

20th

Annual Report

2012-2013

BUILDING TRUST
BUILDING TRUST



RANDER

CORPORATION LIMITED





CONTENTS

VISION, MISSION, VALUES	1
MESSAGE FROM CHAIRMAN TO SHAREHOLDERS	1
PERFORMANCE HIGHLIGHTS	2
NOTICE	3
DIRECTORS' REPORT	5
CORPORATE GOVERNANCE	8
MANAGEMENT DISCUSSION AND ANALYSIS	13
AUDITORS' REPORT	15
BALANCE SHEET	17
STATEMENT OF PROFIT AND LOSS	18
CASH FLOW STATEMENT	19
NOTES TO FINANCIAL STATEMENTS	20

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman and Managing Director
Mr. Amarchand Rander

DIRECTORS

Mr. Ashok Kumar Agrawal
Mr. S. K. Baldwa
Mr. Dinesh Kumar Rander
Mr. Amit Rander
Mr. Rajkumar Dhoot (upto 13-02-2013)

AUDITORS

Ishwarlal & Co.
Chartered Accountants

COMPANY SECRETARY

Sangeeta Joshi & Associates

LEGAL ADVISOR

R. D. Kewat

BANKERS

Dena Bank
Vasai Janata Sahakari Bank Limited
Bank of Baroda
HDFC Bank

REGISTERED OFFICE

14/15, Madhav-Kripa, Boisar Palghar Road,
Boisar, Thane, Maharashtra 401 501, India

CORPORATE OFFICE

35/B Unit, Ganjawala Co-op. Hsg. Soc. Ltd.,
S. V. P. Road, Borivali (West),
Mumbai, Maharashtra 400 092, India

REGISTRAR AND SHARE TRANSFER AGENT

Sharex Dynamic India Ltd.
Unit -1, Luthra Ind, Premises, Andheri Kurla Road,
Safed Pool, Andheri (E), Mumbai 400 072.

LISTING OF SHARES

Bombay Stock Exchange Limited, Mumbai.
(BSE Code : 531228)

WEBSITE

www.randergroup.com

**VISION, MISSION, VALUES****VISION**

- ❖ To Build a global enterprise which adds value to the country and our shareholders
- ❖ To Maintain a legacy which could be synonymous with trust
- ❖ To Provide the best in class services value propositions to our customers

MISSION

- ❖ To continuously improve construction services exceeding our customers' expectations.
- ❖ Extend real estate footprints in Mumbai and other suburban regions
- ❖ Expand the Securities Trading and Financing Business under the NBFC license
- ❖ Diversify into sectors which continuously add value to the company

VALUES

Our values include Customer focus, Integrity, Teamwork, Passion for Excellence and Customer Satisfaction

MESSAGE FROM CHAIRMAN TO SHAREHOLDERS

Dear Shareholders,

It is a matter of great honour and pride to present our company's performance for the year 2012-13 amidst another gloomy year in the real estate environment. We have managed to better our results than the last year which was the best in its 19 year long history. Even in a hostile real estate environment, we have managed to fast track our construction activities while simultaneously executing new projects. As a result of our passion for excellence and continuous improvement we have also managed to successfully diversify ourselves into financing and trading sector

THE REALITY SECTOR IN INDIA

The real estate sector contributed around 5% of India's overall GDP in 2012-13 which is expected to rise to 6% in the coming years. Although the cities have witnessed a slack in the market rates, but the II and III tier cities have witnessed significant growth in housing demand. As expected the demand for offices in the cities have witnessed a steep decline in the economic downturn but residential demand still has the potential to go north. The government has also come with policies aiding affordable housing in terms of housing loan exemption for income tax for low cost housing. This should also positively impact the demand in the II and III tier cities.

