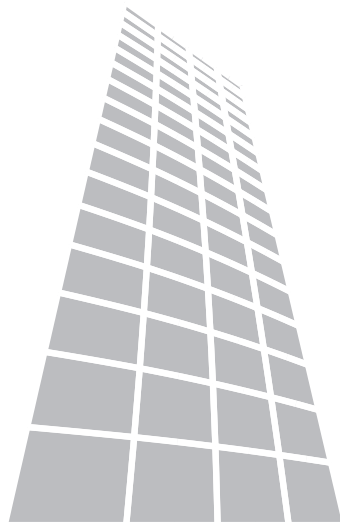


BSEL INFRASTRUCTURE REALTY LIMITED

**18th Annual Report
2012-2013**



Bsel

BSEL INFRASTRUCTURE REALTY LIMITED

BOARD OF DIRECTORS

Kirit R. Kanakiya	Non Executive Director
Disha Devrukhkar	Whole Time Director
Hitesh Vora	Non-Executive Independent Director
Dipal Muchhala	Non-Executive Independent Director

COMPLIANCE OFFICER

Disha Devrukhkar

REGISTERED OFFICE

737, 7th Floor, The Bombay Oil Seeds
& Oil Exchange Premises Co.op Soc. Ltd.,
The Commodity Exchange,
Plot No. 2,3 & 4, Sector 19,
Vashi , Navi Mumbai – 400 705

UAE

Sharjah Airport Int. Zone,
P.O.Box No.8729,
Sharjah, UAE

MALAYSIA

17-03, Susur Dewata,
Jalan Dewata,
Larkin Perdana,
80350 Johor Bahru

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited,
Unit No.1, Luthra Industrial Premises,
Safed Pool, Andheri-Kurla Road,
Andheri (E), Mumbai – 400 072

AUDITORS

CA. Avinash Jain, Partner
M/s. Raju and Prasad Chartered Accountants

ADVISORS

P.V. Bambolkar & Co.
Fortress Financial Services Limited

REGISTRAR & DEPOSITORY FOR GDRs

The Bank of New York,
New York Branch, 101, Barclay Street,
21st Floor, New York, NY 10286 USA

BANKERS

State Bank of India
Bank of Baroda, UAE
Ajman Bank
AXIS Bank Limited
Mashreq Bank
Emirates Islamic Bank

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DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present their 18th Annual Report, to the members, on the business and operations of BSEL Infrastructure Realty Limited (hereafter referred to as 'BSEL') together with the Audited Annual Accounts for the financial year ended March 31, 2013.

FINANCIAL HIGHLIGHTS OF BSEL INFRASTRUCTURE REALTY LTD.

(₹ In lacs)

Particulars	Consolidated		Standalone	
	2013	2012	2013	2012
Year ended March 31				
Total Income	201.17	(1,934.38)	198.29	208.09
Total Expenditure	(212.90)	(1,896.02)	(167.82)	(514.77)
Profit before tax and Extraordinary Items	(11.73)	(3,830.40)	30.47	(306.68)
Extraordinary Items	(2.65)	(24,141.43)	2.65	(1.51)
Profit/(Loss) before tax	(14.38)	(27,971.83)	27.82	(308.19)
Provision for tax (including deferred tax)	35.79	46.32	35.79	(35.34)
Profit/(Loss) After Tax – Transferred to Balance Sheet	(50.17)	(27,925.51)	(7.97)	(272.85)

Review of Operations

Stand alone income for the year under review is ₹ 198.29 lacs and the stand alone net loss is ₹ 7.97 lacs. Your Company was able to minimize its loss as compared to the last year standalone loss. The company had to suffer with a consolidated loss of ₹ 50.17 Lacs due to its cautious approach with intention to maintain its liquidity position intact.

Dividend

Directors of the Company are unable to declare any dividend for the Financial year ended on March 31, 2013 as company suffered with a loss in the financial year under consideration.

Share Capital

The share capital of the Company remained unchanged during the year under review. The total Equity Share Capital of the Company is comprised of 82,616,840 Equity Shares of ₹ 10/- each.

Global Depository Receipts

Outstanding Global Depository Receipts as on March 31, 2013 are 183,647. No conversion of GDRs into shares was noted during this financial year.

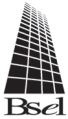
Quality Assurance

The Company firmly believes in the pursuits of excellence in this ever growing infrastructure and realty sector. Our focus has been on providing consistently quality products and services to our clients.

