

## **ZODIAC VENTURES LIMITED**

### **Board of Directors**

Mr. Jimit Ramesh Shah	-	Managing Director
Mr. Ramesh Virji Shah	-	Whole Time Director
Mr. Akash Nayan Parikh	-	Director
Mrs. Sunita Jimit Shah	-	Director
Dr. Anil Bhaskar Ghagare	-	Director
Mr. Litesh Korshi Gada	-	Director

### **Bankers**

The Cosmos Co-op Bank Ltd

### **Statutory Auditors**

**A R Sodha & Company,**  
Chartered Accountants, Mumbai

### **Registered Office**

404, Dev Plaza, 68, S V Road,  
Andheri (West), Mumbai – 400 058  
Tel: 022-42233333/ 26245500  
E-mail : info@zodiacventures.in

### **Registrar & Share Transfer Agents**

Sharex Dynamic (India) Pvt Ltd.  
17/B, Dena Bank Bldg,  
IInd Floor, Horniman Circle,  
Fort, Mumbai – 400 001.  
Tel: 022 28515606/ 28515644

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### **NOTICE**

NOTICE is hereby given that the 32<sup>nd</sup> Annual General Meeting of the members of **ZODIAC VENTURES LIMITED** will be held on Saturday, **September 28, 2013** at 11.30 A.M at the Registered Office of the Company situated at 404, Dev Plaza, S V Road, Andheri (West), Mumbai – 400 058 to transact the following business:-

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance sheet as at March 31, 2013; Profit & Loss Account for the year ended as on that date and the Report of the Directors and Auditors thereon.
2. To appoint a director in place of Mrs. Sunita Shah, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting, until the conclusion of the next Annual general Meeting of the Company and to fix their remuneration.
4. To declare final dividend on the Equity shares of the Company.

**By Order of the Board of Directors**

**Sd/-**  
**Jimit Shah**  
**Managing Director**

**Place: Mumbai**

**Date: August 12, 2013**

#### **NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty – eight hours before commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from September 26, 2013 to September 28, 2013, both days inclusive, for the purpose of Annual General meeting & payment of final dividend.
3. The Members are requested to intimate to Share Transfer Agent of the Company, changes, if any, in their Registered Address at an early date.
4. The Members are requested to forward their queries on the proposed resolutions and accounts for the financial year ended March 31, 2013 to the Company at least 10 days in advance, to enable the management to keep the required information available at the Annual General Meeting.
5. Memorandum and Articles of Association is open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 2.00 p.m.

## DIRECTOR'S REPORT

To,  
 The Members,  
**Zodiac Ventures Limited**

Your directors take pleasure in presenting the 32<sup>nd</sup> Annual Report, together with the Audited Accounts of your Company for the year ended March 31, 2013.

### **FINANCIAL RESULTS OF YOUR COMPANY**

(Amount in Rs.)

Particulars	Financial year ended on			
	31 <sup>st</sup> March 2013 (Consolidated)	31 <sup>st</sup> March 2013 (Standalone)	31 <sup>st</sup> March 2012 (Consolidated)	31 <sup>st</sup> March 2012 (Standalone)
Sales and other Income	1,46,94,606	1,24,80,336	1,35,18,311	1,10,27,300
Profit Before Interest, Depreciation & Taxation	94,26,668	72,12,398	81,13,407	56,22,396
Less: Interest Charges	-	-	-	-
Profit Before Depreciation & Taxation	94,26,668	72,12,398	81,13,407	56,22,396
Less: Depreciation	10,89,603	-	10,89,603	-
PROFIT BEFORE TAXATION	<b>83,37,065</b>	72,12,398	<b>70,23,804</b>	56,22,396
Less: Provision for taxation	(31,93,320)	(22,91,396)	(25,33,196)	(16,73,026)
PROFIT AFTER TAXATION	<b>51,43,745</b>	<b>49,21,002</b>	<b>44,90,608</b>	<b>39,49,370</b>
Less: Minority Interest	6,43,307	-	7,99,432	-
NET PROFIT FOR THE YEAR	<b>45,00,438</b>	<b>49,21,002</b>	<b>36,91,177</b>	<b>39,49,370</b>
Dividend	11,18,700	11,18,700	10,07,500	10,07,500
Dividend Distribution Tax	1,90,124	1,90,124	1,63,441	1,63,441
PROFIT AFTER DIVIDEND	<b>31,91,614</b>	<b>36,12,178</b>	<b>25,20,236</b>	<b>27,78,429</b>
Balance brought forward from Previous year	89,06,955	87,30,480	65,84,189	61,49,520
Less: Transfer to General Reserve	-	-	1,97,469	1,97,469
Profit / (Loss) carried to Balance sheet	<b>1,20,98,569</b>	<b>1,23,42,658</b>	<b>89,06,955</b>	<b>87,30,480</b>

### **OPERATIONAL REVIEW**

During the year under review, the Company has made a net profit of Rs. 45,00,438/- on consolidated basis and Rs. 49,21,002/- on standalone basis for the financial year 2012-13. Last year, the Company has made a net profit of Rs. 36,91,177/- on consolidated basis and Rs. 39,49,370/- on standalone basis for the financial year 2011-12.

### **DIVIDEND**

The Directors have recommend for your consideration a Final Dividend @3% i.e Rs. 0.30 per Equity shares of Rs. 10/- each for the financial year ended March 31, 2013.

### **SHARE CAPITAL**

During the year under review, 29,54,000 equity shares of Rs.10/- each issued at premium of Rs. 20/- allotted to Promoters and other than Promoters on a preferential basis on February 27, 2013.

As on 31st March, 2013, the paid up share capital of the Company is Rs. 3,72,90,000/- divided into 37,29,000 equity shares of Rs. 10/- each.



**DIRECTORS**

In accordance with the provisions of Companies Act, 1956 and the Articles of Association of the Company, Mrs. Sunita Jimit Shah retires by rotation and being eligible offer herself for re-appointment.

Mr. Ramesh Virji Shah continues to be Whole-time Director and Mr. Jimit Ramesh Shah continues to be Managing Director on the Board of Directors of the Company.

Mr. Aakash Nayan Parikh, Dr. Anil Bhaskar Ghagare and Mr. Litesh Korshi Gada continues to Directors on the Board of Directors of the Company.

**SUBSIDIARIES OF THE COMPANY**

The Company as on March 31, 2013 had one subsidiary viz. Zodiac Developers Private Limited (ZDPL). The Ministry of Corporate Affairs, Government of India vide its circular No. 2/2011 dated February 08, 2011 has granted an exemption to Companies from complying with Section 212(8) of the Companies Act, 1956, from attaching the balance sheet, profit and loss account and other documents of the subsidiary companies to the balance sheet of the Company, provided that the Company publish the Audited consolidated financial statement in the Annual Report. Accordingly this Annual report of the Company contains the summary of financial statement of your Company's subsidiaries duly audited by its respective statutory auditors. Relevant disclosure of the subsidiary is disclosed in the consolidated balance sheet.

We hereby undertake that annual accounts of the subsidiary Company (ZDPL) and the related detailed information shall be made available to shareholders of the holding & subsidiary Company seeking such information at any point of time. The Annual Accounts of subsidiary Companies shall be kept for inspection by any shareholders in the registered office of the holding Company and of the subsidiary Company. We shall furnish the hard copies of details of accounts of subsidiaries to shareholder on demand within a reasonable period of time.

**PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

**PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration as prescribed under provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and therefore no such particulars are provided.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA) of the Companies (Amendment) Act, 2000 with respect to Directors' Responsibilities Statement, it is hereby confirmed:

- (i) That the preparation of the Annual Accounts for the financial year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- (iv) That the directors had prepared the accounts for the financial year ended March 31, 2013 on a going concern basis.

**AUDITORS:**

M/s. A.R Sodha & Company, Chartered Accountant, Mumbai hold office until the conclusion of the ensuing Annual General Meeting of the Company and being eligible are recommended for re-appointment. The Company has received a certificate from them to the effect that their appointment, if made, would be within the limits laid down under Section 224 (1B) of the Companies Act, 1956.

**REVIEW OF AUDITOR'S REPORT**

Your directors are pleased to inform you that the Statutory Auditors of the Company have not made any adverse or qualified remarks in their audit report.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

**CORPORATE GOVERNANCE:**

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the Company has complied with the provisions of Corporate Governance and a report on Corporate Governance is annexed hereto and forms part of this report. A certificate from Practicing Company Secretary of the Company regarding compliance of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is appended to the Annual Report.

**DEPOSITORY SYSTEM:**

The Company has electronic connectivity with both depositories namely Central Depository Services (India) Limited and National Securities Depository Limited. As on March 31, 2013, 95.44% of the Company's paid-up share capital representing 35,59,130 equity shares is in dematerialized form. In view of the numerous advantages offered by the Depository system, Members holding shares in physical mode are requested to avail of the facility of dematerialization of the Company's shares on either of Depositories.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The additional information as required under the provisions of Section 217(1)(e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in Annexure-I.

**ACKNOWLEDGEMENTS**

Your Directors wish to thank to the Bankers as well as the Shareholders of the Company. The Board of Directors also wishes to place on record their deep appreciation for the services rendered by the employees of the Company.

**For and on behalf of the Board**

**Place: Mumbai**  
**Date: August 12, 2013**

**Sd/-**  
**Jimit Shah**  
**Managing Director**

**ANNEXURE I****I. CONSERVATION OF ENERGY:**

The Company is presently not carrying the manufacturing operations therefore; there is no material information to be given under Conservation of Energy and Technology Absorption.

(a)	Energy conservation measures taken	<b>NIL</b>
(b)	Additional investments and proposals if any, being implemented for reduction of consumption of energy	<b>NIL</b>
(c)	Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods	<b>NIL</b>
(d)	Total energy consumption and energy consumption per unit of production	<b>NIL</b>

**FORM-A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

(a)	Power and fuel consumption	<b>NIL</b>
(b)	Consumption per unit of production	<b>NIL</b>

**II. TECHNOLOGY ABSORPTION**

Research & Development: Company has not incurred any expenditure on this account during the year under review.

**FORM-B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC.,**

(a)	Research and Development	<b>NIL</b>
(b)	Technology Absorption, Adaptation and Innovation	<b>NIL</b>

**II. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign Exchange Earnings and outgo: Since the Company had ceased its operations; there is no Foreign Exchange Earning and Outgo during the year under review.

(a)	Earnings in Foreign Exchange during the year	<b>NIL</b>
(b)	Foreign Exchange outgo during the year	<b>NIL</b>

**For and on behalf of the Board**

**Sd/-**  
**Jimit Shah**  
**Managing Director**

**Place: Mumbai**  
**Date: August 12, 2013**

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Economic Review**

The global economic meltdown of 2008 is still plaguing the real estate sector which hasn't fully recovered can still feel it's aftershocks. The real estate sector is witnessing high debt, mounting unsold inventories and stringent regulatory clutches. The pricing trend which looked robust in the last few years has slowed down in the financial year 2012-13.

The real estate sector was adversely impacted from both demand as well as supply side factors. On the demand side, income levels of people took a beating on account of continuous high degree of inflation which affected their investment potential. On the supply side, lack of funds, lack of quality infrastructure, rising prices of raw materials and legal and regulatory hurdles caused major problems for real estate developers.