SIGNIFICANT ACHIEVEMENTS AT GLANCE

- ❖ The Company registered a whopping YoY 28.94% growth in the net income vis-a-vis the previous fiscal year
- ❖ The company's project in South Mumbai in the office hub Dadar was delayed amidst the weak real estate environment but is back on track. Upon Regulatory clearance, construction is expected to start in mid 2014. The company expects ownership of approx. 20,000 sq ft which it could sell upon successful completion. The project would significantly contribute to its bottom lines of the company in the coming years.
- ❖ The company was in advanced negotiations to develop an SRA project in the Mumbai Suburban region of Charkop, Kandivali. You would be proud to know that the company has acquired the project and would start the construction in the second quarter of 2013-14. We expects to net saleable area of 1,00,000 sq ft from this project in the next two years.
- ❖ As a part of our long term vision to add value to the existing shareholders funds, the company has also decided to actively pursue for investment opportunity in equity and other secondary market. The Company has therefore diversified in to new segment ie Securities trading and financing business. Total income from the same is Rs.171.43 lacs in current year as compared to Rs. 103.15 lacs in previous year
- ❖ GREEN INITIATIVE: In a bid to minimize the electric consumption by its tenants, the company has installed solar panels in all the new buildings in the current complex. This would reduce the consumption of electricity via geysers.

PRESENT OPERATIONS AND FUTURE PLANS

The company continues to enjoy dominant positions in the housing sector in the Boisar-Tarapur Belt. The company is looking to increase the housing output by more than 50% next year and the sales should also follow suit as demand continues to increase in this belt. The company would build its first luxurious project in Krishna Nagar, which would net saleable area of 60,000 sq ft and has already witnessed significant pre construction inquiries. The company would also build service apartments and plans to lease out around 15,000 sq ft of residential space for the same. This project would start in the 1st quarter of 2013-14

The company has seen significant progress in a redevelopment project which it would develop in association with Anjani Kumar Company Pvt. Ltd. This residential project is located on SV Road in the heart of the Mumbai Suburbs in Goregaon and the area commands a premium. The company expects this project to be commissioned by the last quarter of 2013-14 and construction is expected to begin next year.


(Rupees in Lakhs)
Particulars
Key Performance Indicators

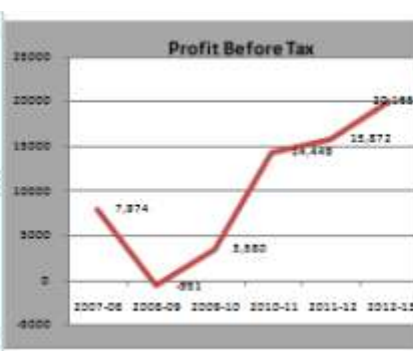
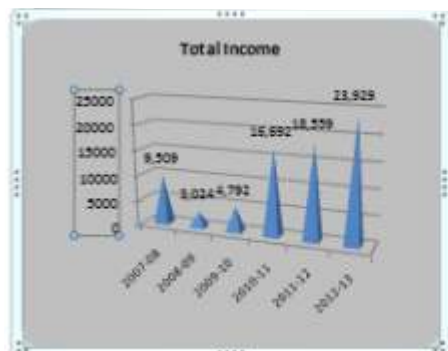
Total Income
Total net assets value
Profit/(loss) before tax ('PBT')
Earnings per share
Total Income as % of total net assets value
Cash and cash equivalents
Share price ¹

Year Ended 31-Mar-13	Year Ended 31-Mar-12
239.30	185.59
1,816.30	1,756.15
201.65	158.72
1.30	1.02
13.17%	10.56%
14.13	2.14
238.45	59.55

¹ as at Balance sheet date - source Bombay Stock Exchange Limited, Mumbai ('BSE')

COMPARATIVE FINANCIAL INFORMATION FOR LAST 5 YEARS (Rupees in 000's)

Particulars	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Total Income	9,509	3,024	4,792	16,692	18,559	23,929
Profit Before Tax	7,974	(551)	3,580	14,449	15,872	20,165
Shareholder's funds	70,429	69,046	71,445	171,662	1,75,615	1,81,630
PBT on Shareholders funds	11.3%	-0.8%	5.0%	8.4%	9.3%	11.10%



Your company has a great presence in real estate segment in Boisar. The Company has witnessed significant growth in both operating revenues and margins during this year in spite of sluggish economic conditions. Your Company is positioned well for the future on account of its financial strength and proven business strategy that has helped your company to succeed in strong and weak economic environment and most importantly a dedicated and well trained team of people working together to achieve company's business goals.

GEOGRAPHIC PRESENCE:

3 cities in Maharashtra state

Cities: Boisar (Tarapur), Mumbai, Thane.