Subsidiaries

Ministry of Corporate Affairs (MCA) issued General Circular No. 2/2011 vide letter no. 51/12/2007-CL-III dated February 8, 2011, through which it granted a General Exemption to companies from attaching Directors' Report, Balance Sheet and Profit & Loss Account of subsidiaries to its Balance Sheet. The Conditions prescribed by the MCA, for availing exemption under this circular, have been fulfilled by your Company.

BSEL is having three Wholly Owned Subsidiaries including step down subsidiaries named (I) BSEL Infrastructure Realty FZE (II) BSEL Infrastructure Realty Sdn. Bhd. and (III) BSEL Waterfront Sdn. Bhd. Balance Sheets, Profit & Loss accounts, Reports of the Directors and



Auditors will be made available upon request by any member on application and will also be kept for inspection at the Registered Office of your Company. The financial data of the subsidiaries has been furnished alongwith the statement pursuant to Section 212 of the Companies Act, 1956 forming part of the Annual Report. Also, pursuant to Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India and listing agreement, your Company has presented the consolidated financial statements which include the financial information relating to its subsidiaries and forms part of the Annual Report.

Depository Systems

The Company continues with its arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of securities in accordance with the provisions of the Depositories Act, 1995 and members may avail of such facilities. With this, the members have an option / discretion to hold demated shares with NSDL and / or CDSL.

Directors

Mr. Dippal Muchhala was appointed as an Additional Non-Executive Director in the Board Meeting held on June 18, 2013. His appointment is further approved by members of the company in the ensuing Annual General Meeting which will be held on September 30, 2013.

Mr. Hitesh Vora, Non - Executive Director, retires at this annual general meeting by rotation and being eligible offers himself for reappointment. The board recommends the re-appointment of Mr. Hitesh Vora, as a Non-Executive Director of the Company.

Mr. Vijay Jain has resigned from Independent Director on December 20, 2012. The Board has duly accepted his resignation in their meeting held on December 27, 2012 and has relived him from his duties and responsibilities in the capacity of Independent Director.

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 under consideration the applicable Accounting Standards have been followed.
2. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the Profit & Loss of the Company for the year under consideration.
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 the Company and for preventing and detecting fraud and other irregularities.
4. The directors have prepared the annual accounts for the year under review on a going concern basis

Corporate Governance

A detailed report on corporate governance is part of this annual report. Certificate of the statutory auditors of the Company regarding compliance with the provisions of corporate governance as stipulated in clause 49 of the listing agreement is also provided in the Corporate Governance Report.

Deposits

The Company has not invited or accepted from public or its employees any deposits in terms of provisions of section 58A of the Companies Act, 1956, read with the Companies (Acceptance of Deposits) Rules, 1975 and therefore no amount of principle or interest was outstanding to be paid as of the balance sheet date.

Auditors

M/s Raju & Prasad Chartered Accountants, Mumbai, hold the office of the Statutory Auditors of the Company retire at the conclusion of the annual general meeting and are eligible for reappointment. The Company has received a letter from them consenting to act as Statutory Auditors if appointed and that their appointment will be in terms with section 224 (1) (b) of the Companies Act, 1956. The audit committee has recommended their appointment for the office of Statutory Auditors of the Company. The necessary resolution is being placed before the shareholders for approval.

Comments on Auditors' Report

With reference to the comments given by the Auditors on the Auditors Report on accounts of the Company, the management's explanations have been suitably made in the Notes to Accounts of the Balance Sheet and Profit and Loss account and are self explanatory.

Particulars of Employees

AAs required by the provisions of section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, no employee is drawing remuneration at or above the limits mentioned therein.

Conservation of energy, research & development, technology absorption, foreign exchange earnings and outgo

Disclosure 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) Rule, 1988 are as follows:

Conservation of Energy: The operations of the Company are not energy intensive. Adequate measures, have, however been taken to conserve and reduce the energy consumption.

Technology Absorption: No technology has been developed and / or imported by way of foreign collaboration.

Foreign Exchange Earnings and Outgo: There are no foreign exchange earnings during the year. Company has paid AED 10,500 to the Auditor of the Wholly Owned Subsidiary towards the Audit Fees for the year 2011-12.