Escalating inflation and recessionary after-effects have led to buyers choosing to wait and watch carefully before making any investment. Until all the permissions and approvals are in place and construction has been completed upto a certain level, buyers are wary and limiting their financial exposure.

However, the housing industry has become competitive and customer-services oriented which has benefited both real estate developers and customers. It has also promoted growth in the housing sector. Also new project launches and speedy execution, which were at a decline for the last few years due to lack of approvals and regulatory issues have started to pick up with increased clarity from the government and municipal bodies.

### **Opportunities**

- Demand for real estate in a city like Mumbai is inherently strong, which is also one of the fastest growing real estate markets in the world.
- There is also an adequate and rising demand for housing, especially among real users in a city like Mumbai.
- New DC Regulations and other policy changes are expected to expedite the pace of activity.
- Large population base, rising disposable income and rapid urbanization will work in our favour.
- Rise in per capita income of families creates aspirations for a better quality of life.
- Real estate funds are expected to pump money in this sector which will help growth.
- Residential prices are expected to rise over a period of time.
- For a redevelopment and slum rehabilitation company, there are ample opportunities for growth in a city like Mumbai.

### **Threats and Risk**

- Change in government policies and regulations can negatively impact the real estate sector.
- Procedural delays in permissions and approvals from multiple agencies significantly affect the timely execution of projects.
- Rising prices of raw materials like cement, steel and sand can increase overall costs and squeeze margins.
- Economic slowdown may impact the growth of the real estate sector.
- Lack or very slow pace of growth in local infrastructure can also be a detrimental factor to growth.
- Lack of availability of funds and higher interest costs would dent margins and may have a direct effect on end product prices.

### **Outlook**

The Company has proposed projects underway and looks towards the future with optimism. The Company is confident of sustained growth in the years ahead with various projects in which the Company is involved will yield good returns.

### **Disclosure of Risk management**

The Company has adequate risk assessment and minimization procedure.

### **Segment-wise or Product-wise Performance**

The Company is operating in a single segment i.e. real estate development and therefore this is only one reportable segment.

### **Internal Control Systems and their adequacy**

The Company has developed an Internal Control System and procedures to ensure efficient conduct of business and security of its assets. The auditors review the effectiveness and adequacy of the internal control system by reviewing, analyzing and testing controls and make recommendations to the management to improve controls wherever necessary.

### **Human Resources**

The Company has harmonious employee relations and there is close interaction between the management and employees to facilitate smooth functioning of our organizational activities. The Company facilitates consistent improvement in performance, productivity and effectiveness by setting targets through an interactive process. Human resources are being recognized as one of the critical areas to the success of our organization.

### **Cautionary Statement**

Statements in this report on management discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions or reasonable expectation of future events.

Actual results could however differ materially from those expressed or implied, important factors that could make a difference to the Company's operations including material availability and prices, cyclical demand and pricing in the Company's principal markets, change in government regulations, tax regimes, economic developments within India and other incidental factors. The Company assumes no responsibility in respect to the forward-looking statements herein, which may undergo changes in the future on the basis of subsequent development.

**For and on behalf of the Board**

**Sd/-  
Jimit Shah  
Managing Director**

**Place: Mumbai  
Date: May 30, 2013**

## **REPORT ON CORPORATE GOVERNANCE:**

### **1. Company's Philosophy on Corporate Governance**

Corporate Governance means achievement of excellence in business by increasing the shareholders value in the long run. This aim can be achieved by keeping in mind the needs, interests of all its stakeholders, and comply with all the rules, regulations and laws. Corporate Governance lays strong emphasis on transparency, accountability and integrity, professionalism & accountability so that it meets all the stakeholders' aspirations. The Company looks upon good corporate governance practices as a key driver of sustainable corporate growth and long-term shareholder value creation. Your Company's policy on Corporate Governance envisages these principles in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, government etc.

Clause 49 of the Listing Agreement stipulates norms and disclosures standards to be followed on the corporate governance by listed companies. The Board of Directors of Zodiac Ventures Limited has adequate representation of the qualified, professional, non-executive and independent directors.

### **2. BOARD OF DIRECTORS**

#### **A Composition of Board of Directors**

The Board of Directors consists of optimum combination of Executive and Non-Executive Directors. Non-Executive Directors include independent professionals with experience in various field. The current strength of the Board is six comprising of two executive director and four non-executive directors. Of the six directors, three are independent directors and three are non-independent.

The composition of Board of Directors is as given below:

- Three Promoters, Executive and Non-Executive Director
- Three Non – Executive and Independent Directors

The Composition of the Board and the number of directorship, memberships and chairmanship of committees as on March 31, 2013, are given below:

Name of the Directors	Category of Directors	No. of Committee Membership, Chairmanships and Directorships of Public Companies (#) as on March 31, 2013		
		Committee Membership	Committee Chairmanship	Directorship
Mr. Ramesh Virji Shah	Promoter - Executive Director	-	-	-
Mr. Jimit Ramesh Shah	Promoter – Executive Director	-	-	-
Mr. Aakash Nayan Parikh	Independent – Non Executive Director	-	-	-
Mrs. Sunita Jimit Shah	Promoter – Non Executive Director	-	-	-
Dr. Anil Bhaskar Ghagare	Independent – Non Executive Director	-	-	-
Mr. Litesh Korshi Gada	Independent – Non Executive Director	-	-	-

(#) Excludes Private Limited Companies, foreign companies, companies registered under Section 25 of the Companies Act, 1956

**B Board Meetings and Attendance during the year :**

Ten meetings of the Board of Directors were held during the year ended 31<sup>st</sup> March, 2013 and the gap between two meetings did not exceed four months. The dates on which the meetings were held are as follows:

**April 16, 2012, May 30, 2012, August 13, 2012, October 01, 2012, November 12, 2012, December 10, 2012, January 23, 2013, February 13, 2013, February 20, 2013, February 27, 2013.**

The Thirty-First Annual General Meeting (AGM) of the Company was held on September 28, 2012.

The attendance of the Directors at these Meetings is as under:

<i>Name of the Director</i>	<i>Designation</i>	<i>Attendance in Board Meetings during 2012 – 2013</i>	<i>Attendance at the last Annual General Meeting held on September 28, 2012</i>
Mr. Ramesh Virji Shah	Whole-time Director	10	Yes
Mr. Jimit Ramesh Shah	Managing Director	10	Yes
Mr. Aakash Nayan Parikh	Director	8	Yes
Mrs. Sunita Jimit Shah	Director	9	Yes
Dr. Anil Bhaskar Ghagare	Director	9	Yes
Mr. Litesh Korshi Gada	Director	8	Yes

**C Non executive directors' compensation and disclosures:**

The Non-Executive Directors have not drawn any remuneration including sitting fees from the Company for the year ended 31<sup>st</sup> March, 2013. None of the Non-executive Directors have any material pecuniary relationship or transactions with the Company.

No convertible instruments/employee stock options have been granted by the Company to the Non-Executive Directors of the Company.

**D Code of conduct:**

The Board of Directors has laid down a Code of Conduct for the Board members and senior management personnel of the Company. The same is circulated among the Board Members and Senior Management Personnel. All the members of the Board and Senior Management Personnel have affirmed compliance of the respective Code of Conduct on Annual Basis. The required Declaration to the Compliance is offered herewith.

Declaration regarding compliance with the Code of Conduct of the Company is given hereinbelow:-

**I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Conduct of the Company during the financial year 2012 - 2013.**

Sd/-  
Jimit Shah  
Managing Director

Place: Mumbai  
Date: 30<sup>th</sup> May, 2013

**E CEO CERTIFICATION**

As required under Clause 49 of the Listing Agreement, the CEO certification on the financial statements and other matters has been obtained from Mr. Jimit Shah, Managing Director of the Company and is annexed with this report.

### 3. **AUDIT COMMITTEE:**

#### a. **Composition:**

The Audit Committee comprises of Three Directors. Out of three directors, two of them are Non Executive and Independent Directors and one Director is an Executive and Non Independent Director. All the Directors possess knowledge of corporate finance, accounts and company law. An Independent, Non Executive Director acts as Chairman of the Committee Meetings. The Statutory Auditors are also invited to the meetings. The quorum of the Audit Committee is three members.

The terms of reference stipulated by the Board to the Audit Committee are as per Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms formulated by the Board.

The Audit Committee of the Company is made up of the following directors:

Name of the Director	Category	Position
Mr. Litesh Korshi Gada	Non - Executive, Independent	Chairman
Mr. Ramesh Virji Shah	Executive, Promoter	Member
Mr. Aakash Nayan Parikh	Non - Executive, Independent	Member

the financial year ended March 31, 2013, No Audit Committee meetings were held as the company has crossed the threshold limit of paid up capital of Rs. 3 cr. for applicability of Corporate Governance Report during the quarter ended 31<sup>st</sup> March, 2013.

The role of the Audit Committee is to monitor and provide effective supervision of the Company's financial reporting process with a view to ensure that the financial statements are accurate, sufficient and credible.

Terms of reference of Audit Committee as defined by the Board are:

- a. The scope of the Audit Committee includes:
  - I. Review of financial statements before they are submitted to the Board for adoption.
  - II. Recommending the appointment or removal of statutory auditors, fixation of audit fees and approval for payment for other services provided by the auditors.
  - III. Review of quarterly, half yearly and yearly financial statements before they are presented to the Board, focusing inter alia upon –
    - Accounting Policies and any changes thereto.
    - Ensure compliance with the Accounting Standards.
    - Compliance with the laws, rules, regulations and notifications issued by the Stock Exchange and other regulatory authorities relating to the preparation and disclosure of financial statements.
    - Qualifications in draft audit report, if any.
    - Significant issues arising out of audit.
    - The going concern assumption.
    - Major accounting entries based on exercise of judgment by management.
    - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management or relatives, etc. that may have potential conflict with the interest of the Company at large.
- b. Review with the management, auditors the adequacy of internal control systems.
- c. Discussions with the Statutory Auditors on matters relating to internal controls, periodic financial statements and any significant findings and follow up thereon.
- d. Review of the Company's financial and risk management policies.
- e. Carry out any other function as is mentioned in the terms of reference to the Audit Committee.



#### 4. **REMUNERATION/COMPENSATION COMMITTEE:**

Setting up remuneration committee for determining a company's policy on remuneration packages for executive directors constitutes a non- mandatory provision of Clause 49. The Company has set up its remuneration committee to review the human resources policies and practices of the Company and, in particular, policies regarding remuneration of Whole time Directors and senior managers.

The committee discusses human resources policies such as compensation and performance management.

The Remuneration committee consists of the following members:

Name of the Director	Category	Position
Mr. Aakash Nayan Parikh	Non - Executive, Independent	Chairman
Mr. Jimit Ramesh Shah	Executive, Non – Independent	Member
Dr. Anil Bhaskar Ghagare	Non - Executive, Independent	Member

#### 5. **SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:**

During the financial year ended March 31, 2013, four Shareholders Grievance Committee meetings were held respectively on **May 30, 2012, August 13, 2012, November 12, 2012 and February 13, 2013.**

The Shareholders Grievance Committee of the Company is made up of the following directors:

Name of the Director	Category	Position
Dr. Anil Bhaskar Ghagare	Non - Executive, Independent	Chairman
Mrs. Sunita Jimit Shah	Non - Executive, Non – Independent	Member
Mr. Aakash Nayan Parikh	Non - Executive, Independent	Member

The Committee normally deals with various matters relating to:

- Transfer / transmission of shares
- Consolidation / splitting of folios
- Issue of new share certificate for lost, rematerialized etc. share certificates.
- Investor grievances and redressal mechanisms including measures to improve the Investor Relations.
- Complaints of shareholders and letters from Stock Exchanges, SEBI and Department of Company Affairs on matters relating to transfer of shares, non - receipt of annual report etc.