PROJECTS

Krishna Nagar (ongoing project)
 Balaram Nivas (upcoming project)
 Kalash Society (upcoming project)
 Shiv Ganga (upcoming project)

OUTLOOK

Rander Corporation is on an accelerated growth path. With a solid foundation and sound business strategy, the Company has embarked on the second phase of growth. We will continue to focus on timely completion of our projects which will further strengthen our cash flows. We will also add to our bank of land parcels and be on the lookout for more land at the right price.

In conclusion, I'd like to thank you and the Board of Directors of your Company for believing in the management team and supporting us to surmount the challenges of turbulent environment and remain competitive. We are confident of delivering higher value to our customers



NOTICE

NOTICE is hereby given that the 20th Annual General meeting of the members of **RANDER CORPORATION LIMITED** will be held on Friday, 6th September, 2013 at 11.30 A.M. at the registered office of the company at 14/15, Madhav-Kripa, Boisar Palghar Road, Boisar, District Thane, Maharashtra 401 501, India to transact the following business:

ORDINARY BUSINESS:

1. To received consider and adopt the audited balance sheet as at 31st March, 2013 and statement of Profit and Loss for the year ended on 31st March 2013 together with Directors' and Independent Auditors' Report thereon.
2. To declare dividend on equity share capital of the Company.
3. To appoint a director in place of Mr. Sarwan Kumar Baldwa who retires by rotation & being eligible offers himself for reappointment.
4. To appoint a director in place of Mr. Dinesh Kumar Rander who retires by rotation & being eligible offers himself for reappointment.
5. To appoint auditors, to hold the office from the conclusion of this annual general meeting until the conclusion of the next annual general meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Rajkumar Dhoot appointed under Section 260 of the Companies Act, 1956 as additional director of the Company and is eligible to hold office upto this Annual General Meeting be and is hereby appointed as director of the company under section 257 of the Companies Act, 1956 subject to retire by rotation
7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolutions:

AS ORDINARY RESOLUTIONS:

"RESOLVED THAT each of the existing Equity shares of face value of Rs.10/- each be sub divided into Ten Equity shares of face value of Re.1/- each or of any other face value, as may be permitted by Stock Exchange, SEBI and other authorities.

RESOLVED FURTHER THAT Shri Amarchand Rander Chairman and/or Shri Amit Rander, Director of the Company, be and are hereby jointly and severally authorised to do such acts, deeds or things as may be necessary to give effect to the above resolution and to accept all or any terms and conditions imposed by Stock Exchanges, SEBI and other authorities in this regard."

8. To consider and, if thought fit, to pass, with or without modification(s), the following Resolutions:
"RESOLVED THAT pursuant to Section 16 and other applicable provisions of the Companies Act, 1956, Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting, in its place, the following:

"V. Authorised Share Capital of the Company is Rs.12,70,00,000/- (Rupees Twelve Crores and Seventy Lakhs only) divided into 12,70,00,000 (Twelve Crores and Seventy Lakhs) Equity Shares of Re. 1/- (Rupees One only) each with powers to increase or reduce the same to divide the same in shares of several classes permissible under the act, and to attach thereto respectively such preferential, qualified and special rights, privileges and conditions as may be determined under the provisions of law in force for the time being and to vary, modify, abrogate and deal with such rights, privileges and conditions in the manner provided in law, for the time being in force."

Notes

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company.
- An Instrument appointing proxy should be deposited at the registered office of the Company not less than forty eight hours before the time fixed for the meeting.
- The Register of members and share Transfer books of the Company will remain closed from 30th August, 2013 to 6th September, 2013 (Both Days Inclusive).
- If dividend on Equity shares as recommended by the Board of Directors passed at the meeting, payment of such dividend will be made on and from 10th September, 2013 to those /members whose names are appeared in the register of Members as on 6th September, 2013.
- The relative explanatory statements pursuant to section 173 of the companies Act, 1956 in respect of the business under item nos 6, 7 & 8 as set out above is annexed hereto
- Members are requested to notify immediately any change of address.
- All documents referred to in the accompanying notice are open for inspection at the registered office of the company on all working days except Saturday, between 3.00 P.M. and 5.00 P.M. upto the date of annual general meeting.



