gaikwad Chief Financial Officer	Vinod Patil Company Secretary

Hemant M. Joshi
PartnerPlace : Pune
Date: 20 May, 2014

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

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax:	18,323	18,637
Adjustment for:		
Depreciation/Amortisation	708	587
Finance Cost	4,567	3,635
Interest and dividend income	(1,346)	(1,165)
Profit on sale of shares and mutual fund	-	(1,495)
Profit on sale of fixed assets	-	(16)
Amount written off	21	75
Liabilities written back	(35)	(3)
IPO and preliminary expenses written off	-	311
Operating profit before Working Capital changes	22,238	20,566
Adjustments for change in Working capital :		
(Increase)/Decrease in Inventories	(28,684)	661
(Increase)/Decrease in Trade receivables	(856)	(2,913)
(Increase)/Decrease in Short-term loans and advances	36	-
(Increase)/Decrease in Long-term loans and advances	(12,739)	(1,231)
(Increase)/Decrease in Other non-current assets	(29)	(462)
(Increase)/Decrease in Restricted Bank Balances (e.g.Dividend A/c)	(7)	(12)
Increase/(Decrease) in Long-term provisions	229	-
Increase/(Decrease) in Trade payables	2,075	-
Increase/(Decrease) in Other current liabilities	13,297	6,553
Increase/(Decrease) in Other long-term liabilities	11	-
Increase/(Decrease) in Short-term provisions	(97)	-
Cash generated from/ (used in) operations	(4,526)	23,162
Income taxes (paid)/refund received	(7,173)	(2,351)
Net Cash from/(used in) Operating activities	(11,699)	20,811
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, CWIP including capital advances	(2,726)	(3,488)
Sale of fixed assets	-	28
Acquisition of stake/contribution by minority in Firms	-	(7,096)
Proceeds from sale of / redemption of non current investment	-	7
(Increase in)/Proceeds from Current investment	(952)	4,800
Interest & Dividend received on investments	1,316	1,165
Net Cash from/(used in) investing activities	(2,362)	(4,584)

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

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
C CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	(4,567)	(8,514)
Proceed from long-term borrowings	23,093	6,196
Net increase / (decrease) in working capital borrowings	(2,202)	(1,177)
Additional capital contribution by minority partners in Firms	672	-
Dividend & Tax on dividend paid	(2,948)	(2,535)
Finance cost paid	(4,252)	(3,635)
Net Cash from/(used in) financing activities	9,796	(9,665)
D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,265)	6,562
Cash and Cash Equivalents (Opening balance)	11,181	4,619
Cash and Cash Equivalents (Closing balance)	6,916	11,181
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,265)	6,562

Notes :

1 Reconciliation of Cash and Cash equivalents with balance sheet

Cash and cash equivalents as per Cash Flow Statement	6,916	11,181
Add: balance in bank account earmarked for payment of unpaid dividend	41	34
Cash and bank balance as per Balance Sheet (Refer Note 20)	6,957	11,215

- 2 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 Executive Director
G. L. Vishwanath Director	Manasa Vishwanath Director	Manish Doshi Director	Achyut Watve Director	Jayant Pendse Director
In terms of our report attached For Deloitte Haskins & Sells LLP Chartered Accountants			Vasant Gaikwad Chief Financial Officer	Vinod Patil Company Secretary

Hemant M. Joshi
Partner

Place : Pune
Date: 20 May, 2014

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. PRINCIPLES OF CONSOLIDATION AND ENTITIES CONSIDERED IN CONSOLIDATED FINANCIALS

1.1 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Kolte-Patil Developers Limited (the 'Company'), its subsidiaries and jointly controlled entities. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the subsidiaries and jointly controlled entities used in the consolidation are drawn upto the same reporting date as that of the Company i.e. year ended 31st March, 2014.
- (ii) The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits on intra-group transactions.
- (iii) Share of profit / loss, assets and liabilities in the jointly controlled entities, which are not subsidiaries, have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS-27 'Financial Reporting of Interests in Joint Ventures' The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity. Jointly controlled entities that are considered subsidiaries under AS-21 'Consolidated Financial Statements' are consolidated similar to the manner of consolidating subsidiaries (Refer (ii) above) and the share of interest of the other venturers in such entities is included as part of minority interest.
- (iv) The excess of cost to the Group of its investments in the subsidiary companies / jointly controlled entities over its share of equity of the subsidiary companies / jointly controlled entities, at the dates on which the investments in the subsidiary companies / jointly controlled entities were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. On the other hand, where the share of equity in the subsidiary companies / jointly controlled entities as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.
- (v) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- (vi) Goodwill arising on consolidation is not amortised but tested for impairment.
- (vii) As far as possible the consolidated financial statements have been 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 separate financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1.2 The Companies/ entities considered in the consolidated financial statements are as follows:

(A) Corporate entities

Name of the company / entity	Proportion of ownership interest as at 31 March 2014	Proportion of ownership interest as at 31 March 2013
I Subsidiaries		
a. Tuscan Real Estate Private Limited	51%	51%
b. Bellflower Properties Private Limited	50.0001%	50.0001%
c. Kolte-Patil Real Estate Private Limited	51%	51%
d. Yashowardhan Promoters and Developers Private Limited	100%	100%
e. Regensis Facility Management Company Private Limited	100%	100%
f. Regensis Project Management Company Private Limited	100%	100%
g. Lilac Hospitality Private Limited	100%	100%
h. Jasmine Hospitality Private Limited	100%	100%
i. Olive Realty Private Limited	100%	100%
j. Snowflower Properties Private Limited	100%	100%
k. PNP Retail Private Limited	100%	100%
l. PNP Agrotech Private Limited	100%	100%
m. Sylvan Acres Realty Private Limited	100%	100%
n. Oakwoods Hospitality Private Limited *	-	100%
II Joint Ventures		
a. Kolte-Patil I-ven Townships (Pune) Limited	45%	45%
b. Corolla Realty Limited	37%	37%

