

22nd
ANNUAL REPORT
2012-2013



COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director	Mr. Dalip Singh Dasila <i>Managing Director</i>
Non-Executive Directors	Mr. Deepak Jalan Mr. Piyush Prakash Mr. Amar Singh Mr. Sapan Mohan Garg Mr. Sanjeev Saxena Mr. Manoj Gupta

COMPANY SECRETARY

Mr. Sumeer Narain Mathur

REGISTRAR & SHARE TRANSFER AGENT

M/s Sky Line Financial Services Pvt Ltd
D-153-A, 1ST Floor, Okhla Industrial area Phase-I, New Delhi-110020
Tel: 91-11-2681-2682 Fax: 91-11-30857562 Email: admin@skylinerta.com
Web: www.skylinerta.com

AUDITORS

M/s Srivastava Kumar & Co
Chartered Accountants.

BANKERS

Kotak Mahindra Bank
Bank of Baroda

REGISTERED OFFICE

Shop# 1, Country Inn, Mehragoon,
Bhimtal-248179, Uttarakhand

CORPORATE OFFICE

B-210, Ansal Chamber-I,
Bhikaji Cama Place, New Delhi-110066

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NOTICE

To,
The Members,
Wellesley Corporation Limited

Notice is hereby given that the 22nd Annual General Meeting of the Company will be held on Friday, the 27th September, 2013, at 01:00 P.M at the registered office at Shop#1, Country Inn, Mehragoan, Bhimtal- 248179, Uttarakhand to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March 2013 and Profit & Loss Account for the financial year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Piyush Prakash who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Amar Singh who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s Srivastava Kumar & Co., Chartered Accountants (F.R No: 01120N) as Statutory Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board of Directors
Wellesley Corporation Limited

Sumeer Narain Mathur
Company Secretary

Date : 5th August, 2013
Place : New Delhi

NOTES

1. **AMEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. A blank proxy form is alongwith the attendance slip is annexed herewith.
3. Members/Proxies are requested to bring the attendance slip duly filled in for attending the meeting.
4. The Register of Members and share Transfer Books of the company shall remain closed from 26/9/2013 to 27/9/2013 (Both days inclusive).
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays up to the date of the Annual General Meeting.
6. The Register of Contract/arrangement and Register of Directors Shareholding shall be open for inspection by the members during the continuation of meeting.
7. Members desirous of any information concerning the accounts and operation of the Company are requested to send their queries to the Company at least one week before the meeting, so as to enable the management to keep information ready. Replies will be provided only at the meeting.

WELLESLEY CORPORATION LIMITED

DIRECTORS' REPORT

To

The Members,
Wellesley Corporation Limited

Your Directors have pleasure in presenting the 22nd Annual Report together with Audited Balance Sheet of the Company as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date and Auditor's Report thereon.

FINANCIAL HIGHLIGHTS

(Figures in Rupees)

Particular	Financial Year ended 31.3.2013	Financial Year ended 31.3.2012
Income	97,72,992	39,63,858
Expenditure	89,28,405	32,24,005
Profit before tax	8,44,587	7,39,853
Provision for tax (including deferred tax)	4,21,914	3,73,329
Profit after tax	4,22,673	3,66,524
Balance carried forward to Balance Sheet	(9,49,21,548)	(9,53,44,221)

DIVIDEND

In view of accumulated losses, the Directors do not recommend any dividend during the year.

OPERATION AND FUTURE OUTLOOK

The year 2012-13 under review was a sluggish year in terms of economic growth of the Country, largely because of high interest rates, inflation, lower GDP growth, political uncertainty, and current account deficit. This economic scenario has impacted sentiments and interest of the investors across all the business and more particularly in the Real estate sector. In spite of that your company focused on the services in the real estate sector and trading activities of the related products through NSEL during the year to maximize the cash flow.

Your company has recorded revenue of Rs 97.72 lacs in financial year 2012-13 as compared to Rs 39.63 lacs in financial year 2011-12, an increase of 146%. The gross operating profit has also increased to Rs 8.45 lacs from Rs 7.40 lacs an increase of 14%. The profit after tax has also recorded an increase of 15 % ie Rs 4.22 lacs from Rs 3.66 lacs.

Your company expects that economic and business environment will improve from the second half of the financial year 2013-14. The company expects to start a new real estate project in the residential segment to maximize its cash flow.

DIRECTORS

Mr. Piyush Prakash and Mr. Amar Singh are retiring by rotation and being eligible offer themselves for re-appointment.

