



MEMBER JUMBO GROUP



GWL PROPERTIES LIMITED

Annual Report 2011-12

GWL PROPERTIES LIMITED

Board of Directors

Ashok Kumar Kapur	Director
Sanjeev Jain	Director
Ravindra K. Raje	Wholetime Director

Company Secretary

Ninad Junnarkar

Auditors

M/s. Lodha & Co.
Chartered Accountants
Chennai

Bankers

HDFC Bank Ltd.

Registered Office

36 Rajaji Salai, Chennai 600 001

Corporate Office

No. 43, Darga Road,
Pallavaram, Chennai - 600 043

Registrar & Share Transfer Agents

M/s GNSA Infotech Ltd.
STA Department
Nelson Chambers
4th Floor, F Block
No.115 Nelson Manickam Road
Aminjikarai, Chennai 600 029
Email: sta@gnsaindia.com

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NOTICE OF EIGHTYSEVENTH ANNUAL GENERAL MEETING

Notice is hereby given that the eightyseventh Annual General Meeting of the Company will be held on Wednesday, 12th September, 2012 at 9.30 a.m. at "Sri Reddiapatti Swamigal Thirumana Mandapam", 251, Kali Amman Koil Street, Natesan Nagar, Virugambakkam, Chennai – 600 092 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the year ended on that date together with the Report of the Board of Directors and also the Report of the Auditors thereon.
2. To re-appoint Mr. Sanjeev Jain as a Director who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint Auditors of the Company to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and fix their remuneration.

By Order of the Board of Directors
For GWL Properties Limited

Place : Mumbai
Date : 14th August, 2012

Ninad Junnarkar
Company Secretary

Registered Office:
36 Rajaji Salai, Chennai – 600 001

NOTES:

1. The Register of Members/Beneficial Owners and the Share Transfer Registers relating to the Equity Shares of the Company will remain closed from 5th September, 2012 to 12th September, 2012 (both days inclusive).
2. **A MEMBER / BENEFICIAL OWNER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.**
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. Members/Beneficial Owners are requested to notify change of address, if any, (a) to their respective Depository Participant in case of shares held in electronic form and (b) to the Registrar & Share Transfer Agents, M/s GNSA Infotech Ltd., STA Department, Nelson Chambers, 4th Floor, F Block, No.115 Nelson Manickam Road, Aminjikarai, Chennai 600 029, in case of shares held in physical form.
5. Any Member/Beneficial Owner desirous of obtaining any information pertaining to the Accounts may forward such queries in writing to the Finance & Accounts Department at the Registered Office at least 7 days prior to the Meeting in order to enable the Company to keep the information ready to the extent possible.
6. Members/Beneficial Owners or their Authorised Representatives/Proxies are requested to bring their copies of Annual Report at the Meeting.
7. *Members having multiple accounts in identical names or joint accounts in the same order are requested to intimate to the Company's Registrar & Share Transfer Agents, the ledger folios of such accounts, for consolidation of all such shareholdings into one account.*
8. Members intending to dematerialise their shareholdings may approach any Depository Participant for opening a Beneficiary Demat Account. For any additional information/clarifications, members may contact National Securities Depositories Ltd. or Central Depository Services (India) Ltd.

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9. In terms of the provisions of Section 109A read with 109B of the Companies Act, 1956, a Member may nominate, at any time, in the prescribed manner, a person to whom his/her shares in a Company shall vest in the event of his/her death. The prescribed Nomination Form No. is 2B. (Vide Rules 4CCC and 5D of the Companies Central Government's General Rules and Forms, 1956) This form may be sent to the Company Secretary at the Registered Office of the Company, duly completed.
10. Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents, M/s GNSA Infotech (P) Limited.
11. The Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. **Members who hold shares in physical form are requested to send their e-mail addresses to the Company/Registrar and Share Transfer Agents, M/s GNSA Infotech (P) Limited in the format enclosed with this Annual Report.**

By Order of the Board of Directors
For GWL Properties Limited

Ninad Junnarkar
Company Secretary

Place : Mumbai
Date : 14th August, 2012

Registered Office:
36 Rajaji Salai, Chennai – 600 001

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 87th Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2012.