* amalgamated with Kolte-Patil Developers Limited with effect from 1st April 2013

(B) Partnership Firms & LLPS

Name of the Partnership Firms / Limited Liability Partnership	Capital As at 31st March 2014 (₹ In Lakhs)	Capital As at 31st March 2013 (₹ In Lakhs)	Profit Sharing Ratio As at 31st March 2014	Profit Sharing Ratio As at 31st March 2013
a. Ankit Enterprises	0.37	0.37	75%	75%
b. Kolte-Patil Homes	-	-	60%	60%
c. KP-Rachana Real Estate LLP	212.46	82.82	50%	50%
d. Sanjivani Integrated Township LLP	50.50	50.50	50.50%	50.50%
e. Bouvardia Developers LLP	0.99	-	100%	-

2. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements of the group are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles ('GAAP') in India and comply 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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

B. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

C. Inventories

In case of Real Estate Business, Inventory comprises of completed properties for sale 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.

In case of other business, Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, if any. Cost includes all charges in bringing the goods to the point of sale.

D. Cash Flow Statement

Cash flow statement is prepared under the 'Indirect Method' Prescribed under Accounting Standard 3 'Cash Flow Statements' prescribed under the Companies (Accounting Standard) Rules, 2006. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

E. Fixed Assets

Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets comprises its purchase price, directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

F. Depreciation/Amortization

Depreciation on fixed assets is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956 except in case of Yashowardhan Promoters and Developers Private Limited where written down value method is applied.

In respect of leasehold building, leasehold improvement plant & machinery and leasehold improvement furniture & fixtures, depreciation has been provided over the period of lease.

G. Revenue Recognition

i. Revenue from real estate projects is recognized on the 'Percentage of Completion Method' of accounting, in accordance with Revised Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), on 'Accounting for Real Estate Transactions (Revised 2012)'.

Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution, only after the stage of completion of the project work reaches a reasonable level of development. A reasonable level of development is not achieved if the expenditure incurred on construction and development costs is less than 25 % of the total estimated construction costs (excluding cost

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

incurred in acquisition of Land and development rights). Accordingly, cost of construction and development (including cost of Land) is charged to the statement of profit and loss in proportion to the revenue recognized during the year and balance costs are carried as part of 'Work in Progress' under inventories.

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 which does not qualify for revenue recognition under the Percentage Completion Method is accounted as Other Current Liabilities under the head "Advance from Customers"

The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognized in the period such changes are determined.

- ii. In case of joint development projects, revenue is recognised to the extent of company's percentage share of the underlying real estate development project.
- iii. Revenue from sale of land is recognised when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.
- iv. Facility charges, management charges, project management fees, rental, hire charges, sub lease and maintenance income are recognized on accrual basis as per the terms and conditions of relevant agreements.
- v. Interest income is accounted on accrual basis except for interest on delayed payments by the customers, which are accounted on receipt basis.
- vi. Dividend income is recognized when right to receive is established.
- vii. Sales of goods are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

H. Cost of Construction / Development

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not achieved reasonable level of development is carried over as construction work-in-progress.

I. Foreign Currency transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realization is recorded to the statement of profit & loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the statement of profit and loss.

J. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

K. Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

a) Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b) Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

balance sheet date. Actuarial gains and losses are recognised in the statement of profit and loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost. For Certain Entities viz, Bellflower Properties Private Limited, Yashwardhan Promoters and Developers Private Limited, Regenesiis Project Management Company Private Limited, Lilac Hospitality Private Limited, Jasmine Hospitality Private Limited, Olive Realty Private Limited, Snowflower Properties Private Limited, Sylvan Acres Realty Private Limited, Kolte-Patil Homes, KP-Rachana Real Estate LLP, Sanjivani Integrated Township LLP, Bouvardia Developers LLP provision for gratuity has been calculated on arithmetical basis in view of the limited number of employees in those entities.

c) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

d) Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

L. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of that asset. Other borrowing costs are recognized as an expense in the year in which they are incurred.

M. Operating leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals receipts / payments under operating leases are recognised in the statement of profit and loss on a straight-line basis.

N. Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

O. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

P. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

(₹ in Lakhs)

Particulars	As at 31 March 2014	As at 31 March 2013
NOTE 3 - SHARE CAPITAL		
(a) Authorised		
112,000,000 (PY 80,000,000) Equity Shares of ₹ 10/ each (Refer Note 3E)	11,200	8,000
	11,200	8,000
(b) Issued, subscribed and fully paid up		
75,774,909 (PY 75,774,909) Equity Shares of ₹ 10/ each	7,577	7,577
	7,577	7,577

(3A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares	Amount ₹ in lakhs	Number of shares	Amount ₹ in lakhs
Shares at the beginning of the year	75,774,909	7,577	75,774,909	7,577
Issued during the year	-	-	-	-
Outstanding at the end of the year	75,774,909	7,577	75,774,909	7,577

(3B) Details of shares held by each shareholder holding more than 5% equity shares:

Particulars	As at 31 March 2014		As at 31 March 2013	
	Number of shares held	% holding	Number of shares held	% holding
Rajesh Anirudha Patil	15,486,031	20.44%	15,486,031	20.44%
Naresh Anirudha Patil	14,949,148	19.73%	14,949,148	19.73%
Milind Digambar Kolte	6,442,156	8.50%	6,442,156	8.50%
Sunita Milind Kolte	5,539,553	7.31%	5,524,553	7.29%
Sunita Rajesh Patil	7,021,861	9.27%	7,006,861	9.25%
Vandana Naresh Patil	7,039,319	9.29%	7,024,319	9.27%