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

● **Item No. 6 of the Notice**

Mr. Rajkumar Dhoot was the director of the Company from the date of incorporation to till 29th December, 2005. His experience and knowledge will benefit the Company and so is been appointed as an Additional Director of the Company w.e.f. 13th February, 2013 and is eligible to hold office up to Annual General Meeting. The Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956, proposing the candidature of Mr. Rajkumar Dhoot for the office of a Director. Except Mr. Rajkumar Dhoot none of the Directors is concerned or interested in the Resolution.

● **Item No. 7 of the Notice :**

The Company proposes to widen the ownership of its shares and facilitate easy transfer of shares. It is, therefore, considered expedient to sub-divide each of existing shares of Rs.10/- each into Ten Equity shares of face value of Re.1/- per share. Section 94(1)(d) of the Companies Act, 1956 and article 9 of Articles of Association of the Company permits the said sub-division. Hence the resolution at Item # 7 is submitted to the meeting for members' approval.

Board of Directors recommends the resolution for approval of members.

None of the Directors of the Company is, in any way concerned or interested in the above resolution

● **Item No. 8 of the Notice:**

The present Authorised Capital of the Company is Company is Rs.12,70,00,000/- (Rupees Twelve Crores and Seventy Lacs only) divided into 12,70,00,000 (Twelve Crores and Seventy Lacs) Equity Shares of Re. 1/- (Rupees One only). With sub-division of equity shares the no. of equity shares of the Company and the face value are likely to be changed. The respective clauses of Memorandum of Association of the Company need to be altered suitably. Therefore the resolution for alteration of Capital clause of Memorandum of Association has to be passed.

None of the Directors is interested in the Resolutions.

By the Order of the Board

Place: Mumbai
Date: 12th August, 2013

For and behalf of the Board

Amarchand Rander
(Chairman and Managing Director)

**DIRECTORS' REPORT**

Dear Member,

Your directors have pleasure in presenting their 20th Annual Report on the Audited Financial Statement of the Company for the financial year ended March 31, 2013.

PRINCIPAL ACTIVITY

The principal activity of the Company is 'Construction and Real Estate Development' and 'Securities trading and Financing business'.

There have been no significant changes in the nature of the principal activities during the financial year except for the temporary discontinuance of setting up of wheat flour mill due to unavailability of industrial power. The Company is trying to make the optimum use of the place so available.

BUSINESS REVIEW, RESULTS AND PERFORMANCE BUSINESS REVIEW

Your company has a great presence in real estate segment in Boisar. The Company has witnessed significant growth in both operating revenues and margins during this year in spite of sluggish economic conditions. Your Company is positioned well for the future on account of its financial strength and proven business strategy that has helped your company to succeed in strong and weak economic environment and most importantly a dedicated and well trained team of people working together to achieve company's business goals.

FINANCIAL SNAPSHOT

Total income has registered a significant growth of 28.94% and has increased significantly from Rs. 185.59 Lacs in year 2011-12 (Previous year) to Rs. 239.30 Lacs in year 2012-13 (Current year).

Total Income comprises of income from operations and other income. Income from operations includes income from real estate and construction business of Rs. 67.86 lacs in current financial year as compared to Rs 81.75 lacs in previous financial year. The construction operations have registered a satisfactory growth and expected to grow faster due to acquisition of new projects and fast tracking of current projects on hand.

Other Income includes Interest income of Rs. 81.00 Lacs and Investment income from sale of investments in equity shares of Rs. 81.57 Lacs. As a part of its long term strategy to invest part of its surplus funds in capital markets and other available opportunities, the Company could enhance shareholders' funds. Proceeds from issue of equity shares on preferential basis was used to provide loans and advances to various individuals and generated total interest income of INR 81.07 lacs.

The Company during the current financial year earned profit before tax of Rs 201.65 lacs as against the profit before tax of Rs 158.72 lacs in the previous financial year. The profit after tax for the year is Rs 160.52 lacs (previous year Rs 125.56 lacs). The Shareholders' funds at the Balance Sheet date were Rs 1,816.30 lacs (previous year Rs 1,756.15 lacs).