FINANCIAL RESULTS

	YEAR ENDED 31.03.2012	YEAR ENDED 31.03.2011
PARTICULARS		
Profit/(Loss) before Interest and Depreciation	(1,101,632)	(5,806,222)
Interest	12,217	3,545
Depreciation	62,844	62,784
Profit/(Loss) before Tax	(1,176,693)	(5,872,551)
Deferred Tax	(561,855)	(194,296)
Profit/(Loss) after Tax	(614,838)	(5,678,255)
Balance brought forward from previous year	54,545,793	60,224,048
Transfer to Capital Redemption Reserve	-	-
Balance carried to Balance Sheet	53,930,955	54,545,793

REVIEW OF OPERATIONS AND FUTURE OUTLOOK

During the year under review, the Company incurred a loss of ₹ 614,838 compared to a loss of ₹ 5,678,255 in the previous year.

DIVIDEND

The Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS

The Company has neither invited nor accepted any deposits from the public during the year. The Company does not have any fixed deposits as at the date of the Balance Sheet.

AUDITORS' REPORT

In respect of the observations/remarks in the Auditors' Report, the relevant notes to the accounts are self-explanatory.

SUBSIDIARY COMPANY

The Audited Accounts of SMN Engineers Limited for the financial year ended 31st March, 2012 together with the Directors' Report and the Auditors' Report are attached to this report, in accordance with Section 212 of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Sanjeev Jain, Director of the Company, retires by rotation, and being eligible, offers himself for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- in the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2012 and of the loss of the Company for that year;

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- (c) the Directors had, as far as possible, 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, to the best of their knowledge and ability;
- (d) the Directors had prepared the Annual Accounts on a going concern basis.

AUDITORS

M/s Lodha & Co., Chartered Accountants, who hold office upto the conclusion of ensuing Annual General Meeting, have signified their willingness to be reappointed as Statutory Auditors and have confirmed that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment/reappointment within the meaning of Section 226 of the said Act.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, ETC. AND FOREIGN EXCHANGE EARNINGS & OUTGO

Since the Company is not engaged in manufacturing activities, disclosure of information relating to Conservation of Energy and Technology Absorption under 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 not applicable.

The Company neither incurred any expenditure nor earned any income in foreign exchange.

PARTICULARS OF EMPLOYEES

None of the employees of the Company is in receipt of remuneration exceeding the limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975. Therefore, the information required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, is not applicable to the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the statutory authorities, banks, shareholders, employees and other stakeholders for their valued support.

For and on behalf of the Board of Directors

Sanjeev Jain	Ravindra K Raje
Director	Wholetime Director

Place : Mumbai

Date : 14th August, 2012

AUDITORS' REPORT

TO
THE MEMBERS
GWL PROPERTIES LIMITED
Chennai

1. We have audited the attached Balance Sheet of **GWL PROPERTIES LIMITED** as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. **Attention is invited to note number 21 of Notes to Accounts regarding non-obtaining of the deed of conveyance in respect of land included under stock in trade and note number 3 (IV) of Notes to Accounts on injunction order regarding restraining the Company from alienating its assets and consequently non redemption of certain preference shares which have fallen due.**
4. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
5. 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.
6. In our opinion, the Balance Sheet, Statement of Profit and Loss dealt with by this report comply with the accounting standards issued by the Institute of Chartered Accountants of India referred to in sub section (3C) of Section 211 of the Act, to the extent applicable.
7. On the basis of written representations received from directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director of the Company in terms of clause (g) of sub-section (1) of Section 274 of the Act.
8. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with Notes to Accounts and subject to Para 3 mentioned above, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and;
 - ii) in the case of the Statement of Profit and Loss of the loss for the year ended on that date.
9. As required by the Companies (Auditors' Report) Order, 2003 and other amendments to the order, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and information and explanations given to us, we further report that:
 - (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) We were informed that the physical verification of assets was carried out during the year, and no material discrepancies between book records and physical inventory have been noticed on such verification and in our opinion the frequency of verification is reasonable.
 - (c) During the year the Company has not disposed of any property.
 - (ii) *As informed to us, the inventories lying with the company were physically verified by the management at reasonable intervals.*