(3C) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share held.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- (3D) The Company declares and pays dividend in Indian Rupees. The Board of Directors had declared Interim Dividend of ₹ 1.5 per share in their meeting held on October 26, 2013. A final dividend of ₹ 1.6 per share has been recommended by the Board of Directors in their meeting held on May 20, 2014, subject to the approval of shareholders in the ensuing Annual General Meeting. If approved, the total dividend (Interim and Final dividend) for the financial year 2013-2014 will be ₹ 3.1 per equity share. The total dividend appropriation for the year ended 31st March 2014 amounted to ₹ 2,697 lakhs including Corporate Dividend Distribution Tax of ₹ 348 lakhs (Previous year ₹ 3,078 lakhs including Corporate Dividend Distribution Tax of ₹ 426 lakhs).
- (3E) Pursuant to Amalgamation of wholly owned subsidiary Oakwoods Hospitality Private Limited (Oakwoods) with effect from 1st April 2013, authorised share capital of the Company has been increased to ₹ 11,200 lakhs.

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 4 - RESERVES AND SURPLUS		
(a) Securities Premium Account		
Opening balance	29,385	30,921
Less : Utilised during the year	-	(1,536)
	<u>29,385</u>	<u>29,385</u>
(b) Capital Redemption Reserves		
Opening balance	135	13
Add: Transferred from surplus in Statement of Profit and Loss	500	122
	<u>635</u>	<u>135</u>
(c) Capital Reserve on consolidation		
Opening balance (Refer Note 35)	74	74
Less: Adjustments during the year	-	-
	<u>74</u>	<u>74</u>
(d) Debenture Redemption Reserve		
Opening balance	644	-
Add : Transfer from Surplus in Statement of Profit and Loss	-	644
Less: Utilised during the year	(84)	-
	<u>560</u>	<u>644</u>
(e) General Reserve		
Opening balance	3,520	2,454
Add: Transferred from surplus in Statement of Profit and Loss	945	1,066
	<u>4,465</u>	<u>3,520</u>
(f) Surplus in Statement of Profit and Loss		
Opening balance	35,715	30,374
Add : Profit/(Loss) for the year	9,204	10,744
Less: Allocations/Appropriations		
- Prior Period Adjustments	-	(4)
- Transferred to Reserves	(1,445)	(1,978)
- Interim dividend paid	(1,267)	(1,873)
- Dividend proposed to be distributed to Equity Shareholders	(1,212)	(1,137)
- Tax on Interim dividend	(366)	(227)
- Tax on final dividend proposed	(206)	(184)
- Premium paid on Redemption of Debenutres	(84)	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2014	31 March 2013
- Adjustment for excess amount of Investment in Oakwoods carried in Company's Accounts over the amount of Networth acquired from Oakwoods on amalgamation during the year (Refer Note 29)	(2,483)	-
Closing balance	37,856	35,715
Total	72,975	69,473

(₹ in Lakhs)

NOTE 5 - LONG TERM BORROWINGS

Particulars	Non Current		Current	
	As at 31 March 2014	As at 31 March 2013	As at 31 March 2014	As at 31 March 2013
Debentures (Secured)	8,169	-	-	-
Term Loans				
from Banks (secured)	8,078	5,531	2,313	1,835
from Financial Institutions /Others (secured)	5,344	-	2,105	-
Vehicle Loans				
from Banks (secured)	103	166	113	73
from Financial Institutions /Others (secured)	13	31	18	18
Debentures (Unsecured)	3,434	3,434	-	-
Loan From Others (Unsecured)	250	-	-	-
Public Deposits (Unsecured)	-	1,146	1,365	545
	25,391	10,308	5,914	2,471
Amount disclosed under other current liabilities (Refer Note 11)		-	(5,914)	(2,471)
	25,391	10,308	-	-

a. Secured Debentures

15% Optionally Convertible Debentures of ₹ 100 each. The OCDs Series shall have a term of 10 years from the date of allotment. The Company may redeem the OCDs before the term.

b. Term Loan are secured by way of

- Mortgage of Immovable Property owned by Company/ Subsidiary/ group companies.
- Mortgage of land of the respective Project for which term Loan has taken along with escrow arrangement.
- Personal guarantees of directors.
- Charge on collection / receivables of respective projects for which term loan has taken.
- Vehicle loans are secured by way of hypothecation of assets, thus purchased.

c. Unsecured Convertible Debentures

15 % Compulsory Convertible Debentures of ₹ 10 each. Every 100 CCDs shall be convertible into 2 Equity Shares. The CCDs shall have a term of 10 (ten) years to be computed from the date of issue (CCD Mandatory Conversion Date). As per the terms of allotment of CCDs, the CCDs may be converted in whole or in part, at the option of the holder at any time during the period between the date of issue till the CCD Mandatory Conversion Date.