DEPOSITS

The Company has not invited or accepted any deposits from the public.

PARTICULARS OF EMPLOYEES

None of the employees of the company are in receipt of remuneration exceeding the limit as prescribed under Section 217 (2A) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 with respect to the Directors' Responsibility Statement, it is hereby confirmed:



1. That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. That 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 and of the profit of the company for that period.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2013 on a going concern basis.

AUDITORS

M/s Srivastava Kumar & Co., Chartered Accountants, (Firm Registration No. 011204N), Statutory Auditors of the Company hold office up to the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received communication from them to the effect that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. They are proposed to be appointed as Auditors of the Company for the financial year 2013-14.

AUDITOR REPORT

The observation given in point no : "X" of the annexure 1 of Auditors Report read with financial statements are self explanatory and do not require any further comment.

CORPORATE GOVERNANCE

The principles of Corporate Governance are followed by the Company. As required under clause 49 of the Listing Agreement, Corporate Governance Report along with the necessary certificates and Management Discussion and Analysis Report are annexed as Annexure I & II and form an integral part of this Annual Report.

LISTING AT STOCK EXCHANGES

The Company is listed at Bombay Stock Exchange (BSE) and Delhi Stock Exchange (DSE). The listing fees for the financial year 2013-14 have been paid to the stock exchanges.

DEMATERIALIZATION OF SHARES

The company has got its securities registered with both NSDL as well CDSL for dematerialization. As on 31st March, 2013, 2,53,400 equity shares are in dematerialized form. The custody fees for the financial year 2013-14 have been paid to NSDL & CDSL.

SHIFTING OF REGISTERED OFFICE

The company has shifted its Registered office from the state of Uttar Pradesh to the state of Uttarakhand w.e.f 01st April, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE EARNING ETC

In absence of any manufacturing activities, no details have been given as required under Section 217(1) (e) of the Companies Act, 1956 and the rules framed there under. Foreign Exchange earnings / outgo: NIL

ACKNOWLEDGEMENTS

Your Directors wish to place on record their deep appreciation for the continued support received from the business associates of the Company.

For and on behalf of the Board of Directors
Wellesley Corporation Limited

Dated : 6th May, 2013
Place : New Delhi

Dalip Singh Dasila
Managing Director

Deepak Jalan
Director

WELLESLEY CORPORATION LIMITED

Annexure-I

CORPORATE GOVERNANCE

A. BOARD OF DIRECTORS:

Composition of the Board

The composition of Board during the year ended 31st March, 2013 has been tabled below:

Structure of Board of Directors as on 31st March, 2013 and attendance at Board Meetings held during the financial year 2012-13 and Annual General Meeting (AGM) are given below:

Name	Category	Designation	Appointed on	Board Meeting	Annual General Meeting
Mr. Dalip Singh Dasila	ED*	Managing Director	05.09.2011	4	YES
Mr. Deepak Jalan	NE& ID**	Director	25.06.2007	4	YES
Mr. Amar Singh	NE& ID**	Director	20.08.2005	1	NO
Mr. Piyush Prakash	NE& ID**	Director	29.07.2010	4	YES
Mr. Sapan Mohan Garg	NE***	Director	29.07.2009	4	YES
Mr. Sanjeev Saxena	NE***	Director	29.07.2009	3	YES
Mr. Manoj Gupta	NE***	Director	29.07.2009	4	YES

* Executive Director

** Non Executive & Independent Director

*** Non Executive Director

No. of Board Meetings

During the year under review four Board Meetings were held on 26th May, 2012, 7th August, 2012, 9th November, 2012 and 7th February, 2013. The time gap between the two meetings did not exceed the maximum prescribed time gap of four months.

None of the directors is a member of more than ten Board level Committees or acts as a chairman of more than five such Committees, as required under clause 49 of the Listing Agreement.

B. AUDIT COMMITTEE

The Company has an Audit Committee in accordance with the requirements of Section 292A of the Companies Act, 1956 & Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent Non Executive Director is the Chairman of the Committee. The Audit Committee met four times during the year on 26th May, 2012, 7th August, 2012, 9th November, 2012 and 7th February, 2013

Attendance record of Audit Committee members

Name of Director	Meetings Attended
Mr Deepak Jalan	3
Mr Amar Singh	1
Mr Dalip Singh Dasila	4

C. REMUNERATION COMMITTEE:

The Company has a Remuneration Committee in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee. The Remuneration Committee met once during the year on 28th October, 2012:

Attendance record of Remuneration Committee members

Name of Director	Meetings Attended
Mr. Deepak Jalan	1
Mr. Piyush Prakash	1
Mr. Sapan Mohan Garg	1

During the year under reference the Company has paid remuneration to the Executive Director viz, Managing Director amounting to Rs 3,82,320/- (Rupees Three lac eighty two thousand three hundred twenty only) and an amount of Rs. 19,483/- (Rupees Nineteen thousand four hundred eighty three only) as sitting fee to the Independent Directors for attending the meetings of the Board.