The main intention of the committee is to service the shareholders more expeditiously and at the same time meet the requirement as specified under Clause 49 of the listing agreement of the Stock Exchange

During the year, the Company has not received complaint and there were no complaints outstanding as on March 31, 2013.

#### 6. **DISCLOSURES:**

##### o **Disclosures of Transactions with Related Parties:**

The details of all materially significant transactions with related parties are periodically placed before the audit committee. During the financial year 2012 – 2013, there were no materially significant transactions entered into between the Company and its promoters, Directors or the management, or relatives, etc. that may have conflict with the interests of the Company at large.

○ **Proceeds from Preferential issue of shares/warrants etc.**

During the year under review, 29,54,000 Equity Shares of Rs. 10/- at premium of Rs. 20- per share to the promoters and non-promoter on preferential basis on February 27, 2013.

○ **Compliances by the Company:**

The Company is in compliance with the various requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to the capital market. During the year 2012 – 2013, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

○ **Details of shareholding of Directors of the Company as on 31st March, 2013:**

Mr. Ramesh Virji Shah	1103000 Equity Shares (29.579%)
Mr. Jimit Ramesh Shah	120000 Equity Shares (3.218%)
Ms. Aakash Nayan Parikh	Nil
Mrs. Sunita Jimit Shah	175000 Equity Shares (4.693%)
Dr. Anil Bhaskar Ghagare	Nil
Mr. Litesh Korshi Gada	Nil

**7. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis forms part of the Annual Report.

**8. GENERAL BODY MEETING :**

a. Location, time and date where last three Annual General Meetings were held are given below:

AGM	DAY	DATE	TIME	VENUE
29 <sup>th</sup>	Saturday	September 18, 2010	11.30 a.m.	404, Dev Plaza, 68, S V Road, Andheri (West), Mumbai – 400 058
30 <sup>th</sup>	Tuesday	September 27, 2011	11.00 a.m.	404, Dev Plaza, 68, S V Road, Andheri (West), Mumbai – 400 058
31 <sup>st</sup>	Friday	September 28, 2012	11.00 a.m.	404, Dev Plaza, 68, S V Road, Andheri (West), Mumbai – 400 058

b. The following Special Resolutions were passed at the previous three Annual General Meetings:

**AGM held on September 18, 2010:**

No Special Resolution was passed at the AGM.

**AGM held on September 27, 2011:**

No Special Resolution was passed at the AGM.

**AGM held on September 28, 2012:**

No Special Resolution was passed at the AGM.

c. Details of Resolutions passed through Postal Ballot during the year 2012 – 2013 (Under Section 192A):

The Company has not passed any special resolution through Postal Ballot during the year 2012 – 2013 under Section 192A of the Companies Act, 1956.

d. Details of any Special Resolutions is proposed to be conducted through Postal Ballot:

No resolutions are proposed to be passed by conducting a postal ballot.

**9. COMPLIANCE CERTIFICATE FROM AUDITORS:**

Compliance Certificate for Corporate Governance from M/s. A.R Sodha & Company, Chartered Accountants is annexed to this report.

**10. CEO CERTIFICATION:**

As required under Clause 49 of the Listing Agreement, the CEO certification on the financial statements and other matters has been obtained from Mr. Jimit Shah, Managing Director of the Company and is annexed with this report.

**11. MEANS OF COMMUNICATION:**

All material information and financial results of the Company is promptly sent through fax and hand delivery to the Bombay Stock Exchange immediately after the same are considered by the Board.

**12. GENERAL SHAREHOLDERS INFORMATION:****a) Annual General Meeting:**

<i>Date and Time of Meeting</i>	<i>Venue of the Meeting</i>
September 28, 2013 at 11.30 a.m	404, Dev Plaza, 68, S V Road, Andheri (West), Mumbai – 400 058

**b) Financial Year**

The Company follows April - March as its financial year. The results for every quarter beginning from April will be declared within the time period prescribed under the Listing Agreement

**c) Dates of Book Closure:**

September 26, 2013 to September 28, 2013 (both days inclusive)

**d) Dividend Payment Date: N.A.****e) Listing on Stock Exchange:**

The Equity Share of the Company are listed at the Bombay Stock Exchange Limited and the annual listing fees payable for the financial year 2012 – 2013 have been paid within the prescribed limit to the Bombay Stock Exchange Limited.

**f) Stock Code:**

Bombay Stock Exchange Limited (BSE) : 503641

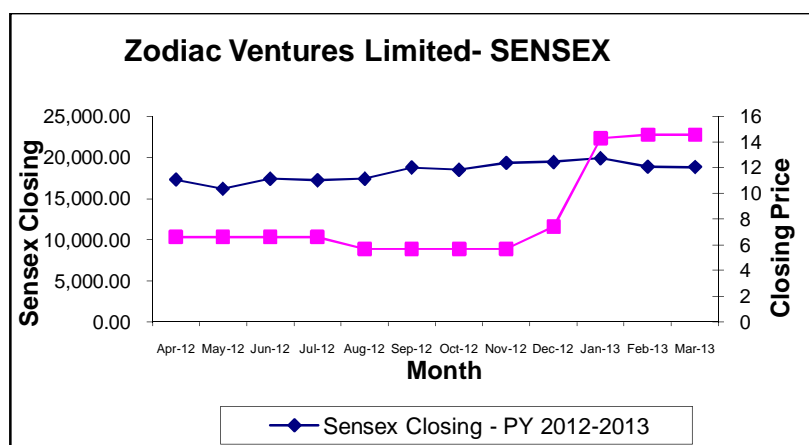
**Market Price Data:**

The monthly high and low quotations traded on the Bombay Stock Exchange Limited:

	<i>Equity Shares</i>	
<i>Month</i>	<i>High Price</i>	<i>Low Price</i>
April '2012	-	-
May '2012	-	-
June '2012	-	-
July '2012	-	-
August '2012	5.68	5.68
September '2012	-	-
October '2012	-	-
November '2012	-	-
December '2012	7.42	4.59
January '2013	14.30	7.79
February '2013	14.58	14.58
March '2013	-	-

*High and low are in rupees per traded share*

## g) Stock Performance:



## h) Registrar and Share Transfer Agent:

Sharex Dynamic (India) Pvt Ltd.  
 17/B, Dena Bank Bldg,  
 11th Floor, Horniman Circle,  
 Fort, Mumbai – 400 001

## i) Share Transfer System:

The Company has appointed Sharex Dynamic (India) Pvt Ltd as Registrars and Share Transfer Agents. The shares lodged for physical transfer/ transmission / transposition are registered within the prescribed time period if the documents are complete in all respects. The shares in dematerialised form are admitted for trading with Central Depository Services (India) Limited (CDSL). ISIN No. INE945J01019.

## j) Category wise distribution of equity shares as on March 31, 2013:

Sr. No.	Category of Shareholders	Total Holdings	% of Shareholdings
1.	Promoter & Promoter Group	20,86,500	55.953%
2.	Mutual Funds and UTI	-	-
3.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non Govt. Inst.)	-	-
4.	FII/Foreign Bodies	-	-
5.	Private Corporate Bodies	6	0.000%
6.	Indian Public	16,42,494	44.047%
7.	NRIs/OCBs	-	-
8.	Clearing Member	-	-
	<b>TOTAL</b>	<b>37,29,000</b>	<b>100.00%</b>

**Distribution of shareholding as on March 31, 2013:**

<i>No. of equity shares</i>	<i>Shareholders</i>		<i>Shareholdings</i>	
	<i>No.</i>	<i>% of holders</i>	<i>No.</i>	<i>% shares</i>
1 - 500	182	65.23	12500	0.34
501 to 1000	6	2.15	4420	0.12
1001 to 2000	0	0.00	0	0.00
2001 to 3000	6	2.15	18000	0.48
3001 to 4000	1	0.36	4000	0.11
4001 to 5000	2	0.72	10000	0.27
5001 to 10000	26	9.32	236550	6.34
10001 and above	56	20.07	3443530	92.34
<b>Total</b>	<b>279</b>	<b>100.00</b>	<b>3729000</b>	<b>100.00</b>

**k) Dematerialization of Equity shares:**

95.44% of the Equity shares of the Company have been dematerialized as on March 31, 2013. The Company has entered into agreements with Central Depository Securities Limited whereby shareholders have an option to dematerialize their shares with the depositories.

**l) Registered office of the Company:**

404, Dev Plaza, 68, S. V. Road  
 Andheri (West), Mumbai – 400 058

**m) Address for investor Correspondence:**

Shareholders may correspond with the Registrar and Share Transfer Agents at:  
 M/s. Sharex Dynamic (India) Pvt Ltd.  
 17/B, Dena Bank Bldg,  
 IInd Floor, Horniman Circle,  
 Fort, Mumbai – 400 001  
 Tel No. – 022 28515606/ 28515644  
 Fax No – 022 - 28512885

On all matters relating to transfer/dematerialization of shares, share transfer, transmission, change of address or any other query relating to Equity Shares of the Company.

The Company has designed info@zodiacventures.in as an exclusive email ID for Shareholders for the purpose of registering complaints.

**For General Correspondence:**

Zodiac Ventures Limited  
 404, Dev Plaza, 68, S. V. Road  
 Andheri (West),  
 Mumbai – 400 058

**CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION**

I, Jimit Ramesh Shah, Managing Director of Zodiac Ventures Limited, to the best of our knowledge and belief certify that:

1. We have reviewed the Financial Statements and the cash flow Statement for the year 2012-13 and that to the best of my Knowledge and belief;
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. I further state that to the best of my knowledge and belief, no transactions are entered into by the Company during the years which are fraudulent, illegal or violative of the Company's Code of Conduct. I hereby declare that all members of the Board of Directors and the Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps taken or proposed to be taken to rectify the same;
4. I have indicated to the auditors and the Audit Committee: -
  - a) Significant changes, if any, in internal control over financial reporting during the year;
  - b) Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

sd/-  
**Jimit Shah**  
Managing Director

Place: Mumbai  
Date: May 30, 2013

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**REPORT OF AUDITORS ON CORPORATE GOVERNANCE**

**To,  
The Members of  
Zodiac Ventures Limited**

We have examined the compliance of the conditions of Corporate Governance of Zodiac Ventures Limited for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement with the stock Exchange in India.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

**For A. R. Sodha & Co.**  
**Chartered Accountants,**  
**FRN: 110324W**

**Dipesh R. Sangoi**  
**Partner**  
**M. No. 124295**

**Date: August 12, 2013**  
**Place: Mumbai**

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## AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**To the Members of  
Zodiac Ventures Limited**

### **Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of Zodiac Ventures Limited ("the Company"), and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

2. 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 including Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

3. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 Group'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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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**

5. 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 as noted below, the 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 March 31, 2013;



- (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 Matters**

- 6. We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of Rs. 5,179 Lacs as at March 31, 2013, total revenue of Rs. 22 Lacs and profit of Rs. 13 Lacs for the year ended on that date. The financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of other matters.