Optionally Convertible Debentures (Non Interest Bearing) shall have a balance term of 30 (thirty) months from the date of issue of reclassified OCDs. If OCDs are not redeemed in accordance with terms of issue, OCDs shall be mandatorily converted into 1 equity share on Mandatorily conversion date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 6 - DEFERRED TAX ASSET / (LIABILITY) (NET)		
6A. Deferred Tax Liability		
Tax effects of:		
Item Constituting Deferred Tax Liabilities:		
Differences in book balances and tax balances of fixed assets	22	115
Item Constituting Deferred Tax Assets:		
Other temporary disallowances under Income Tax Act, 1961	9	35
	<u>13</u>	<u>80</u>
6B. Deferred Tax Assets		
Tax effects of:		
Item Constituting Deferred Tax Liabilities:		
Differences in book balances and tax balances of fixed assets	120	29
Item Constituting Deferred Tax Assets:		
Other temporary disallowances under Income Tax Act, 1961	506	294
	<u>386</u>	<u>265</u>
NOTE 7 - OTHER LONG TERM LIABILITIES		
Security Deposits Received	74	63
Total	<u>74</u>	<u>63</u>
NOTE 8 - LONG TERM PROVISIONS		
(a) Provision for Employee Benefits		
Provision for gratuity	39	8
Provision for leave encashment	229	212
(b) Other Long Term Provisions		
	181	-
Total	<u>449</u>	<u>220</u>
NOTE 9 - SHORT TERM BORROWINGS		
Secured:		
Loans repayable on demand from Banks		
Buyers Credit	-	2,245
Cash Credit	932	2,003
Overdraft	353	303
Unsecured:		
Loans and advances from related parties	1,066	2
Total	<u>2,351</u>	<u>4,553</u>
Bank Loans are secured by way of		
i. Mortgage of immovable property owned by Company/ Subsidiary/ Group Companies.		
ii. Mortgage of land of the respective Project for which term loan has taken along with escrow arrangement.		
iii. Personal guarantees of directors.		
iv. Charge on collection / receivables of respective projects for which term loan has taken.		
v. Bank fixed deposit.		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 10 - TRADE PAYABLE		
Trade Payables for land, supplies, material and services	11,217	9,177
Total	11,217	9,177
NOTE 11 - OTHER CURRENT LIABILITES		
Current maturities of long-term debt (Refer Note 5)	5,914	2,471
Interest accrued and due on borrowings	439	124
Unclaimed dividends	38	32
Other payables		
Advance from customers	37,302	23,975
Statutory dues	432	561
Maintenance deposit	145	60
Other liabilities	17	3
Total	44,287	27,226
NOTE 12 - SHORT TERM PROVISIONS		
(a) Provision for Employee Benefits:		
Provision for Gratuity	179	206
Provision for Leave encashment	108	90
(b) Provision- Others :		
Provision for Employee related payables	198	286
Provision for Income Tax (net of advance tax and TDS)	3,631	4,736
Provision for proposed dividend	1,212	1,137
Provision for tax on proposed dividend	206	184
Total	5,534	6,639

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 - FIXED ASSETS
13.1 TANGIBLE ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1 April 2013	Additions	Deletion / Adjustment	As at 31 March 2014	As at 1 April 2013	For the year	Deletion / Adjustment	As at 31 March 2014	As at 31 March 2013
Building	401	38	-	439	23	7	-	30	378
Furniture and Fixtures	462	53	-	515	96	31	1	126	366
Plant and Machinery	632	369	60	941	113	42	16	139	519
Vehicles	1,184	247	39	1,392	434	130	39	525	750
Computers	495	66	47	514	241	68	9	300	254
Land	3,402	3	3	3,402	-	-	-	-	3,402
Aluform	2,483	989	-	3,472	290	378	-	668	2,193
TOTAL	9,059	1,765	149	10,675	1,197	656	65	1,788	7,862
Previous Year	6,011	3,082	34	9,059	662	555	20	1,197	-

13.2 INTANGIBLE ASSETS

Particulars	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1 April 2013	Additions	Deletion / Adjustment	As at 31 March 2014	As at 1 April 2013	For the year	Deletion / Adjustment	As at 31 March 2014	As at 31 March 2013
Computer Software	207	96	-	303	105	52	-	157	102
TOTAL	207	96	-	303	105	52	-	157	102
Previous Year	175	32	-	207	73	32	-	105	-
Grand Total	9,266	1,861	149	10,978	1,302	708	65	1,945	7,964
Grand Total (Previous Year)	6,186	3,114	34	9,266	735	587	20	1,302	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31 March 2014	As at 31 March 2013
NOTE 14 - NON CURRENT INVESTMENTS		
(a) Investment in government or trust securities		
National Savings Certificates [₹ 25,200/- (PY ₹25,200/-)]	-*	-*
(b) Other non-current investments		
20 (20) Equity shares of Rupee Bank of ₹ 25/- each [₹ 500/- (PY ₹500/-)]	-*	-*
Total	-*	-*
* Amount less than ₹ 1 Lakh		
NOTE 15 - LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Security deposits	11,642	325
(b) Prepaid expenses	68	225
(c) Advances given under Joint Venture Operations	3,852	3,184
(d) Advance income tax (net of provisions)	4,877	5,629
(e) Balances with government authorities	1,167	256
Total	21,606	9,619
NOTE 16 - OTHER NON CURRENT ASSETS		
Other Advances (including Maintenance Charges Recoverable)	159	115
Miscellaneous expenses to the extent not written off	9	24
Total	168	139
NOTE 17 - CURRENT INVESTMENT		
(a) Investment in equity instruments		
13,200 (13,200) Eq Shares of ₹ 24/- each - Vijaya Bank	3	3
(b) Investment in Mutual Funds- Quoted		
(All the investment in mutual fund are of Daily Dividend Reinvestment Plan)	1,538	754
Total	1,541	757
NOTE 18 - INVENTORIES		
(At lower of cost and net realisable value)		
Land, plots and construction work-in-progress	125,431	97,708
Completed Finished Properties	1,509	548
Total	126,940	98,256
NOTE 19 - TRADE RECEIVABLES		
(Unsecured, considered good)		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	2,819	1,820
Other Trade receivables (Less than six months)	5,640	5,804
Total	8,459	7,624