During 2012-13, the company did not advance any loan to any of its Directors except advance for travel or other purposes to discharge their official duties in the normal course of business.

D. SHAREHOLDER'S / INVESTOR GRIEVANCE COMMITTEE

The Company has a Shareholders/Investors Grievance Committee in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee.

The Shareholders/Investors Grievance Committee met four times during the year on 26th May, 2012, 7th August, 2012, 9th November, 2012 and 7th February, 2013

Attendance record of Shareholders/Investors Grievance Committee members

Name of Director	Meetings Attended
Mr. Deepak Jalan	3
Mr. Amar Singh	1
Mr. Dalip Singh Dasila	4

E. COMMITTEE OF DIRECTORS

The Company has a Committee of Directors in accordance with the requirements of Clause 49 of the Listing Agreement. Mr. Deepak Jalan, Independent & Non Executive Director, is the Chairman of the Committee.

The Committee of Directors met eight times during the year on 20th August, 2012, 20th September, 2012, 26th September, 2012, 31st October, 2012, 10th November, 2012, 20th November, 2012, 24th January, 2013 and 30th January, 2013.

Attendance record of Committee of Directors

Name of Director	Meetings Attended
Mr Deepak Jalan	8
Mr Amar Singh	0
Mr Dalip Singh Dasila	8

F. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held:-

Financial Year (ended)	Venue	Date	Time
31st March, 2010	B-704, Sterling Apartment, 9, University Road, Lucknow (U.P.)	30.09.2010	11.00 A.M
31st March, 2011	36, Insaf Nagar, Sector-10, Indira Nagar, Lucknow (U.P.)	30.09.2011	11.00 A.M
31st March, 2012	36, Insaf Nagar, Sector-10, Indira Nagar, Lucknow (U.P.)	28.09.2012	11.00 A.M

G. DISCLOSURE

(I) Materially Significant Related Party Transaction

During the year there was no transaction with Related Parties as per requirements of Accounting Standard-18.

(ii) Details of Non-Compliance by the Company, penalties imposed by Stock Exchange/ SEBI/ Any Statutory Authority in any matter related to Capital Market during the last three years.

- No penalties etc were imposed on the Company by SEBI or any other Statutory Authority. However, the Bombay Stock Exchange levied a Listing Re-instatement Penalty of Rs 10.80 Lacs on the Company in the financial year 2010-11.
- The Company has paid listing fee to Bombay Stock Exchange and Delhi Stock Exchange for the financial year 2013-14.

H. MEANS OF COMMUNICATION

Information like quarterly/half yearly/annual financial results and press releases has been submitted to the stock exchanges. The quarterly/half yearly/annual financial results are published in English and Hindi Newspapers. These are also available on the company's website www.wellesleycorp.com.

WELLESLEY CORPORATION LIMITED

I. GENERAL SHAREHOLDER INFORMATION

(i) 22nd Annual General Meeting:

Date & Time of ensuing Annual General Meeting : 27.09.2013 at 01.00 A.M.

Venue of Annual General Meeting : Shop #1 Country Inn, Mehragoan, Bhimtal - 248179, Uttarakhand.

(ii) Book Closure : 26th September, 2013 to 27th September, 2013 (Both days inclusive)

(iii) Financial Calendar : The next financial year of the company is 1st April, 2013 to 31st March, 2014

iv) STOCK MARKET DATA

No stock trade data for the shares of the Company is available for the last financial year as there was no trade on the stock exchanges.

v) DEMATERIALIZATION OF SHARES

The company has got its securities registered with both NSDL as well as CDSL for dematerialization. As on 31st March, 2013, 2,53,400 equity shares are in dematerialized format. The custody fees for the financial year 2013-14 have been paid to NSDL & CDSL.

vi) LISTING ARRANGEMENTS

The Company is listed at Bombay Stock Exchange and Delhi Stock Exchange. The listing fees for the financial year 2013-14 have been paid to the stock exchanges..