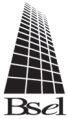
Acknowledgment

The directors sincerely appreciate the contributions made by all employees and business associates who have supported the Company to stand firmly in the critical and challenging situations of emerged out of economic crisis. Your directors are also thankful for the co-operation, support and assistance received from banks, investors, customers, central and state government departments, local authorities, vendors, strategic alliance partners and all other associated with the activities of the Company. Your directors would also like to acknowledge the continued support of the Company's shareholders.

For and on behalf of the Board

Place : Navi Mumbai
Date : August 14, 2013

Sd/-
Disha Devrukhkar
Whole Time Director



CORPORATE GOVERNANCE REPORT

Corporate Governance - BSEL's Philosophy

Corporate governance has succeeded in attracting a good deal of public interest because of its apparent importance for the economic health of corporations and society in general. BSEL firmly recognises that observance of Corporate Governance is an integral part of an organisational system as it's a key for an indeed important harmonised relationship among stakeholders of the company. Keeping eye on this, BSEL endeavours to adopt infallible policies for corporate governance to be implemented in the interest of stakeholders which ultimately benefits to organisation even.

Board of Directors

The Board of Directors, an apex body formed by the shareholders and entrusted with the responsibility to serve and protect the overall interests of stakeholders. Making allowance for this, BSEL always endeavoured to have righteous board panel composed of eminent personalities in various fields.

The company was having an optimum combination of directors as required by Listing Agreement as March 31, 2013. In the Board Meeting held on June 18, 2013, the Board appointed Mr. Dippal Muchhala as an Additional Non-Executive Director. Further, Mr. Vijay Jain, Non-Executive Independent Director, resigned from the office of the Director and the same was duly accepted by Board in their meeting held on December 27, 2012.

Information Placed Before the Board

- Operating and financial plans for its review, modifications and necessary approvals;
- Quarterly results and half yearly statement of Assets and Liabilities of the Company;
- Minutes of meetings of Audit Committee and other committees of the Board;
- The information on recruitment and remuneration of senior officers just below the Board level;
- Changes in Board of Directors and Management of the Company including core management of subsidiary;
- Change in Registered Office of the Company;
- Details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Details about dividend data;
- General notices of interest of directors;
- Details of Investment made by the Company and plans for further investment;
- Opportunities available for Raising funds, if required, for the operations of the Company.

The Board met 5 (Five) times during the year under review and the dates of such meetings are as follows:

(1) May 30, 2012; (2) August 14, 2012; (3) November 12, 2012; (4); December 27, 2012; (5) February 12, 2013.

The below given detailed table describes about attendance of Directors at Board Meetings and Annual General Meeting held during the last financial year. Further, it also provides with shareholding in and details of Memberships and Chairmanships of Committees of BSEL and also about the Directorships in other companies.

Name of Directors	Kirit R. Kanakiya	Vijay Jain	Hitesh Vora	Disha Devrukhkar	Dipal Muchhala
Category	Promoter Director, Non-Executive Chairman	Non-Executive Independent Director	Non-Executive Independent Director	Whole Time Director	Non-Executive Independent Director
Date of appointment	April 1, 1998	February 23, 2004	August 31, 2001	December 28, 2011	June 18, 2013
Directorship in other companies	2	0	0	0	0
Chairmanship / Membership in committees of Board of other companies	0	0	0	0	0
No. of Board meetings attended	5	3	4	5	NA
Attendance at last AGM	YES	NO	YES	YES	NA
No. of shares held as on March 31, 2013	4,942,180	NIL	6,500	NIL	900
Director Identification Number	00266631	00594901	00342768	05156891	06628759

Notes:

1. Mr. Dopal Muchhala was appointed as Additional Non-Executive Director on the Board of the Company in the Board Meeting held on June 18, 2013. His appointment is subject to approval of members in the ensuing Annual General Meeting.
2. None of the independent directors have any pecuniary interest or relationship with the Company apart from sitting fees that they are entitled to receive.
3. The Directorship does not include directorship in private companies / foreign companies.
4. None of the directors is member of more than ten committees and has acted as chairman in more than five committees at any point of time.

Audit Committee**Brief description of terms of reference**

To oversee and direct the financial reporting system along with the disclosure process of the Company, it has constituted Audit committee of three Directors on the Board and is chaired by an Independent Director; thereby the Company is complying with the terms of Clause 49 (II) (A) of the Listing Agreement and Section 292A of the Companies Act, 1956.

The role and terms of reference, authority and powers of Audit Committee are in conformity with the Companies Act, 1956 and Listing Agreement.