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	As at 31 March 2014	As at 31 March 2013
NOTE 20 - CASH AND BANK BALANCES		
A. Cash and cash equivalents		
(a) Cash on hand	44	41
(b) Cheques, drafts on hand	2	143
(c) Balances with Banks:		
(i) In Current Account	4,973	9,490
(ii) In demand deposit accounts	1,897	1,507
	<u>6,916</u>	<u>11,181</u>
B. Other bank balances		
(a) In earmarked accounts		
-Unpaid dividend accounts	41	34
Total	<u>6,957</u>	<u>11,215</u>
Note 20 A: Of the above, the balances that meet the definition of cash and cash equivalent as per Accounting Standard -3 "Cash Flow Statement"	6,916	11,181
NOTE 21 - SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
A. Loans and advances to related parties	46	98
B. Other short term loans and advances		
Advances to suppliers and contractors	1,329	2,740
Advances for Purchase of Land	6,570	5,567
Other Advances	219	87
Security deposits	160	-
Loans/advances to employees	114	-
Prepaid expenses	18	-
Total	<u>8,456</u>	<u>8,492</u>
NOTE 22 - OTHER CURRENT ASSETS		
Interest accrued on deposits	51	21
Total	<u>51</u>	<u>21</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2014	Year ended 31 March 2013
NOTE 23 - REVENUE & OTHER INCOME		
Revenue from operations		
Revenue from real estate developments :		
Sale of Constructed Properties (Residential and commercial)	71,782	71,290
Sale of Land	3,087	-
	<u>74,869</u>	<u>71,290</u>
Other Operating Income		
Rent Income	122	63
Project Management Fees	473	540
Sale of Services	773	574
Compensation for Surrender of Rights	-	281
Modification & Extra Work Receipts	185	-
	<u>1,553</u>	<u>1,458</u>
Other Income		
Interest Income		
i) Interest income from customers/employees	32	67
ii) Interest on Other Investments	1,060	1,165
Dividend income from Current investments	254	834
Profit on Sale of Shares and mutual Funds	-	1,495
Profit on sale of Assets	-	16
Miscellaneous Income	135	73
Liabilities Written back	35	3
	<u>1,516</u>	<u>3,653</u>
Total	<u><u>77,938</u></u>	<u><u>76,401</u></u>
NOTE 24 - COST OF CONSTRUCTION/ DEVELOPMENT, LAND, PLOTS AND DEVELOPMENT RIGHTS		
(a) Opening work in progress projects	98,256	98,917
Add : Inventory of Oakwoods Hospitality Private Limited, amalgamated during the year (Refer Note 29)	1,290	-
	A <u>99,546</u>	<u>98,917</u>
(b) Add: Cost incurred during the year		
Cost of land/ development rights	27,488	5,122
Purchase of material & transportation	16,256	15,082
Contract cost, labour and other charges	13,987	12,461
Other construction expenses	13,826	12,004
Personnel costs (Contract cost, labour and other charges)	1,313	672
Consultancy/Management Fees	697	-
	B <u>73,567</u>	<u>45,341</u>
(c) Less : Closing work in progress	C 126,940	98,256
Cost of construction / development	(A+B-C) <u><u>46,173</u></u>	<u><u>46,002</u></u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
NOTE 25 - OTHER EXPENSES		
(a) Advertisement and Selling Expenses	2,576	2,021
(b) Lease rent	371	126
(c) Repair & Maintenance		
-Building	87	47
-Machinery	67	80
-Others	107	61
(d) Insurance	100	60
(e) Rates & Taxes	235	201
(f) Communication	96	72
(g) Travelling and conveyance	306	280
(h) Printing and Stationery	46	41
(i) Legal and professional	688	377
(j) Amount Written Off	21	75
(k) Miscellaneous Expenses	545	1,001
Total	5,245	4,442

26. Contingent liabilities (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at 31 March 2014	As at 31 March 2013
(a) Claims against the Company not acknowledged as debt *	2,154	1,960
(b) Income Tax matters (pending in Appeal)	2,391	4,931
(c) Guarantees issued by the Company on behalf of Subsidiary Companies and Associates **	15,600	12,500
(d) Bank Guarantee	-	910
Total	20,145	20,301

*in the opinion of the management the above claims are not sustainable and the Company does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

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

27. Auditors remuneration (net of service tax) towards

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Statutory Audit, Limited Review and Certification for the year	37	27
For taxation matters	-	2
Out of pocket expenses	1	-
Total	38	29

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

28. Domestic Transfer Pricing

The entities in the Group enters into “domestic transactions” with specified parties that are subject to the Transfer Pricing regulations under the Income Tax Act, 1961 (‘regulations’). The pricing of such domestic transactions will need to comply with the Arm’s length principle under the regulations. These regulations, inter alia, also required the maintenance of prescribed documents and information including furnishing a report from an accountant which is to be filed with the Income tax authorities.

The Group has undertaken necessary steps to comply with the regulations. The management is of the opinion that the domestic transactions are at arm’s length, and hence the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

29. Disclosures under Accounting Standards 14 - Amalgamation : Details of Amalgamation of Oakwood

In terms of the Scheme of Arrangement (the Scheme), Oakwoods Hospitality Private Limited, wholly owned subsidiary of the Company (referred to as ‘Transferor Company’), has been merged with the Company (Transferee Company), upon which the undertaking and the entire business, including all assets and liabilities of the Transferor Companies stand transferred to and vested in the Transferee Company. The amalgamation has been accounted under the pooling of interest method and the assets and liabilities transferred have been recorded at their book value. Oakwoods Hospitality Private Limited was engaged in the business of establishing, developing, setting up, managing, furnishing, providing various types of hospitality services.