Financial results for the year ended (Rupees in lacs)

Particulars	Year ended 31-Mar-13	Year ended 31-Mar-12
Total income	239.30	185.59
Expenditure	33.87	24.79
Profit/ (Loss) before depreciation and tax	205.42	160.79
Depreciation	3.77	2.07
Profit/ (Loss) before taxation	201.65	158.72
Profit/ (Loss) after tax	160.52	125.56
Shareholders' funds	1816.30	1756.15
Return on Capital	8.84 %	7.15%
Earnings per share	1.30	1.02

DIVIDEND

The Board of Directors have recommended dividend of Re. 0.70/- per equity share of Rs. 10/- each for the year ended 31st March, 2013, (Re. 0.60% dividend was proposed for previous financial year 2011-12)

The dividend will be free of tax in the hands of the shareholders. Total cash outflow on account of the dividend payment together with dividend distribution tax will be Rs. 100.35 lacs (PY Rs. 86.03 lacs)

FUTURE DEVELOPMENTS

The Company's main focus is to complete existing projects on hand and make opportunistic investments in new real estate projects. The Company also plans to venture into new commercial projects and to diversify its real estate business operations into 'Trading segment'.

**FIXED DEPOSITS**

Your Company is a Non-Banking Finance Company and is not engaged in manufacturing activity of any kind. The disclosure of information relating to conservation of energy and technology absorption are therefore not applicable to your company. There were no foreign exchange earnings or outgo for your Company during the year.

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

The particulars as required to be disclosed pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are set out in the Annexure 'A' to this report.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Report.

The requisite Certificate from/s Ishwarlal & Co., Chartered Accountants the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report

CORPORATE SOCIAL RESPONSIBILITY

Welfare of tribal section of the society, marriages of poor girls and education has been the primary focus of the company's corporate social responsibility. An Ambulance has been donated to 'Shivaba Mitra Mandal' for benefit of the needy people of the society. Significant contributions have been made to **Hari Satsang Samiti and Gram Panchayat, Gundale** The company understands its responsibility towards society and has made voluntary charitable contributions to various charitable and religious institutions.

The donation for current financial year Rs. 6,08,733

The company will continue to take such measures to make positive and significant contribution for welfare of the society

PARTICULARS OF EMPLOYEES

The particulars of employees as required under section 217(2A) of the Companies Act, 1956, and the Companies (Particulars of Employees) Rules, 1975, as amended, is not required to be furnished as no employees of the Company falls within the purview of above mentioned provisions and hence has not been annexed herewith.

EMPLOYEE RELATIONS

The Directors are happy to state that the relations between the Company and its Employee remained cordial throughout the year. The Directors acknowledge and express their appreciation for the contributions made by the employees at all levels. Focused attention was given for knowledge updating and application of new technologies **available to reduce costs and to meet the business challenges.**

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Shri Sarwan Kumar Baldwa and Shri Dinesh Kumar Rander who retire by rotation & being eligible, have offered themselves for re-appointment.

AUDITORS

M/s Ishwarlal & Co., Chartered Accountants retires as Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting ('AGM'). The Statutory auditors have confirmed their eligibility and willingness to accept the office on reappointment in accordance with provision of section 224A of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

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

1. in the preparation of the Annual Accounts for the financial year ended March 31, 2013, the applicable accounting standards have been followed with proper explanation relating to material departures, if any.
2. the Directors have 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 your Company at the end of the financial year and of the profit of your Company for that period.
3. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities.
4. the Directors have prepared the Annual Accounts for the financial year ended March 31, 2013 on a going concern basis.
5. That the accounts have been prepared on the basis of Revised Schedule VI to the Companies Act. Accordingly the previous years figures have adjusted/regrouped/rearranged to confirm with the current year figures.



APPRECIATIONS/ACKNOWLEDGEMENTS

The Board of Directors of your Company wishes to express gratitude for the cooperation, guidance and support received from the Ministry of Finance, various other Ministries and Departments of the Government of India, Securities and Exchange Board of India, the Reserve Bank of India, other regulatory bodies and State Governments. The Board of Directors also acknowledges the continue cooperation received from all overseas correspondent banks and other members of the banking fraternity.

The Board of Directors would like to sincerely thank Banks, Financial Institutions and other investors and shareholders for their continued support.

The Directors of your Company place on record their appreciation of the dedicated and sincere service rendered by the officers and staff at all levels.

EVENTS AFTER BALANCE SHEET DATE

There is no significant event occurred after the balance sheet date.

Place: Mumbai
Date: 27th May 2013

For and or behalf of the Board

Amarchand Rander
(Chairman and Managing Director)