**For A. R. SODHA & CO.**  
**Chartered Accountants,**  
**FRN: 110324W**

**Dipesh R. Sangoi**  
**Partner.**  
**M. No. 124295**

Place: Mumbai.  
Date: 30<sup>th</sup> May, 2013

**ZODIAC VENTURES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013**

Particulars	Note No.	As at 31/03/2013	As at 31/03/2012
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	2.01	37,290,000	7,750,000
(b) Reserves and Surplus	2.02	74,749,341	13,745,147
<b><u>(2) Minority Interest</u></b>		61,918,907	15,978,909
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings	2.03	2,465,399	5,028,911
(b) Deferred Tax Liabilities (Net)	2.04	786,477	858,853
(c) Other Long Term Liabilities	2.05	263,642,603	230,362,024
<b><u>(4) Current Liabilities</u></b>			
(a) Short-Term Borrowings	2.06	112,289,335	182,361,540
(b) Trade Payables		3,502,568	755,516
(c) Other Current Liabilities	2.07	6,728,774	5,007,474
(d) Short-Term Provisions	2.08	2,939,809	2,312,755
		<b>566,313,214</b>	<b>464,161,130</b>
<b>II. ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Fixed Assets			
Tangible Assets	2.09	22,500,918	25,833,047
(b) Goodwill on Consolidation		47,160,248	4,358,410
(c) Non-Current Investments	2.10	100,000	100,000
(d) Long term Loans and Advances	2.11	4,283,145	5,255,145
(e) Other Non-Current Assets	2.12	1,371,569	968,523
<b><u>(2) Current Assets</u></b>			
(a) Inventories	2.13	477,222,631	412,952,923
(b) Cash and Bank Balances	2.14	4,266,183	11,384,460
(c) Short-Term Loans and Advances	2.15	7,957,435	1,053,210
(d) Other Current Assets	2.16	1,451,086	2,255,412
		<b>566,313,214</b>	<b>464,161,130</b>
<b>Significant Accounting Policies And Notes On Accounts 1 &amp; 2</b>			
<b>As per our report attached</b>			
<b>For A. R. Sodha &amp; CO.</b>		<b>For Zodiac Ventures Limited</b>	
<b>Chartered Accountants</b>			
<b>CA. Dipesh R. Sangoi</b>		<b>Ramesh V. Shah</b>	
<b>Partner</b>		<b>(Chairman)</b>	
<b>Membership No. : 124295</b>			
<b>Firm Reg. No.: 110324W</b>			
<b>Place:- Mumbai</b>		<b>Jimit R. Shah</b>	
<b>Date:- 30.05.2013</b>		<b>(Managing Director)</b>	

**ZODIAC VENTURES LIMITED**  
**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013**

Particulars	Note No.	For The year ended 31/03/2013	For The year ended 31/03/2012
<b><u>INCOME</u></b>			
Revenue from Operations	2.17	12,200,000	11,079,271
Other Income	2.18	2,494,606	2,439,040
<b>Total Revenue</b>		<b>14,694,606</b>	<b>13,518,311</b>
<b><u>EXPENDITURE</u></b>			
Changes in Inventories of Work-In-Progress	2.19	(64,269,707)	(47,669,992)
Employee Benefit Expense	2.20	16,371,554	9,108,007
Finance Costs	2.21	23,549,069	17,037,881
Depreciation and Amortization Expense	2.09	3,912,851	3,570,873
Other Expenses	2.22	25,704,172	23,358,135
<b>Total Expenses</b>		<b>5,267,938</b>	<b>5,404,904</b>
<b>Profit Before Tax</b>		<b>9,426,668</b>	<b>8,113,407</b>
<b><u>Tax Expense:</u></b>			
Current tax		(3,061,396)	(2,498,104)
Deferred tax		72,376	44,832
Earlier Year Tax Adjustment		(204,300)	(79,924)
<b>Profit for the Year</b>		<b>6,233,348</b>	<b>5,580,212</b>
Less : Godwill on Consolidation Written Off		1,089,603	1,089,603
Less : Share of Profit of Minority Interest		643,307	799,432
<b>Net Profit after Minority Interest</b>		<b>4,500,438</b>	<b>3,691,177</b>
<b>Earnings Per Equity Share of Face Value of Rs. 10 each</b>			
(1) Basic	2.23	4.41	4.76
(2) Diluted	2.23	4.41	4.76
<b>Significant Accounting Policies And Notes On Accounts</b> 1 & 2			
As per our report attached For A. R. Sodha & CO. Chartered Accountants		For Zodiac Ventures Limited	
CA. Dipesh R. Sangoi Partner Membership No. : 124295 Firm Reg. No.: 110324W Place:- Mumbai Date:- 30.05.2013		Ramesh V. Shah (Chairman)	
		Jimit R. Shah (Managing Director)	

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

	<b>PARTICULARS</b>	<b>For The year ended 31/03/2013</b>	<b>For The year ended 31/03/2012</b>
<b>A</b>	<b><u>Cash flow from Operating Activities:</u></b>		
	Net Profit before Tax as per Statement of Profit and Loss	9,426,668	8,113,407
	Less : Dividend Received	(15,000)	(20,000)
	Less : Interest Received	(462,626)	(854,693)
	Operating Profit before Working Capital changes	8,949,042	7,238,714
	<b><u>Adjusted for:</u></b>		
	Increase/(Decrease) in Trade and Other Payables	37,533,602	(69,339,254)
	(Increase)/Decrease in Trade and Other Receivables	(7,449,988)	787,171
	(Increase) / Decrease in Inventories	(36,767,788)	(27,021,238)
	Cash generated from operations	2,264,869	(88,334,607)
	Direct Taxes Paid	(2,696,790)	(2,485,008)
	Net Cash Inflow/(Outflow) in the course of Operating Activities	<b>(431,921)</b>	<b>(90,819,615)</b>
<b>B</b>	<b><u>Cash flow from Investing Activities:</u></b>		
	Purchase of Fixed Assets	(580,722)	(10,355,570)
	Other Bank Balances held as Margin Money	9,900,000	-
	Dividend Received	15,000	20,000
	Interest Received	462,626	854,693
	Net Cash Inflow / (Outflow) in the course of Investing Activities	<b>9,796,904</b>	<b>(9,480,877)</b>
<b>C</b>	<b><u>Cash flow from Financing Activities:</u></b>		
	Proceeds From Issue of Share Capital Including Premium	90,025,250	-
	Proceeds From Long Term Borrowings	-	7,739,360
	Repayment of Long Term Borrowings	(2,478,788)	(1,685,476)
	Proceeds/(Repayment) From/of Short-Term Borrowings (Net)	(68,194,904)	111,514,185
	Dividends paid (including Dividend Distribution Tax)	(1,170,941)	(1,082,378)
	Finance Charges Paid	(23,549,069)	(17,037,881)
	Share Issue Expenditure	(1,267,420)	-
	Net Cash (Outflow) in the course of Financing Activities	<b>(6,635,871)</b>	<b>99,447,810</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>2,729,112</b>	<b>(852,682)</b>
	Opening balance of Cash and Cash equivalents	1,295,426	2,148,107
	<b>Closing balance of Cash and Cash Equivalents (Refer Note 2.14)</b>	<b>4,024,538</b>	<b>1,295,426</b>

**For A. R. Sodha & CO.**  
**Chartered Accountants**

**CA. Dipesh R. Sangoi**  
**Partner**  
**Membership No. : 124295**  
**Firm Reg. No.: 110324W**  
**Place:- Mumbai**  
**Date:- 30.05.2013**

**For Zodiac Ventures Limited**

**Ramesh V. Shah**  
**(Chairman)**

**Jimit R. Shah**  
**(Managing Director)**

## ZODIAC VENTURES LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

#### NOTE 1:- SIGNIFICANT ACCOUNTING POLICIES

##### 1.01 Basis of Accounting

The consolidated Financial Statements of Zodiac Ventures Limited ("the Company") and its domestic subsidiaries Zodiac Developers Pvt Ltd is prepared under the historical cost convention in accordance with the generally accepted accounting principles in India & the Accounting Standards 21 on Consolidation of Financial Statement, issued by the Institute of Chartered Accountants of India to the extent possible in the same formats that adopted by the Company for its separate financial statements.

##### 1.02 Principles of Consolidation

The financial statements of the subsidiary company used in the consolidation are drawn up to the same reporting dates as of the Company.

The consolidated financial statements have been prepared on the following basis:-

- (a) The financial statements of the company and its subsidiary company have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transaction in accordance with Accounting Standard (AS) 21- 'Consolidated Financial Statements'.
- (b) The excess of cost to the company of its investment in subsidiary company over its share of equity of the subsidiary company at the date, on which the investment in the subsidiary company is made, is recognized as "Goodwill" being an asset in the consolidated financial statements.
- (c) Minority Interest in the net assets of subsidiary consists of the amount of equity attributable to the minority shareholders at the date on which investment is made by the Company in the subsidiary company and further movements in their share in equity, subsequent to the date of investment.
- (d) Minority Interest's share of net profit of subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- (e) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- (f) Investments other than in subsidiary have been accounted as per Accounting Standard (AS) 13 "Accounting for Investment".

##### 1.03 The subsidiary considered in the consolidated financial statements is:

Name of the subsidiary Company	Extent of Holding Company's Interest	Country of Incorporation
Zodiac Developers Private Limited	50.98%	India

**1.04 Use of Estimate**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

**1.05 Revenue Recognition**

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. The Following specific recognition criteria must also be met before revenue is recognized:-

Professional Fees for rendering architecture service is recognized on completion of Service and as per the terms of the Arrangement. Brokerage Income is recognized on completion of service. The Company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Rent and Interest Income is recognised on a time proportion basis. Dividend income is recognized when the Company's right to receive dividend is established.

The Company has followed the Completed Contract Method for recognition of Income & Expenses. The Income from Sale of Flats/ Property, etc. is accounted when the Sale Deed is executed. Any amount received against Sale of Flats or Property which is under construction/ Development, the same are treated as an Advance and shown as Other Long-Term Liabilities.

All the expenses of the Company which are directly related to the particular project are directly debited to that particular project as Work in process and the General expenses which are not pertaining to any particular Project are allocated to the running projects on the basis of the total expenses incurred on that project during the year.

**1.06 Fixed Assets**

Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**1.07 Depreciation**

Depreciation has been provided on Straight Line Method (SLM) at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis from the date assets have been put to use. Depreciation on Furniture in Leasehold premises is provided over the period of the lease.

Goodwill arising on consolidation is amortised over a period of Five Years commencing from the next financial year in which goodwill has been arise.

**1.08 Inventory**

Inventories have been valued at cost or net realisable value whichever is lower.

**1.09 Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.



**1.10 Employee Benefits**

The Statutory enactments relating to payment of Provident Fund, ESIC and Gratuity to employees are not applicable to the company. The company does not have any scheme for retirement benefits for its employee and as such no provision towards retirement benefits to employees is considered necessary. Short term employee benefits in the form of leave encashment and Bonus is provided on accrual basis.

**1.11 Borrowing Cost**

Borrowing costs directly attributable to development of qualifying asset are capitalized till the date qualifying asset is ready for put to use for its intended purpose as part of cost of that asset. For other Borrowing costs refer note 1.5.