The Scheme filed by the Company has been approved by the Hon'ble High Court of Judicature at Mumbai, with an appointed date of 1 April, 2013 and an effective date of 18th March, 2014 (‘the Effective Date’), being the date on which all the requirements under the Companies Act, 1956 have been completed.

The Transferor Company is a wholly owned subsidiary of the Transferee Company and its entire share capital is held by the Transferee Company in its own name and/or jointly with its nominees. Accordingly, there is no issue of shares of the Transferee Company to the shareholders (including those holding the shares as nominees of the Transferee Company) of the Transferor Company. Pursuant to the merger of the Transferor Company with the Transferee Company, the investment in the shares of the transferor Company, appearing in the books of account of the Transferee Company is stand cancelled.

Details of assets and liabilities acquired on amalgamation and treatment of the difference between the net assets acquired and cost of investment by the Transferee Company in the Transferor Company:

(₹ in Lakhs)

Particulars	Year ended 31 March 2014
Value of assets and liabilities acquired:	
Fixed assets	41
Net current assets	2,001
Secured loans	(218)
Unsecured loans	(1)
Total	1,823
Less: Carrying value of investments in the Transferor Companies	4,306
Excess amount of Investment in Oakwoods carried in Transferee Company's accounts over the amount of Networth acquired from transferor company (Oakwoods) on amalgamation during the year has been adjusted in Reserves	2,483

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

30. Employee Benefits

The details of employee benefits as required under Accounting Standard 15 'Employee Benefits' is given below:

(A) Defined Contribution Plan:

Amount recognized as an expense in the Statement of Profit and Loss in respect of Defined Contribution Plans (Provident and other funds) is ₹ 159 lakhs (31st March, 2013 ₹ 150 lakhs)

(B) Defined benefit plan:

Gratuity is a defined benefit plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or termination of employment of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of five years of service.

Disclosure as required under Accounting Standard – 15 (Revised) on "Employee Benefits" in respect of defined benefit plan is as under:

i. Changes in the present value of defined obligation

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Present value of benefit obligation at the beginning of the year	310	241
Current service cost	94	64
Interest cost	69	16
Actuarial (gains) / losses	(48)	(8)
Benefits paid	(12)	(3)
Present value of Defined Benefit Obligation as on Balance Sheet date.	413	310

ii. Changes in the fair value of plan assets

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Fair value of Plan Assets at the beginning of the year	96	22
Acquisition adjustment	-	(4)
Expected return on plan assets	52	4
Actual company contributions	72	76
Actuarial gains and (losses)	(15)	1
Benefits paid	(10)	(3)
Plan assets as on the end of the year	195	96
Actual Returns on Plan Assets	96	22

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

iii. Net asset/(Liability) recognised in the Balance Sheet:

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Present value of defined benefit obligation at End of the year	413	310
Fair value of plan assets	195	96
Funded status [Surplus/(Deficit)]	(218)	(214)
Unrecognized Past Service Costs	Nil	Nil
Net asset / (liability) recognised in the Balance Sheet	(218)	(214)

iv. In respect of Funded Benefits with respect to gratuity, the fair value of Plan assets represents the amounts invested through "Insurer Managed Funds".

v. Expenses recognized in the statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Current service cost	94	64
Interest cost	69	16
Past service cost	Nil	Nil
Expected return on plan assets	(52)	(4)
Net actuarial loss/(Gain) recognized in the year	(33)	(9)
Total expense recognised in the Statement of Profit and Loss	78	67

vi. Principal Actuarial Assumptions

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Discount Rate	9.20%	8.20%
Rate of Increase in compensation levels of covered employees	9.00%	9.00%
Rate of Return on Plan Assets	9.00%	9.00%
Expected Average Remaining working lives of employees (Years)	16.46	16.58

- The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- Salary increase Rate : The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors
- Expected Rate of Return of Plan Assets: This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

vii. Experience Adjustments

(₹ in Lakhs)

Experience History	31 March				
	2014	2013	2012	2011	2010
Defined Benefit Obligation at the end of the period	413	310	188	196	176
Plan Assets at the end of the period	195	96	22	33	26
Funded Status	(218)	(214)	(167)	(163)	(150)
Experience adjustments on Plan Liabilities (Loss) / Gain	13	23	(21)	27	(36)
Experience adjustments on Plan Assets (Loss) / Gain	14	1	(1)	(1)	(1)

(C) Actuarial assumptions for long-term compensated absences (Leave Salary)

Particulars	Year ended 31 March 2014	Year ended 31 March 2013
Discount Rate	9.20%	8.20%
Rate of Increase in compensation levels of covered employees	9.00%	9.00%
Expected Average Remaining working lives of employees (Years)	16.46	16.58

- The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- Salary Increase Rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

31. Segment Information

The Group is predominantly engaged in Real Estate. Operations of the Group do not qualify for reporting as business segments as per the criteria set out under Accounting Standard 17 (AS-17) on "Segment Reporting". The Group is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under AS-17.

32. Operating Leases

The Group has taken and given certain facilities and office premises under operating lease basis which include leases that are renewable on a yearly basis and cancellable at the Company's option.

Rental income from operating leases included in the Statement of Profit and Loss for the year is ₹ 122 Lakhs [Previous Year - ₹ 63 Lakhs].

Rental expense for operating leases included in the Statement of Profit and Loss for the year is ₹ 371 Lakhs [Previous Year- ₹ 126 Lakhs].