vii) DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2013

Category	No. of Shares Held	Percentage of Holding
Promoter's Holding	1,00,01,100	74.08
Institutional Investors, Banks etc	Nil	Nil
Public		
Domestic Companies	23,06,600	17.09
Indian Public	11,92,700	8.83
Total	1,35,00,400	100.00

viii) INVESTOR'S ASSISTANCE

a.	Registered Office	: Shop #1, Country Inn, Mehragoan, Bhimtal - 248179, Uttarakhand.
b.	Corporate Office	: B- 210, Ansal Chamber - I, 3, Bhikaji Cama Place, New Delhi - 110 066
c.	Registrar & Share Transfer Agents for shares held in Physical Mode	: M/s. Skyline Financial Services Private Limited (Unit - Wellesley Corporation Limited) D-153A, 1st Floor Okhla Industrial Area, Phase-I, New Delhi - 110 020 Tel:- +91 - 11 - 26812682, 26812683 Fax: -- +91 - 11 - 3085 7562 Email: admin@skylinerta.com, Web: www.skylinerta.com

All queries pertaining to share transfer / transmission, change of address, bank mandate, nomination forms, loss of shares, issue of duplicate shares, Annual Report be forwarded directly to the Registrar and Share Transfer Agent at the above mentioned address.

In case of any specific query / complaint, the member may like to contact the Company at its Corporate Office at the above address.

ix) NON MANDATORY REQUIREMENTS

The Company has not adopted non mandatory requirements of the Corporate Governance during the year under report.

x) AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The auditor's certificate on compliance of clause 49 of the Listing agreement relating to corporate governance is annexed to this report.

xi) CEO CERTIFICATION AND CODE OF CONDUCT

The CEO certificate and Code of Conduct on compliance of clause 49 of the Listing agreement relating to corporate governance is annexed to this report.

For and on behalf of the Board of Directors
Wellesley Corporation Limited

Dated : 06th May, 2013
Place : New Delhi

Dalip Singh Dasila
Managing Director

Deepak Jalan
Director

Annexure-II**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The management of Wellesley Corporation Limited is pleased to present its analysis report on its performance and future outlook.

Industry Overview

As the economy showed signs of decreasing GDP growth rate, the Indian real estate industry faced its own share of concerns even as the latent demand, particularly in the residential segment, continued to be strong. After showing some signs of improvement post the global financial crisis, the real estate sector found itself in a difficult phase on account of unfavourable micro and macro factors. Sharp rise in interest rates and uncertainties in the economy took its heavy toll on the overall buyer sentiment, leading to weak movement in property sales. Residential sales remained slow in most of the cities during the year 2012-13. Residential project launches also showed a marked slowdown by the second quarter of the year. All this severely impacted the cash flow of developers, who were already struggling to overcome the tight liquidity condition. Some of the big developers were seen deleveraging their balance sheets by selling their non-core assets. But there was no distress kind of situation. Except in few micro markets, the prices corrected marginally. As banks maintained their cautious approach, the industry looked for other funding options in PE funds and NBFCs.

SWOT**Strengths**

Company has Land bank under JV Agreements with strong management team to execute the projects .

Weaknesses

Being in capital intensive industry, the company has massive capital outlay requirements, that is not easy to raise on the strength of the Balance sheet .

Opportunities

Except for recent hiccups ,the Indian growth story is intact which will continue to generate demand across all verticals of real estate, there is massive demand supply gap in housing segment .

Threats

Performance of Real estate sector is dependent on overall economic conditions. A continuous downturn can have serious impact on the company's business .Funding option is also limited as the real estate sector is yet to get industry status .

Future Outlook

As part of its strategic initiative and clear focus to strengthen the Balance Sheet ,the company has set up a team of experts to focus on settling the long pending litigation/disputed cases to unlock the value of Land bank strangled in the legal disputes.

Further with regards to the business activities, the Company firmly believes that the present slowdown is a temporary phenomenon and the scenario will improve considerably in coming quarters. With both operational and tactical measures and the strategic blueprint in place for future growth, combined with its legacy of trust, the Company is confident of making the most of emerging opportunities in the long run.

Operational and Financial Performance

The Financial Statement for the financial year ended on 31st March, 2013 have been prepared in compliance of the provisions of the Companies Act, 1956 and applicable Accounting Standards issued by the Institute of Chartered Accountants of India. The Board of Directors accepts the integrity and objectives of these financial statements.

During the year, company's turnover has increased to Rs. 97,72,992/- from the previous year's figure of Rs. 39,63,858/-. However company's profit after tax has decreased marginally to Rs.4,22,673/- from the previous year's figure of Rs. 3,66,524/-.