- Ensuring compliances with Accounting Standards and Generally Accepted Accounting Principles (GAAP) adopted for preparation of individual and consolidated financial statements;
- Verifying that internal information gathering and control procedures are properly applied;
- Ensuring the quality and relevance of information provided to the shareholders of the Company ;
- Reviewing drafts of quarterly, half yearly and annual financial statements submitted to it by the chairman of the Board before they are submitted to the Board of Directors;
- Reviewing drafts of managements reports, activity and income tables and all accounts drawn up for specific purposes;
- Ensuring that the procedures comply adequately with relevant and financial institutions and stock exchanges;
- Meeting with statutory auditors to discuss the compliances by the Company of various accounting standards, recommending their appointment and fixation of their remuneration;
- Discuss and study the working plan of the Company and providing suitable recommendations to the board and the management;
- Reviewing the utilisation / application of the proceeds of the funds raised through issue of securities;
- Analyse the system and procedures used to prepare the financial statements;
- Access the internal control system of the Company and check that the procedures are driven towards transparency, accountability and accuracy;
- Reviewing Company's risk management policies etc.

Composition, name of members and chairperson

In compliance with provisions of Listing Agreement, the audit committee is comprised of three directors and is chaired by the independent director of the Company. The details of composition of the meeting have been provided hereunder.

Sr. No.	Name of the Member	Designation	No. of Meetings Attended
1.	Mr. Vijay Jain	Chairman	2
2.	Mr. Dopal Muchhala	Chairman	NA
3.	Mr. Hitesh Vora	Member	3
4.	Mr. Kirit Kanakiya	Member	4

Meetings and attendance during the Year

During the year, four meetings of audit committee were held, the dates thereof and attendance therein are as described hereunder meetings of audit committee: (1) May 30, 2012; (2) August 14, 2012; (3) November 12, 2012; (4) February 12, 2013.

Remuneration Committee**Brief description of terms of reference**

The remuneration committee has been formed with an intention to direct and guide the Board in framing its Remuneration policy, compensation structure viz., monetary and non-monetary benefits to be paid to the Executive Directors including Whole Time Director and the top management of the Company. It also undertakes to review the same from time to time.



The details of composition of Remuneration Committee and attendance at meetings of the remuneration committee are as follows:

Sr. No.	Name of the Member	Designation	No. of Meetings Attended
1.	Mr. Vijay Jain	Chairman	2
2.	Mr. Hitesh Vora	Member	1
3.	Mr. Kirit Kanakiya	Member	2

Committee met twice in the year under consideration. The meeting were held on (1) May 30, 2012; and (2) November 12, 2012.

Remuneration policy

The remuneration policy in respect of remuneration to Executive Directors and top management of the Company of the Company is in conformity with section 198, 269, 309, 310 and schedule XIII of the Companies Act, 1956.

Details of Remuneration to all Directors

The non-executive directors of the Company receive only sitting fees for the meetings attended by them. The Whole - Time Director of the Company receives a salary form the Company for his services to the Company.

The details of remuneration paid to all the directors are as follows:

Sr. No	Name of the Director	Category	Remuneration	Nature of Remuneration
1.	Mr. Kirit R. Kanakiya	Chairman, Non-executive director	₹ 25,000	Sitting Fees
2.	Mr. Hitesh Vora	Non-executive, independent director	₹ 20,000	Sitting fees
3.	Mr. Vijay Jain	Non-executive, independent director	₹ 15,000	Sitting fees
4.	Ms. Disha Devrukhkar	Whole Time Director	₹ 1,69,123	Salary including perquisites

Shareholders' and Investors' Grievances Committee

The scope of Shareholders' and investors' grievances committee expands to the redressal of shareholders' and investors' grievances received directly at the office of the Company or to the R&T Agent or through other regulatory authority like stock exchange, SEBI, etc. The committee, in concert with the Registrar and Transfer Agent of the Company, M/s Sharex Dynamic (India) Pvt. Ltd. Undertakes transfer and transmission of the shares of the company, issuance of duplicate share certificate, renewal of dividend warrants, issuance of fresh dividend warrant or pay orders as the case may be, resolving all other issues regarding shareholders' and investors' grievances.

The composition of committee and details of attendance of committee meetings are described in following chart:

Sr. No.	Name of the Member	Designation	No. of Meetings Attended
1.	Mr. Vijay Jain	Chairman	1
2.	Mr. Hitesh Vora	Member	1
3.	Mr. Kirit Kanakiya	Member	1

Shareholders' and investors' grievances committee met once in May 30, 2012 in the financial year under consideration.