33. Earnings per share

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	Year Ended 31 March 2014	Year Ended 31 March 2013
Net Profit attributable to shareholders (₹in lakhs)	9,204	10,744
Weighted average number of equity shares (in lakhs)	758	758
Basic earnings per share – ₹	12.15	14.18
Diluted earnings per share – ₹	12.15	14.18
Nominal value of equity shares – ₹	10.00	10.00

34. Particulars of joint ventures

The Group has interests in the following Jointly controlled entities (JCE):

Sr. No	Joint Venture Entity	Location	Principal activities	Ownership interest
1	Kolte-Patil I-Ven Townships (Pune) Limited (Township)	Pune, India	Development and construction of townships	45%
2	Corolla Realty Limited (Corolla)	Pune, India	Development and construction of townships	37%

Financial interest of the Group in jointly controlled entities is as under

(₹ in Lakhs)

Particulars	Township		Corolla	
	Year 2014	Year 2013	Year 2014	Year 2013
Assets	22,708	21,625	5,433	6,127
Liabilities	17,534	18,613	2,251	4,485
Income	20,454	17,177	6,043	8,479
Expenses	15,471	14,029	3,483	5,559
Contingent Liabilities	-	-	36	-

Note: The Group's share of assets, liabilities, income and expenditure has been included on the basis of audited financial statements of the above mentioned Joint venture entities.

35. Note on Consolidation

- A. Prior year figure of Goodwill on consolidation / Capital Reserve on consolidation (Net) ₹ 5,252 Lakhs as on 31st March 2013 has been regroup, bifurcated and shown separately as Goodwill on consolidation ₹ 5,326 Lakhs and Capital Reserve on Consolidation ₹ 74 Lakhs.
- B. During the year, Goodwill on Consolidation has been adjusted for ₹ 2,483 Lakhs on account of amalgamation of Oakwoods Hospitality Private Limited.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

36. Related Party Transactions

A. List of related parties

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

i. Investing Parties or Joint venturers/entities which can exercise significant influence over the Subsidiary/Joint ventures

1. IDBI Trusteeship Services Limited through India Advantage Fund -III & IV
2. Balakor Holdings Limited
3. Portman Advisory Private Limited (earlier known as Portman Real Estate India Private Limited)
4. K2A Residential Limited
5. ASK Trusteeship Services Private Limited (Trustees of ASK Real Estate Special Opportunities Fund)

ii. Key Management Personnel and relatives of Key Management Personnel

a. Key Management Personnel

1. Mr. Rajesh Patil
2. Mr. Naresh Patil
3. Mr. Milind Kolte
4. Mrs. Sunita Kolte
5. Mrs. Vandana Patil

b. Relatives of Key Management Personnels

1. Mrs. Sunita Patil
2. Ms. Ankita Patil
3. Mr. Digambar Kolte
4. Mrs. Pramila Kolte
5. Mr. Nirmal Kolte
6. Mr. Pradeep Kolte

B. Related Party Transactions and Balance Outstanding

(₹ in Lakhs)

Transaction / Outstanding Balances	Investing parties or joint venturers / Entities which can exercise significant influence over the Subsidiary/Joint ventures	Key Management Personnel and their Relatives
I. Transactions during the year:		
Interest Paid on fixed Deposits		3 (2)
Acceptance of Fixed Deposits		7 (6)
Repayment of Fixed Deposits		9 (2)
Purchase of land		189 (236)
Cancellation of Land acquired in earlier years		79 (758)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Transaction / Outstanding Balances	Investing parties or joint venturers / Entities which can exercise significant influence over the Subsidiary/Joint ventures	Key Management Personnel and their Relatives
Advance given for land purchase		9 (259)
Advance returned / repaid (given for purchase of land)		243 (-)
Managerial remuneration		302 (569)
Interest on Debentures	1,859 (2,240)	
Redemption of Debentures	- (3,500)	
Premium on redemption of Debentures	- (875)	
Redemption of Preference Shares	- (3,000)	
Premium on redemption of Shares	- (380)	
Interim Dividend paid on Equity Share Capital	1,100 (-)	
Project Management Fees	36 (53)	
Sale of Property		335 (-)
Buy Back of Equity shares	2,450 (-)	
Premium paid on Buy Back of Equity Shares	2,205 (-)	
Issue of Debentures	8,169 (-)	
Repayment of Loans		1 (-)
Loans Received		- (2)
II. Balances at year end		
Advances given for land purchase		786 (1,137)
Payable for Land purchase		172 (185)
Fixed Deposits		22 (22)
Dividend On Equity Shares - Payable	(-) (1,000)	
Interest on Debentures - Payable	386 (107)	
Receivable - Sale of Property		262 (-)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Transaction / Outstanding Balances	Investing parties or joint venturers / Entities which can exercise significant influence over the Subsidiary/Joint ventures	Key Management Personnel and their Relatives
Loan Payable		4 (4)

Note: Figures in bracket relate to the previous year.

C. Details of Material Related Party Transactions:

(₹ in Lakhs)

Transaction / Outstanding Balances	Investing parties or joint venturers / Entities which can exercise significant influence over the Subsidiary/Joint ventures	Key Management Personnel and their Relatives
I. Transactions during the year:		
Interest on Debenture		
IDBI Trusteeship Services Limited through India Advantage Fund – III & IV	1,360 (1,228)	
Balakor Holdings Ltd	483 (483)	
Redemption of Debenture		
IDBI Trusteeship Services Limited through India Advantage Fund – III	- (1,050)	
Balakor Holdings Ltd	- (2,450)	
Premium on redemption of Debenture		
IDBI Trusteeship Services Limited through India Advantage Fund – III	- (722)	
Balakor Holdings Ltd	- (153)	
Redemption of Preference shares		
IDBI Trusteeship Services Limited through India Advantage Fund – IV	- (3,000)	
Premium on redemption of Shares		
IDBI Trusteeship Services Limited through India Advantage Fund – IV	- (380)	
Interim Dividend paid on Equity Share Capital		
IDBI Trusteeship Services Limited through India Advantage Fund – III & IV	1,100 (-)	