**1.12 Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**1.13 Provisions, Contingent Liabilities and Contingent Assets**

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

**1.14 Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**NOTE 2:- NOTES ON ACCOUNTS****2.01 Share Capital**

Particulars	31.03.13	31.03.12
<b>Authorized</b>		
2,00,00,000 (P.Y. 2,00,00,000) Equity Shares of Rs. 10/- each.	20,00,00,000	20,00,00,000
	20,00,00,000	20,00,00,000
<b>Issued, Subscribed and Paid-Up</b>		
37,29,000 (P.Y. 7,75,000) Equity Shares of Rs. 10/- each, Fully Paid up	3,72,90,000	77,50,000
<b>Total</b>	<b>3,72,90,000</b>	<b>77,50,000</b>

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2013, the amount of per share dividend recognised as distributions to equity shareholders was Rs. 0.30 (31 March 2012 Rs. 1.30)

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**Reconciliation of shares outstanding at the beginning and at the end of the reporting period:-**

Particulars	31.03.13		31.03.12	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the Period	7,75,000	77,50,000	7,75,000	77,50,000
Add:- Issued During the Period	29,54,000	2,95,40,000	-	-
Outstanding at the end of the period	<b>37,29,000</b>	<b>3,72,90,000</b>	<b>7,75,000</b>	<b>77,50,000</b>

**Details of shareholder holding more than 5% shares in the Company:-**

Name of the shareholder	31.03.13		31.03.12	
	Numbers	%	Numbers	%
Ramesh V. Shah	11,03,000	29.58%	46,000	5.94%
Pushpa R. Shah	5,25,000	14.08%	25,000	3.23%

**2.02 Reserves And Surplus**

Particulars	31.03.13	31.03.12
<b><u>Securities Premium</u></b>		
Balance as per last Financial Statements	45,85,730	45,85,730
Add : 29,54,000 Shares Issued @ 20/- Per Share Premium	5,90,80,000	-
Less : Share Issue Expenditure	(12,67,420)	-
<b>Closing Balance</b>	<b>6,23,98,310</b>	<b>45,85,730</b>
<b><u>General Reserve</u></b>		
Balance as per last financial statements	2,52,462	54,993
Add : Transfer from Profit and Loss Statement	-	1,97,469
<b>Closing Balance</b>	<b>2,52,462</b>	<b>2,52,462</b>
<b><u>Surplus (Deficit) in the statement of Profit &amp; Loss A/c</u></b>		
Balance as per last financial statements	89,06,955	65,84,189
Add : Profit for the year	45,00,438	36,91,177
Less : Transfer to General Reserve	-	(1,97,469)
Less : Proposed Dividend	(11,18,700)	(10,07,500)
Less : Dividend Distribution tax	(1,90,124)	(1,63,441)
<b>Closing Balance</b>	<b>1,20,98,569</b>	<b>89,06,955</b>
<b>Total</b>	<b>7,47,49,341</b>	<b>1,37,45,147</b>



**2.03 Long-Term Borrowings**

Particulars	Non-Current Portion		Current Maturities	
	31.03.13	31.03.12	31.03.13	31.03.12
<b><u>Secured</u></b>				
<b><u>Term Loans</u></b>				
From Bank	5,27,882	9,90,423	4,62,541	5,97,968
From Other Parties	19,37,517	40,38,488	21,00,971	18,80,820
	<b>24,65,399</b>	<b>50,28,911</b>	<b>25,63,512</b>	<b>24,78,788</b>
Less:- Amount Disclosed under the head " Other Current Liabilities" (Note-2.07)	-	-	(25,63,512)	(24,78,788)
<b>Total</b>	<b>24,65,399</b>	<b>50,28,911</b>	<b>-</b>	<b>-</b>

Term loan from Bank amounting to Rs. 2,99,304/- (P.Y. Rs. 3,70,626) is secured by mortgage/charge on the Polo Car of the Company. Repayable in 60 equal monthly installments commencing from July, 2011. Last installment due in June, 2016. Rate of interest 12% p.a. as at year end. (P. Y. 12% p.a.)

Term loan from Bank amounting to Rs. Nil (P.Y. Rs. 1,82,267/-) is secured by mortgage/charge on the Honda City Car of the Company. Repayable in 36 equal monthly installments commencing from December, 2009. Last installment due in November, 2012. Rate of interest 10.25% p.a. as at year end. (P. Y. 10.25% p.a.)

Term loan from Bank amounting to Rs. 6,91,119/- (P.Y. Rs. 10,35,499/-) is secured by mortgage/charge on the Mahindra XYLO Car of the Company. Repayable in 36 equal monthly installments commencing from January, 2012. Last installment due in December, 2014. Rate of interest 10.49% p.a. as at year end. (P. Y. 10.49% p.a.)

Term loan from Other Parties amounting to Rs. 40,38,488/- (P.Y. Rs. 59,19,308/-) is secured by mortgage/charge on the Jaguar Car of the Company. Repayable in 36 equal monthly installments commencing from February, 2012. Last installment due in January, 2015. Rate of interest 11.35% p.a. as at year end. (P. Y. 11.35% p.a.)

**2.04 Deferred Tax Liabilities**

Particulars	31.03.13	31.03.12
<b><u>Deferred Tax Liabilities</u></b>		
Depreciation	7,86,477	8,58,853
<b>Total</b>	<b>7,86,477</b>	<b>8,58,853</b>

**2.05 Other Long-Term Liabilities**

Particulars	31.03.13	31.03.12
Trade Payables	5,32,000	5,32,000
<b><u>Others</u></b>		
Advances Received from Clients	9,10,89,603	5,78,09,024
Security Deposit Received	17,20,21,000	17,20,21,000
<b>Total</b>	<b>26,36,42,603</b>	<b>23,03,62,024</b>

**2.06 Short Term Borrowings**

Particulars	31.03.13	31.03.12
<b><u>Secured</u></b>		
<b><u>Cash Credit Facility from Banks</u></b>		
The Cosmos Co. Op. Bank Limited	-	1,11,80,812
<b><u>Unsecured</u></b>		
<b><u>Loans Repayable on Demand</u></b>		
From Related Parties	4,60,81,185	11,86,90,611
From Other Parties	6,62,08,150	5,24,90,117
<b>Total</b>	<b>11,22,89,335</b>	<b>18,23,61,540</b>

Cash Credit from Bank is secured against margin money deposit. The Cash Credit is repayable on demand and carries interest @9.50%.

**2.07 Other Current Liabilities**

Particulars	31.03.13	31.03.12
Current Maturities of Long-Term Borrowings (Note-2.03)	25,63,512	24,78,788
Unpaid dividend	1,41,645	89,034
Director Sitting Fees Payable	-	80,000
Withholding and Other Taxes Payable	40,23,617	23,59,652
<b>Total</b>	<b>67,28,774</b>	<b>50,07,474</b>

**2.08 Short-Term Provisions**

Particulars	31.03.13	31.03.12
<b><u>Provision for Employee Benefits</u></b>		
Bonus Payable	1,02,869	1,02,804
Leave Salary Payable	-	79,800
<b><u>Others</u></b>		
Provision for Income Taxes	15,28,116	9,59,210
Provision for Proposed Dividend	11,18,700	10,07,500
Provision for Dividend Distribution Tax	1,90,124	1,63,441
<b>Total</b>	<b>29,39,809</b>	<b>23,12,755</b>

## ZODIAC VENTURES LIMITED

### 2.09 FIXED ASSETS

Particulars	Original Cost			Depreciation		Net Book Value	
	As At April 1, 2012	Additions	Deductions/ Adjustment	As At March 31, 2013	For the Period As At April 1, 2012	Deductions/ Adjustment	As At March 31, 2013
<b>Tangible Assets</b>							
Building	7,25,000	-	-	7,25,000	-	-	7,25,000
Plant and Equipment	2,05,189	-	-	2,05,189	9,746	-	1,37,510
Office Equipment	16,47,093	37,000	-	16,84,093	79,579	-	11,89,737
Telephone Equipment	6,59,292	2,79,500	-	9,38,792	38,496	-	6,71,180
Computer Equipment	26,73,775	2,64,222	-	29,37,997	1,79,949	-	3,57,893
Furniture and Fixtures	53,83,244	-	-	53,83,244	9,97,431	-	16,78,850
Vehicles	2,74,48,932	-	-	2,74,48,932	26,07,650	-	1,77,40,749
<b>Total</b>	<b>3,87,42,525</b>	<b>5,80,722</b>	<b>-</b>	<b>3,93,23,247</b>	<b>39,12,851</b>	<b>-</b>	<b>2,25,00,918</b>
<b>Previous year</b>	<b>2,83,86,955</b>	<b>1,03,55,570</b>	<b>-</b>	<b>3,87,42,525</b>	<b>35,70,873</b>	<b>-</b>	<b>2,58,33,047</b>
							<b>1,90,48,350</b>

**2.10 Non Current Investments**

Particulars	31.03.13	31.03.12
<b>Other investments (Unquoted):-</b>		
1,000 (P.Y.1,000) Equity Shares of Rs. 100/- each fully paid-up in "The Cosmos Co-Operative Bank Limited").	1,00,000	1,00,000
<b>Total</b>	<b>1,00,000</b>	<b>1,00,000</b>

**2.11 Long-Term Loans And Advances**

Particulars	31.03.13	31.03.12
<b>Unsecured, Considered Good :-</b>		
<b>(a) Security Deposit:-</b>		
SRA and Other Deposits	6,47,645	6,45,145
Rental Deposits	25,10,000	25,10,000
<b>(b) Other Loans and Advances:-</b>		
Advance Against Purchase of Plot	11,25,500	21,00,000
<b>Total</b>	<b>42,83,145</b>	<b>52,55,145</b>

**2.12 Other Non-Current Assets**

Particulars	31.03.13	31.03.12
<b>Unsecured, Considered Good:-</b>		
Receivables From Venus Flat Owners	-	1,56,954
Samir Bhojwani	4,51,524	4,51,524
Income Tax Penalty A.Y.05-06 (Pending Appeal)	8,80,045	2,80,045
Miscellaneous Expenditure	40,000	80,000
<b>Total</b>	<b>13,71,569</b>	<b>9,68,523</b>

**2.13 Inventories**

Particulars	31.03.13	31.03.12
<b>Work-in-Progress:-</b>		
Plot No.348:-	59,78,908	56,84,022
Plot At Gandhi Nagar- Bandra	1,79,74,646	1,61,22,006
Plot At Indira Nagar	6,60,026	6,22,920
Hanuman Nagar Project	45,05,79,382	38,85,94,414
Babugenu Nagar Project	10,15,636	9,65,543
Pauvna Site	9,50,624	9,03,738
Chakala Site	63,408	60,281
<b>Total</b>	<b>47,72,22,631</b>	<b>41,29,52,923</b>

**2.14 Cash And Bank Balances**

Particulars	31.03.13	31.03.12
<b><u>(i) Cash and Cash Equivalents</u></b>		
Balances with Banks	19,66,097	4,00,863
Cash-on-Hand	20,58,440	8,94,563
	<b>40,24,538</b>	<b>12,95,426</b>
<b><u>(ii) Other Bank Balances</u></b>		
Unclaimed Dividend Account	1,41,645	89,034
Balances with Banks to the extent held as Margin Money	1,00,000	1,00,00,000
	<b>2,41,645</b>	<b>1,00,89,034</b>
<b>Total</b>	<b>42,66,183</b>	<b>1,13,84,460</b>

Margin Money Deposit with a carrying amount of Rs. 1,00,000/- (P.Y. 1,00,00,000/-) are subject to first charge to secure the Company's Cash Credit Loans.