- (iii) In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- (iv) The Company is maintaining proper records of inventory. In our opinion, no material discrepancies have been noticed during the verification.
- (v) The Company has not granted or taken, any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, paragraph 4(ia) (b), (c), (d), (e), (f) and (g) of the order, regarding the rate of interest and terms and conditions, regularity of the receipt of principal and interest thereon and overdue amount are not applicable.
- (vi) There are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale/supply of services. We have neither come across nor have we been informed of any major weakness in internal control procedures.
- (vii) According to the information and explanations given to us, the contracts or arrangements referred to in Section 301 of the Act, have been entered in the register maintained under that Section.
- (viii) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered into the register maintained in pursuance of Section 301 of the Act and exceeding the value of ₹ five lakhs in respect of any party during the year, which have been made at prices which are not reasonable having regard to the prevailing market prices at the relevant time.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not accepted any public deposits under the provisions of the Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (x) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (xi) (a) The Company is regular in depositing with the appropriate authorities the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. There were no undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues in respect of Sales tax, Income tax, Customs Duty, Wealth tax, Service tax, Excise Duty, Cess which have not been deposited on account of any dispute except ₹ 21,245,061 as detailed below pending before the concerned authorities:

Sl. No.	Name of Statute	Nature of Dues	Assessment Year	Amount ₹	Pending before
1.	Income Tax Act, 1961	Income tax	2003-04	3,783,295	CIT, Chennai
2.	Income Tax Act, 1961	Income tax	2005-06	2,755,662	CIT, Chennai
3.	Income Tax Act, 1961	Income tax	2009-10	5,832,317	A.O, Chennai
4.	Income Tax Act, 1961	Income tax	1998-99	225,400	ITAT, Kolkata
5.	Income Tax Act, 1961	Income tax	2000-01	4,470,688	ITAT, Kolkata
6.	Income Tax Act, 1961	Income tax	1999-00	3,838,621	CIT, Kolkata
7.	Income Tax Act, 1961	Income tax	1997-98	339,078	ITAT, Kolkata

- (xii) Even though the Company does not have accumulated losses at the end of the year, the Company has incurred cash loss during the current year as well as in the immediate preceding year.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has not taken any loan from banks/financial institutions.
- (xiv) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xv) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of paragraph 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.

- (xvi) In our opinion and according to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other securities except under and through portfolio management scheme. The investments shown in the accounts are held in the name of the company except to the extent of the exemption granted under Section 49 of the Act.
- (xvii) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xviii) According to the information and explanations given to us, the company has not availed of any term loans from any bank or financial institution during the year.
- (xix) On the basis of the overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investments.
- (xx) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- (xxi) The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Act for any products of the Company.
- (xxii) According to the information and explanations given to us, the Company has not issued any debentures and hence the question of creating any security does not arise.
- (xxiii) According to the information and explanations given to us, the Company has not raised any money through public issues.
- (xxiv) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices and according to the information and explanations given to us, we have neither come across any fraud on or by the Company nor have we been informed of any such case by the management.

For Lodha & Co.
Chartered Accountants
Firm Regn.No.: 301051E

G. SUBRAMANIA SARMA
Partner, [M. No 21756]

Chennai, 14th August, 2012

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BALANCE SHEET AS AT 31ST MARCH, 2012

	Note No.	As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	170,455,000	170,455,000
(b) Reserves and Surplus	4	266,938,838	267,575,542
2. Non-Current Liabilities			
(a) Deferred Tax Liability [Refer Note 2 (xii) b)]	5	722,205	1,284,060
(b) Long-term Provisions	6	294,317	267,230
3. Current Liabilities			
(a) Trade Payables	7	2,752,043	1,561,635
(b) Other Current Liabilities	8	83,027	196,233
(c) Short-term Provisions	6	47,511	27,087
		441,292,941	441,366,787
ASSETS			
4. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	131,632,478	127,055,198
(ii) Capital Work-in-progress	10	6,122,136	3,272,136
(b) Non-Current Investments	11	1,980,000	—
(c) Long-term Loans & Advances	12	16,837,843	16,485,106
5. Current Assets			
(a) Current Investments	11	224,456,189	287,974,232
(b) Inventories	13	2,000,000	2,000,000
(c) Cash and Cash equivalents	14	56,479,905	1,419,387
(d) Short-term Loans & Advances	12	1,783,047	3,137,916
(e) Other Current Assets	15	1,343	22,812
TOTAL		441,292,941	441,366,787
Summary of Significant Accounting Policies	2		
Notes 1-38 form an integral part of the Financial Statements			

As per our attached Report of even date

For LODHA & CO.

Chartered Accountants

Firm Regn. No. FRN 301051E

For and on behalf of the Board of Directors

G.SUBRAMANIA SARMA

Partner, [M.No 21756]

Ninad Junnarkar

Company Secretary

Sanjeev Jain

Director

DIN 00119762

Ravindra K Raje

Wholetime Director

DIN 00112003

Place : Chennai

Dated : 14th August, 2012

Place : Mumbai

Dated : 14th August, 2012