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

<i>Transaction / Outstanding Balances</i>	Investing parties or joint venturers / Entities which can exercise significant influence over the Subsidiary/Joint ventures	<i>Key Management Personnel and their Relatives</i>
Buy Back of Equity shares		
K2A Residential Limited	2,450 (-)	
Premium paid on Buy Back of Equity shares		
K2A Residential Limited	2,205 (-)	
Issue of Debentures		
ASK Trusteeship Services Private Limited	8,169 (-)	
II. Balances at year end		
Dividend On Equity Shares - Payable		
IDBI Trusteeship Services Limited through India Advantage Fund – III & IV	(-) (1,000)	
Interest on Debenture - Payable		
Balakor Holdings Ltd	386 (107)	

Note: Figures in bracket relate to the previous year.

37. Previous year's figures

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
Executive Director

G. L. Vishwanath
Director

Manasa Vishwanath
Director

Manish Doshi
Director

Achyut Watve
Director

Jayant Pendse
Director

Vasant Gaikwad
Chief Financial
Officer

Vinod Patil
Company Secretary

Place : Pune

Date: 20 May, 2014

KOLTE-PATIL DEVELOPERS LIMITED

(CIN – L45200PN1991PLC129428)

Registered Office: 2nd Floor, City Point, Dhole- Patil Road, Pune-411001

ATTENDANCE SLIP

23rd Annual General Meeting
Saturday, September 13, 2014 at 11.00 A.M.

DP ID No.	L.F No
Client ID No.	No. of Shares held

I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company held at Maharatta 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, September 13, 2014 at 11.00 A.M.

Name of Attending Member/Proxy :

Signature of the Attending 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.

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L45200PN1991PLC129428

Name of the company: **KOLTE-PATIL DEVELOPERS LIMITED**

Registered office: **2nd Floor, City Point, Dhole- Patil Road, Pune – 411001**

Name of the Member(s):

Registered Address:

Email ID:

Folio No/Client Id:

DP ID:

I/We, being Member(s) of _____ shares of the above named company, hereby appoint

1. Name:

Address:

Email ID:

Signature: or failing him/her

2. Name:

Address:

Email ID:

Signature: or failing him/her

3. Name:

Address:

Email ID:

Signature: or failing him/her

as my/our Proxy to attend and vote (on a poll) for me/us and on my/or behalf at the 23rd Annual General Meeting of the Company, to be held on Saturday, September 13, 2014 at 11.00 AM at Maharashtra 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 in respect of such resolutions as are indicated below:

Resolution Nos.

1	To consider and approve Audited Balance Sheet as at 31 st March, 2014 and Statement of Profit and Loss for the year ended on that date and the Report of the Directors' and Auditors' thereon
2	To ratify the payment of Interim Dividend on Equity Shares for the financial year 2013-14 and to declare a final dividend on Equity Shares for the financial year 2013-14
3	To appoint a Director in place of Mrs. Vandana Patil, who retires by rotation and being eligible, offers herself for re-appointment
4	To re-appoint Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the fourth consecutive Annual General Meeting of the Company and to fix their remuneration
5	To consider and approve amendment to Articles of Association of the Company
6	To consider and approve re-appointment of Mr. Rajesh Patil as Chairman and Managing Director w.e.f. 15 th April 2015 for a period of five years.
7	To consider and approve re-appointment of Mr. Naresh Patil as Whole Time Director designated as Vice Chairman w.e.f. 15 th April 2015 for a period of five years
8	To consider and approve re-appointment of Mr. Milind Kolte as Whole Time Director designated as Executive Director w.e.f. 15 th April 2015 for a period of five years
9	To consider and approve re-appointment of Mrs. Sunita Kolte as Whole Time Director designated as Executive Director w.e.f. 15 th April 2015 for a period of five years
10	To consider and approve appointment of Mr. Jayant Pendse as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation
11	To consider and approve appointment of Mrs. Manasa Vishwanath as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation
12	To consider and approve appointment of Mr. G. L. Vishwanath as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation
13	To consider and approve appointment of Mr. Achyut Watve as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation
14	To consider and approve appointment of Mr. Prakash Gurav as Independent Director of the Company with effect from September 13, 2014 up to September 12, 2019, not liable to retire by rotation
15	To consider and approve the place of keeping register of members and debenture holders at the place other than the Registered office of the Company
16	To consider and approve the Employee Stock Option Scheme 2014
17	To consider and approve appointment of Mr. Nirmal Kolte as Vice President - Projects w.e.f. October 01, 2014 for period of 5 years

Signed this ____ day of _____ 2014.

Signature of the shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note:

This form of Proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

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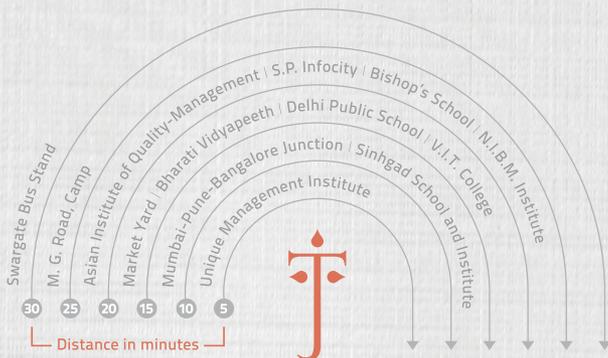
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