**2.15 Short-Term Loans And Advances**

Particulars	31.03.13	31.03.12
<b><u>Unsecured, Considered Good :-</u></b>		
Inter-Corporate Loan	75,65,245	-
Advance to Sundry Creditors for Expenses	-	6,79,049
Advance to Staff	3,92,190	3,74,161
<b>Total</b>	<b>79,57,435</b>	<b>10,53,210</b>

**2.16 Other Current Assets**

Particulars	31.03.13	31.03.12
Receivables From Jupiter Flat Owners	8,09,377	13,36,473
Samir Bhojwani (Security Expenses Receivable)	3,09,089	3,15,711
Rent Receivable (Including Service Tax)	2,92,620	5,63,228
Miscellaneous Expenditure	40,000	40,000
<b>Total</b>	<b>14,51,086</b>	<b>22,55,412</b>

**2.17 Revenue From Operations**

Particulars	31.03.13	31.03.12
<b><u>Sale of Services</u></b>		
Architect Fees	1,22,00,000	57,00,000
Commission Income	-	53,22,607
Civil Work Charges Received	-	56,664
<b>Total</b>	<b>1,22,00,000</b>	<b>1,10,79,271</b>

**2.18 Other Income**

Particulars	31.03.13	31.03.12
Interest Received	4,62,626	8,54,693
Rent Received	19,22,004	12,52,347
Dividend Received on Investment in Shares	15,000	20,000
Sale of Scrap	94,976	3,12,000
<b>Total</b>	<b>24,94,606</b>	<b>24,39,040</b>

**2.19 Changes In Inventories Of Work-In-Progress**

Particulars	31.03.13	31.03.12
<b>Work In Progress at Commencement</b>		
Plot No.348:-	56,84,022	54,30,566
Plot At Gandhi Nagar- Bandra	1,61,22,006	1,43,93,919
Plot At Indira Nagar	6,22,920	5,97,261
Hanuman Nagar Project	38,85,94,414	34,36,47,389
Babugenu Nagar Project	9,65,543	9,25,771
Pauvna Site	9,03,738	2,80,024
Chakala Site	60,281	8,001
<b>Total (A)</b>	<b>41,29,52,923</b>	<b>36,52,82,931</b>
<b>Work In Progress at Close</b>		
Plot No.348:-	59,78,908	56,84,022
Plot At Gandhi Nagar- Bandra	1,79,74,646	1,61,22,006
Plot At Indira Nagar	6,60,026	6,22,920
Hanuman Nagar Project	45,05,79,382	38,85,94,414
Babugenu Nagar Project	10,15,636	9,65,543
Pauvna Site	9,50,624	9,03,738
Chakala Site	63,408	60,281
<b>Total (B)</b>	<b>47,72,22,631</b>	<b>41,29,52,923</b>
<b>Total (A-B)</b>	<b>(6,42,69,707)</b>	<b>(4,76,69,992)</b>

**2.20 Employee Benefit Expense**

Particulars	31.03.13	31.03.12
Wages, Salaries and Bonus	1,59,97,889	85,58,532
Leave Salary	79,800	1,60,386
Staff Welfare	2,93,865	3,89,089
<b>Total</b>	<b>1,63,71,554</b>	<b>91,08,007</b>

**2.21 Finance Costs**

Particulars	31.03.13	31.03.12
Interest Expense	2,35,37,132	1,70,10,039
Loan Processing Charges	-	17,000
Bank Charges	11,937	10,842
<b>Total</b>	<b>2,35,49,069</b>	<b>1,70,37,881</b>



**2.22 Other Expenses**

Particulars	31.03.13	31.03.12
Purchases of Material	63,88,055	30,36,574
Labour Charges	7,25,728	22,19,758
Rent	61,68,376	49,19,856
Rates and Taxes, excluding Taxes on Income	14,03,211	3,78,302
Legal & Professional Fees	15,51,443	14,57,606
Honorarium Expenses	90,000	90,000
Security Expenses	15,06,140	15,25,404
Site Expenses	5,77,202	8,61,525
Motor Car Expenses	15,01,567	16,45,324
Traveling and Conveyance	2,23,411	4,55,369
Telephone Charges	5,94,043	6,95,422
Office Maintenance	2,02,101	1,80,097
Power and Fuel	9,83,751	7,26,597
Repair & Maintenance	1,73,623	3,37,474
Computer Maintenance	1,70,376	1,03,019
Insurance Charges	9,20,082	13,67,865
Business Promotion Expenses	1,91,627	2,25,000
Commission Charges	-	55,000
Printing and Stationery	2,30,064	1,98,603
Advertisements	10,18,265	9,20,516
Clearing & Forwarding Charges	1,43,020	50,622
Donations	1,36,500	1,70,000
Compensation Paid	-	9,56,507
Deferred Revenue Exp Written Off	40,000	40,000
Festival Expenses	70,220	1,61,816
<u>Auditor's Remuneration:-</u>		
As Auditors	1,08,090	1,08,090
For Other Services	20,169	57,060
Listing, Depository & Other Related Charges	66,932	83,952
Director Sitting Fees	-	72,000
Water Charges	88,400	55,777
Miscellaneous Expenses	4,11,775	2,03,000
<b>Total</b>	<b>2,57,04,172</b>	<b>2,33,58,135</b>

**2.23 Earning Per Share**

Particulars	31.03.13	31.03.12
Profit / (Loss) after Tax	45,00,438	36,91,177
Weighted average Number of Shares outstanding during the year. (Face Value Rs.10 per share)	10,21,167	7,75,000
<b>Basic Earnings/(Loss) Per share</b>	<b>4.41</b>	<b>4.76</b>

Company do not have any potential dilutive equity shares, hence dilutive earning per share is same as earning per share.

## 2.24 Segment Reporting

The company operates in a single line of business i. e. Real Estate and Real Estate Development and also in a single geographic environment within India, Hence there is no reportable segment information with respect to provision of Accounting Standard 17 "Segment Reporting".

## 2.25 Related Party Disclosures

### a) List of Related Parties & Relationship:-

#### i. Associate/Enterprises where control/significant influence exists :-

Zodiac Homemakers Private Limited  
 Zodiac Capital Private Limited  
 Priya Slum Projects Private Limited

#### ii. Key Management Personnel (KMP) :-

Ramesh V Shah  
 Jimit Ramesh Shah

#### iii. Relatives of KMP :-

Puspa R Shah  
 Yesha R Shah  
 Sunita J Shah  
 Ramesh V Shah HUF

### b) Transaction with Related Parties:-

Nature of Transaction	Associate/ Enterprises	KMP	Relatives of KMP	Total
Short Term Loan Taken	10,55,058	6,07,18,817	5,70,96,674	11,88,70,549
P.Y.	(2,95,40,078)	(6,22,83,438)	(6,55,21,760)	(15,73,45,276)
Repayment of Short Term Loan Taken	71,96,974	7,11,00,276	11,31,82,725	19,14,79,975
P.Y.	(2,90,25,043)	(4,35,36,067)	(2,70,19,292)	(9,95,80,402)
Balance O/s. of Short Term Loan	11,37,221	2,80,36,123	1,69,07,841	4,60,81,185
P.Y.	(72,79,137)	(3,84,17,582)	(7,29,93,892)	(11,86,90,611)
Interest Paid	2,57,328	61,26,947	97,62,972	1,61,47,247
P.Y.	(20,94,531)	(22,85,473)	(59,58,435)	(1,03,38,439)
Preferential Allotment of Shares	-	3,47,10,000	2,47,50,000	5,94,60,000
P.Y.	-	-	-	-
Director Remuneration	-	15,00,000	-	15,00,000
P.Y.	-	(7,50,000)	-	(7,50,000)

Note: Figures in bracket relates to the previous year



**2.26 Contingent Liabilities**

Particulars	31.03.13	31.03.12
Income Tax Demand	19,90,000	19,90,000

Income Tax Demand Comprise demand from Income Tax Department for Payment of Penalty U/s 271D. The matter is pending before the Income Tax Appellate Tribunal (ITAT).

**2.27 Disclosures required U/s 22 of the Micro, Small and Medium Enterprises Development Act,**

There are no dues outstanding to Micro and Small Enterprises.

**2.28 Previous Year Figures**

Previous year's figures have been re-grouped and / or reclassified wherever necessary to made comparable with current year.

**For A. R. Sodha & CO.**  
Chartered Accountants

**For Zodiac Ventures Limited**

CA. Dipesh R. Sangoi  
Partner  
Membership No. : 124295  
Firm Reg. No.: 110324W  
Place:- Mumbai  
Date:- 30.05.2013

Ramesh V. Shah  
(Chairman)

Jimit R. Shah  
(Managing Director)

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## AUDITOR'S REPORT

### To the Members of Zodiac Ventures Limited

#### Report on the Financial Statements

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

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

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

**For A. R. SODHA & CO.**  
**Chartered Accountants,**  
**FRN: 110324W**

**Dipesh R. Sangoi**  
**Partner.**  
**M. No. 124295**

Place: Mumbai.  
Date: 30<sup>th</sup> May, 2013

**ANNEXURE TO THE AUDITORS REPORT ON THE ACCOUNTS FOR THE  
YEAR ENDED 31<sup>ST</sup> MARCH, 2013**

**Annexure referred to in Paragraph 3 of our report of even date**

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. According to information and explanations given to us by the management and records furnished before us, the Company is not having any Fixed Assets, Accordingly Clause 4(i)(a), (b), and (c) of the Companies (Auditor's Report) Order, 2003 is not applicable.
2. According to information and explanation given to us by the management and records furnished before us, the Company is not having any Inventory, Accordingly Clause 4 (ii)(a), (b), and (c) of the Companies (Auditor's Report) Order, 2003 is not applicable.
3.
  - a. According to the information and explanations given to us and on the basis of records furnished before us, the company has granted loan to its subsidiary company during the year. The maximum amount involved during the year is `59,04,693 and the yearend balance of loan was `32,06,995.
  - b. In our opinion and according to information and explanation given to us, the rate of interest and other terms and conditions on which loans have been given are prima facie not prejudicial to interest of the company.
  - c. According to the information and explanation given to us the said loan and interest thereon is repayable on demand and has been repaid as and when demanded.
  - d. According to the information and explanation given to us there is no overdue with respect to principal and interest.
  - e. According to the information and explanation given to us and records furnished before us for verification, during the year under consideration the company has taken interest free unsecured loan from one party covered in the register maintained under section 301 of the Act. The maximum amount involved during the year is `16,92,429 and the yearend balance is `47,335.
  - f. In our opinion and according to information and explanation given to us, the rate of interest and other terms and conditions on which loans have been taken are prima facie not prejudicial to interest of the company
  - g. According to the information and explanation given to us the said loan and interest thereon is repayable on demand and has been repaid as and when demanded.
4. According to the information & explanations given to us, during the year company has not carried on any operating business activity hence we cannot comment whether internal control procedure are commensurate with the size of the company and the nature of its business.
5.
  - a. In our opinion and according to the information and explanation given to us, the particulars of contract or arrangements that were required to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered in the said register.
  - b. In respect of the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs entered into during the financial year, in our opinion, are made at price which is reasonable having regard to the prevailing market prices at the relevant time.
6. The company has not accepted any deposits from the public hence Clause 4(vi) of Companies (Auditor's Report) Order, 2003 is not applicable.

7. According to information and explanations given to us no internal audit has been carried out during the year.
8. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the products dealt with by the company.
9.
  - a. According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing undisputed statutory dues including investor education and protection fund, income tax, wealth tax, service tax with the appropriate authorities except few delays in payment of Service tax.
  - b. No statutory dues are outstanding beyond six months from the date they become payable at the end of the year.
  - c. According to information & explanation given to us and the records of the Company examined by us, there are no statutory dues which were not deposited on account of any dispute.
10. The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the current and immediately preceding financial year.
11. As per the information and explanations given to us, the Company has not defaulted in repayment of dues to banks or financial institutions during the year. The company has not borrowed any sums through debentures.
12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not chit fund, nidhi, mutual fund, and societies. Accordingly clause 4(xiii) of Companies (Auditor's Report) Order, 2003 is not applicable.
14. According to Information and explanation given to us and records examined by us, in our opinion the company has maintained proper records and contracts with respect to investments and has made timely entries therein of investment in shares. Investments are held in the name of the company.
15. According to information and explanations provide to us, the company has not given any guarantee for loans taken by others from bank or financial institutions. Accordingly Clause 4(xv) of Companies (Auditor's Report) Order, 2003 is not applicable.
16. According to information and explanations given to us by the management and records furnished before us, during the year company has not taken any term loan. Accordingly clause 4(xvi) of Companies (Auditor's Report) Order, 2003 is not applicable.
17. According to the information and explanations given to us and overall examination of records furnished before us, funds raised on short-term basis have not been prima-facie used for long-term investment.
18. During the period, the company has made allotment of shares on preferential basis to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
19. During the period, the Company has not issued any debentures. Accordingly Clause 4(xix) of Companies (Auditor's Report) Order, 2003 is not applicable.

20. The company has not raised any money by public issue during the year under audit. Accordingly Clause 4(xx) of Companies (Auditor's Report) Order, 2003 is not applicable.
21. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company noticed or reported during the period nor we have been informed of such instances by the management.

**For A. R. SODHA & CO.**  
**Chartered Accountants,**  
**FRN: 110324W**

**Dipesh R Sangoi**  
**Partner.**  
**M. No. 124295**

Place: Mumbai.  
Date: 30<sup>th</sup> May, 2013

**ZODIAC VENTURES LIMITED**  
**BALANCE SHEET AS AT 31.03.2013**

Particulars	Note No.	As at 31/03/2013	As at 31/03/2012
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	2.01	3,72,90,000	77,50,000
(b) Reserves and Surplus	2.02	7,49,93,430	1,35,68,672
<b><u>(2) Non-Current Liabilities</u></b>		-	-
<b><u>(3) Current Liabilities</u></b>			
(a) Short-Term Borrowings	2.03	47,335	11,59,328
(b) Trade Payables		3,49,412	1,03,178
(c) Other Current Liabilities	2.04	12,94,226	1,98,245
(d) Short-Term Provisions	2.05	23,04,263	13,84,835
		<b>11,62,78,666</b>	<b>2,41,64,258</b>
<b>II. ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Non-Current Investments	2.06	11,18,00,000	2,08,00,000
(b) Long term Loans and Advances	2.07	6,39,000	6,39,000
<b><u>(2) Current Assets</u></b>			
(a) Cash and Bank Balances	2.08	4,89,510	5,46,096
(b) Short-Term Loans and Advances	2.09	33,50,156	21,79,162
		<b>11,62,78,666</b>	<b>2,41,64,258</b>
<b>Significant Accounting Policies And Notes On Accounts</b>	1 & 2	-	-
<p>As per our report attached            For A. R. Sodha &amp; CO.            Chartered Accountants</p> <p>For Zodiac Ventures Limited</p> <p>Ramesh V. Shah            (Chairman)</p> <p>CA. Dipesh R. Sangoi            Partner            Membership No. : 124295            Firm Reg. No.: 110324W            Place:- Mumbai            Date:- 30.05.2013</p> <p>Jimit R. Shah            (Managing Director)</p>			

**ZODIAC VENTURES LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013**

Particulars	Note No.	For The year ended 31/03/2013	For The year ended 31/03/2012
<b><u>INCOME</u></b>			
Revenue from Operations	2.10	1,22,00,000	1,10,22,607
Other Income	2.11	2,80,336	4,693
<b>Total Revenue</b>		<b>1,24,80,336</b>	<b>1,10,27,300</b>
<b><u>EXPENDITURE</u></b>			
Employee Benefit Expense	2.12	32,36,888	33,53,226
Other Expenses	2.13	20,31,050	20,51,678
<b>Total Expenses</b>		<b>52,67,938</b>	<b>54,04,904</b>
<b>Profit Before Tax</b>		<b>72,12,398</b>	<b>56,22,396</b>
<b><u>Tax Expense:</u></b>			
Current tax		(22,91,396)	(16,48,104)
Deferred tax		-	-
Tax in Respect of Earlier Years		-	(24,922)
<b>Profit for the Year</b>		<b>49,21,002</b>	<b>39,49,370</b>
<b>Earnings Per Equity Share of Face Value of Rs. 10 each</b>			
(1) Basic	2.14	4.82	5.10
(2) Diluted	2.14	4.82	5.10
<b>Significant Accounting Policies And Notes On Accounts</b>		<b>1 &amp; 2</b>	
<b>As per our report attached</b>			
<b>For A. R. Sodha &amp; CO.</b>		<b>For Zodiac Ventures Limited</b>	
<b>Chartered Accountants</b>			
<b>CA. Dipesh R. Sangoi</b>		<b>Ramesh V. Shah</b>	
<b>Partner</b>		<b>(Chairman)</b>	
<b>Membership No. : 124295</b>			
<b>Firm Reg. No.: 110324W</b>			
<b>Place:- Mumbai</b>		<b>Jimit R. Shah</b>	
<b>Date:- 30.05.2013</b>		<b>(Managing Director)</b>	



**ZODIAC VENTURES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2013**

	Particulars	For The year ended 31/03/2013	For The year ended 31/03/2012
A	<b><u>Cash flow from Operating Activities:</u></b> Net Profit before Tax as per Statement of Profit and Loss Less : Interest Received  Operating Cash Profit before Working Capital Changes <b><u>Adjusted for:</u></b> Increase/(Decrease) in Trade and Other Payables (Increase)/Decrease in Trade and Other Receivables  Cash Generated from Operations  Direct Taxes Paid  Net Cash Inflow/(Outflow) in the course of Operating Activities	72,12,398 (2,80,336)  69,32,062  12,09,869 (11,70,994)  69,70,937  (14,30,116)  <b>55,40,821</b>	56,22,396 (4,693)  56,17,703  (1,41,309) (14,26,742)  40,49,652  (16,76,666)  <b>23,72,986</b>
B	<b><u>Cash flow from Investing Activities:</u></b> Investment in Subsidiary Interest Received  Net Cash Inflow / (Outflow) in the course of Investing Activities	(9,10,00,000) 2,80,336  <b>(9,07,19,664)</b>	- 4,693  <b>4,693</b>
C	<b><u>Cash flow from Financing Activities:</u></b> Proceeds From Issue of Share Capital Including Premium Share Issue Expenditure Repayment of Short-Term Borrowings (Net) Dividends paid (including Dividend Distribution Tax)  Net Cash (Outflow) in the course of Financing Activities  <b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>  Opening balance of Cash and Cash equivalents  <b>Closing balance of Cash and Cash Equivalents (Refer Note 2.08)</b>	8,86,20,000 (12,67,420) (11,11,993) (11,70,941)  <b>8,50,69,646</b>  <b>(1,09,197)</b>  4,57,062  <b>3,47,865</b>	- - (17,01,164) (10,82,378)  <b>(27,83,542)</b>  <b>(4,05,863)</b>  8,62,925  <b>4,57,062</b>
For A. R. Sodha & CO. Chartered Accountants    CA. Dipesh R. Sangoi Partner Membership No. : 124295 Firm Reg. No.: 110324W Place:- Mumbai Date:- 30.05.2013			
For Zodiac Ventures Limited    Ramesh V. Shah (Chairman)   Jimit R. Shah (Managing Director)			

## ZODIAC VENTURES LIMITED

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

#### **NOTE 1:- SIGNIFICANT ACCOUNTING POLICIES**

##### **1.01 Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except as specifically stated otherwise.

##### **1.02 Use of Estimate**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

##### **1.03 Revenue Recognition**

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. The Following specific recognition criteria must also be met before revenue is recognized:-

Professional Fees for rendering architecture service is recognized on completion of Service and as per the terms of the Arrangement. Brokerage Income is recognized on completion of service. The Company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

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

##### **1.04 Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

##### **1.05 Employee Benefits**

The Statutory enactments relating to payment of Provident Fund, ESIC and Gratuity to employees are not applicable to the company. The company does not have any scheme for retirement benefits for its employee and as such no provision towards retirement benefits to employees is considered necessary. Short term employee benefits in the form of leave encashment and Bonus is provided on accrual basis.

##### **1.06 Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**1.07 Provisions, Contingent Liabilities and Contingent Assets**

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

**1.08 Earning Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**NOTE 2:- NOTES ON ACCOUNTS****2.01 Share Capital**

Particulars	31.03.13	31.03.12
<b>Authorised Share Capital</b>		
2,00,00,000 (P.Y.2,00,00,000) Equity Shares of Rs. 10/- each.	20,00,00,000	20,00,00,000
	20,00,00,000	20,00,00,000
<b>Issued, Subscribed and Paid-Up</b>		
37,29,000 (P.Y. 7,75,000) Equity Shares of Rs. 10/- each, Fully Paid up	3,72,90,000	77,50,000
<b>Total</b>	<b>3,72,90,000</b>	<b>77,50,000</b>

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2013, the amount of per share dividend recognised as distributions to equity shareholders was Rs. 0.30 (31 March 2012 Rs. 1.30)

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

**Reconciliation of shares outstanding at the beginning and at the end of the reporting period:-**

Particulars	31.03.13		31.03.12	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the Period	7,75,000	77,50,000	7,75,000	77,50,000
Add:- Issued During the Period	29,54,000	2,95,40,000	-	-
Outstanding at the end of the period	<b>37,29,000</b>	<b>3,72,90,000</b>	<b>7,75,000</b>	<b>77,50,000</b>

**Details of shareholder holding more than 5% shares in the Company:-**

Name of the shareholder	31.03.13		31.03.12	
	Numbers	%	Numbers	%
Ramesh V. Shah	11,03,000	29.58%	46,000	5.94%
Pushpa R. Shah	5,25,000	14.08%	25,000	3.23%

**2.02 Reserves And Surplus**

Particulars	31.03.13	31.03.12
<b><u>Securities Premium</u></b>		
Balance as per last Financial Statements	45,85,730	45,85,730
Add : 29,54,000 Shares Issued @ 20/- Per Share Premium	5,90,80,000	-
Less : Share Issue Expenditure	(12,67,420)	-
<b>Closing Balance</b>	<b>6,23,98,310</b>	<b>45,85,730</b>
<b><u>General Reserve</u></b>		
Balance as per last Financial Statements	2,52,462	54,993
Add : Transfer from Profit and Loss Statement	-	1,97,469
<b>Closing Balance</b>	<b>2,52,462</b>	<b>2,52,462</b>
<b><u>Surplus (Deficit) in the statement of Profit &amp; Loss A/c</u></b>		
Balance as per last Financial Statements	87,30,480	61,49,520
Add : Profit for the year	49,21,002	39,49,370
Less : Transfer to General Reserve	-	(1,97,469)
Less : Proposed Dividend	(11,18,700)	(10,07,500)
Less : Dividend Distribution tax	(1,90,124)	(1,63,441)
<b>Closing Balance</b>	<b>1,23,42,658</b>	<b>87,30,480</b>
<b>Total</b>	<b>7,49,93,430</b>	<b>1,35,68,672</b>

**2.03 Short Term Borrowings**

Particulars	31.03.13	31.03.12
<b><u>Unsecured</u></b>		
<b><u>Loans Repayable on Demand</u></b>		
From Related Parties	47,335	11,59,328
<b>Total</b>	<b>47,335</b>	<b>11,59,328</b>

**2.04 Other Current Liabilities**

Particulars	31.03.13	31.03.12
Unpaid dividend	1,41,645	89,034
Director Sitting Fees Payable	-	80,000
Withholding and Other Taxes Payable	11,52,581	29,211
<b>Total</b>	<b>12,94,226</b>	<b>1,98,245</b>

**2.05 Short-Term Provisions**

Particulars	31.03.13	31.03.12
<b><u>Provision for Employee Benefits</u></b>		
Bonus Payable	1,02,869	1,02,804
Leave Salary Payable	-	79,800
<b><u>Others</u></b>		
Provision for Income Taxes	8,92,570	31,290
Provision for Proposed Dividend	11,18,700	10,07,500
Provision for Dividend Distribution Tax	1,90,124	1,63,441
<b>Total</b>	<b>23,04,263</b>	<b>13,84,835</b>

**2.06 Non Current Investments**

Particulars	31.03.13	31.03.12
<b>Trade investments:-</b>		
<b>Un-Quoted Equity Instruments</b>		
<b>Investment in Subsidiaries:-</b>		
5,20,000 (P.Y. 5,20,000) (FV Rs. 10) Shares of Zodiac Developers Private Limited Alloted at Rs. 300 per share, amount Paid Rs. 215 (P.Y. Rs. 40) per Share, Balance is payable on call.	11,18,00,000	2,08,00,000
<b>Total</b>	<b>11,18,00,000</b>	<b>2,08,00,000</b>

**2.07 Long-Term Loans And Advances**

Particulars	31.03.13	31.03.12
<b>Unsecured, Considered Good :-</b>		
<b>Security Deposit:-</b>		
Rental Deposits	6,39,000	6,39,000
<b>Total</b>	<b>6,39,000</b>	<b>6,39,000</b>

**2.08 Cash And Bank Balances**

Particulars	31.03.13	31.03.12
<b>(i) Cash and Cash Equivalents</b>		
Balances with Banks	20,853	1,49,686
Cash-on-Hand	3,27,012	3,07,376
	<b>3,47,865</b>	<b>4,57,062</b>
<b>(ii) Other Bank Balances</b>		
Unclaimed Dividend Account	1,41,645	89,034
	<b>1,41,645</b>	<b>89,034</b>
<b>Total</b>	<b>4,89,510</b>	<b>5,46,096</b>

**2.09 Short-Term Loans And Advances**

Particulars	31.03.13	31.03.12
<b>Unsecured, Considered Good :-</b>		
<b>Loans and Advances to Related Parties</b>		
Loan to Subsidiary	32,06,995	13,29,693
<b>Others:-</b>		
Advance to Sundry Creditors for Expenses	-	6,67,420
Advance to Staff	1,43,161	1,72,161
Service Tax Credit Receivable	-	9,888
<b>Total</b>	<b>33,50,156</b>	<b>21,79,162</b>

**Note: Short-Term Loans And Advances include Amounts due From**

Particulars	31.03.13	31.03.12
<b>Private Companies in which any Director is a Director or Member</b>		
Zodiac Developers Private Limited	32,06,995	13,29,693
<b>Total</b>	<b>32,06,995</b>	<b>13,29,693</b>



**2.10 Revenue From Operations**

Particulars	31.03.13	31.03.12
<b>Sale of Services</b>		
Architect Fees	1,22,00,000	57,00,000
Commission Income	-	53,22,607
<b>Total</b>	<b>1,22,00,000</b>	<b>1,10,22,607</b>

**2.11 Other Income**

Particulars	31.03.13	31.03.12
Interest Received	2,80,336	4,693
<b>Total</b>	<b>2,80,336</b>	<b>4,693</b>

**2.12 Employee Benefit Expense**

Particulars	31.03.13	31.03.12
Salary & Bonus	31,57,088	31,92,840
Leave Salary	79,800	1,60,386
<b>Total</b>	<b>32,36,888</b>	<b>33,53,226</b>

**2.13 Other Expenses**

Particulars	31.03.13	31.03.12
Rent	13,41,900	13,21,880
Legal & Professional Fees	3,03,500	2,68,712
Listing, Depository & Other Related Charges	66,932	83,952
Power and Fuel	1,84,510	1,44,580
<u>Auditor's Remuneration:-</u>		
As Auditors	80,000	80,000
For Other Services	5,000	40,515
Director Sitting Fees	-	72,000
Miscellaneous Expenses	49,208	40,039
<b>Total</b>	<b>20,31,050</b>	<b>20,51,678</b>

**2.14 Earning Per Share**

Particulars	31.03.13	31.03.12
Profit / (Loss) after Tax	49,21,002	39,49,370
Weighted average Number of Shares outstanding during the year. (Face Value Rs.10 per share)	10,21,167	7,75,000
<b>Basic Earnings/(Loss) Per share</b>	<b>4.82</b>	<b>5.10</b>

Company do not have any potential dilutive equity shares, hence dilutive earning per share is same as earning per share.

**2.15 Segment Reporting**

The company operates in a single line of business i. e. Real Estate and Real Estate Development and also in a single geographic environment within India, Hence there is no reportable segment information with respect to provision of Accounting Standard 17 "Segment Reporting".

**2.16 Disclosure as Per Clause 32 of the Listing Agreements with the Stock Exchanges**

Loans and Advances in the Nature of Loans Given to subsidiaries/ associates and Firm/Companies in which Directors are interested

Particulars	Amount Outstanding	Maximum balance During the Year	Shares held by Loanee in the Company	
			No. of Shares outstanding at the year-end	Maximum No. of Shares held during the year
<b>Subsidiaries</b>				
Zodiac Developers Private Limited	32,06,995	59,04,693	-	-
P.Y.	(13,29,693)	(13,29,693)	(-)	(-)

**Note:** There is no repayment schedule in respect of this loan. It is repayable on demand.

**Note:** Figures in bracket relates to the previous year

**2.17 Related Party Disclosures**

a) List of Related Parties where control exists and Related Parties with whom transactions have taken place and Relationships:-

i. **Subsidiary Company :-**

Zodiac Developers Private Limited

ii. **Key Management Personnel (KMP) :-**

Ramesh V Shah

Jimit Ramesh Shah

iii. **Relative of Key Management Personnel (Relative of KMP) :-**

Pushpa R. Shah

Sunita J Shah

Yesha R Shah

b) Transaction with Related Parties:-

Nature of Transaction	Subsidiary Company	KMP	Relative of KMP	Total
Short Term Loan Taken	-	43,78,007	-	43,78,007
P.Y.	-	(71,65,781)	-	(71,65,781)
Repayment of Short Term Loan Taken	-	54,90,000	-	54,90,000
P.Y.	-	(88,66,945)	-	(88,66,945)
Balance O/s. of Short Term Loan	-	47,335	-	47,335
P.Y.	-	(11,59,328)	-	(11,59,328)
Short-term Loan Given	72,50,000	-	-	72,50,000
P.Y.	(13,25,000)	-	-	(13,25,000)
Repayment of Short Term Loan Given	56,25,000	-	-	56,25,000
P.Y.	-	-	-	-
Balance O/s of Short-term Loan Given	32,06,995	-	-	32,06,995
P.Y.	(13,29,693)	-	-	(13,29,693)
Interest Received	2,80,336	-	-	2,80,336
P.Y.	(4,693)	-	-	(4,693)
Preferential Allotment of Shares	-	3,47,10,000	2,47,50,000	5,94,60,000
P.Y.	-	-	-	-
Capital Contribution	9,10,00,000	-	-	9,10,00,000
P.Y.	-	-	-	-

**Note:** Figures in bracket relates to the previous year

**2.18 Contingent Liabilities And Commitments (to the Extent Not Provided For)**

Particulars	31.03.13	31.03.12
<b>Commitments :</b>		
Uncalled Liability on Shares Partly Paid of Subsidiary Company (Zodiac Developers Private Limited)	4,42,00,000	13,52,00,000
<b>Total</b>	<b>4,42,00,000</b>	<b>13,52,00,000</b>

**2.19 Disclosures required U/s 22 of the Micro, Small and Medium Enterprises Development Act,**  
 There are no dues outstanding to Micro and Small Enterprises.

**2.20 Previous Year Figures**

Previous year's figures have been re-grouped and / or reclassified wherever necessary to made comparable with current year.

**For A. R. Sodha & CO.**  
**Chartered Accountants**

**For Zodiac Ventures Limited**

**CA. Dipesh R. Sangoi**  
**Partner**  
**Membership No. : 124295**  
**Firm Reg. No.: 110324W**  
**Place:- Mumbai**  
**Date:- 30.05.2013**

**Ramesh V. Shah**  
**(Chairman)**

**Jimit R. Shah**  
**(Managing Director)**



**ATTENDANCE SLIP****ZODIAC VENTURES LIMITED**

Regd Off: 404, Dev Plaza, 68, S V Road, Andheri (W), Mumbai – 400 058

Annual General Meeting to be held on Saturday, September 28, 2013 at 11.30 a.m. at the Registered Office of the Company.

Regd. Folio No/ DP ID No. \_\_\_\_\_

Certify that I am a registered Shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the Annual General Meeting to be held on Saturday, September 28, 2013 at 11.30 a.m. at the Registered Office of the Company situated at 404, Dev Plaza, 68, S V Road, Andheri (W), Mumbai – 400 058.

Member's / Proxy Name (in Block Letter) \_\_\_\_\_

Member's / Proxy Signature \_\_\_\_\_

*Note: Please fill this attendance slip and hand it over at the **ENTRANCE**.*

.....TEAR HERE .....

**ZODIAC VENTURES LIMITED**

Regd Off: 404, Dev Plaza, 68, S V Road, Andheri (W), Mumbai – 400 058

**FORM OF PROXY**

I/We \_\_\_\_\_

Of \_\_\_\_\_ in the District of \_\_\_\_\_

being a member / members of the above-named company hereby appoint \_\_\_\_\_ of

\_\_\_\_\_ of in the district of \_\_\_\_\_ or failing him / her

\_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_

as my / our proxy to vote for me / our behalf at the **Annual General Meeting** of the Company to be held on Saturday, September 28, 2013 and any adjournment thereof.

Signed this \_\_\_\_\_ day \_\_\_\_\_ 2013

Signature \_\_\_\_\_

Affix 1 Rupee Revenue Stamp
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Regd. Folio No/ DP ID No. \_\_\_\_\_

**Note:** This form in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the Company, **not less than 48 hours** before the meeting.