Name and Designation of the Compliance Officer

Ms. Disha Devrukhkar is acting as a Compliance Officer of the Company. The email IDs of the compliance officer is investorgrievance@bsel.com has been designated for the purpose of registering investor's complaints and other follow up actions.

Number of Shareholders' Complaints Received

The Company received 2 (two) complaints during the financial year and all the complaints were duly resolved to the satisfaction of the shareholders. No complaints were pending to be resolved at the end of the year.

General Body Meeting**Location and Time of the Last 3 Annual General Meetings**

Financial Year	Venue	Day and Date	Time	No. of Special Resolutions
2009-2010	Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703	Thursday, September 30, 2010	09.30 AM	NIL
2010-2011	Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703	Friday , September 30, 2011	10.00 AM	1(one)
2011-2012	Hotel Abbott, Sector 2, Vashi, Navi Mumbai 400 703	Friday, September 28, 2012	09.30 AM	1(one)

- Details of special resolutions passed at last 3 AGMs are provided in the chart above.
- No special resolution has been passed through postal ballot during year under consideration.
- The Company does not propose any special resolution to be passed through postal ballot.

Disclosures**Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company**

As per the Listing Agreement, the Company needs to disclose the transactions in which its promoters, directors or the management, their subsidiaries or relatives have potential conflict of the interest.

Details of such materially significant transactions are forming part of the accounts in accordance with the provisions of Accounting Standard 18.

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by stock exchange, SEBI or any other statutory authority in the past 3 Years

There are no penalties or any strictures imposed on the Company by Stock Exchanges or SEBI or any other statutory authorities in any matter related to capital markets during the last three years.

Code of Conduct:

The code of conduct of the Company sets out the policies, procedures, ethics and standards as to the Directors' Board as well as top management of the Company. The code of conduct laid down for Board and management of the Company has been made available on website of the Company www.bsel.com.

All the directors and senior managers have affirmed compliance of code of conduct laid down. The declaration to that effect is forming part of CEO and CFO certification given at the end of this corporate governance report.

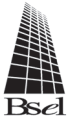
Policy for Prohibition of Insider Trading:

SEBI (Prohibition of Insider Trading) Regulations, 1992 strictly forbids the trading in Company's securities, by directors and specified employees of the Company, on the basis of unpublished price sensitive information regarding affairs of the Company. The Company's policy is to preserve the confidentiality and prevent misuse of unpublished price sensitive information.

All disclosures, as required by these regulations, have been made from time to time and the Company has complied with the requirements of these regulations.

Means of Communication**Newspapers wherein Financial Results normally published**

During the Financial year ended on March 31, 2013, the Quarterly Financial Results of the Company and Half yearly Assets and Liability Statement were published in all India editions of "Business Standard" and "Mumbai Lakshadeep".



Any website where displayed

The results, presentations and all other official news releases are displayed at the Companies' website: www.bsel.com alongwith the websites of the Stock Exchanges: www.bseindia.com and www.nseindia.com.

General Shareholder Information

Date, Time of AGM	Monday, September 30, 2013 at 9.30 A.M.
Venue of AGM	Hotel Abbott, Sector 2, Vashi, Navi Mumbai - 400 703.
Financial Year	2012-2013
Date of Book Closure	Wednesday, September 25, 2013 to Monday, September 30, 2013
Listing on Stock Exchange	
Listing of Equity Shares	Bombay Stock Exchange Limited (BSE) National Stock Exchange of India Limited (NSE)
– Stock Code	BSE: 532123 NSE: BSELINFRA
Listing of GDR's	Luxembourg Stock Exchange
– Stock Code of GDR's	US11776M1009
– Security Type	BSELinfr GDR ne

Market Price Data: High, Low during each month during the last financial year

Month	BSE			NSE		
	High	Low	Sensex	High	Low	Nifty
April 12	3.70	2.91	17319	3.65	3.05	5359
May	3.40	2.61	16219	3.25	2.70	5239
June	3.14	2.70	17430	3.40	2.70	5279
July	3.85	2.80	17236	3.95	2.80	5345
August	3.29	2.62	17430	3.25	2.20	5421
September	3.25	2.62	18763	3.35	2.30	5703
October	4.24	2.86	18505	3.95	2.90	5788
November	3.25	2.92	19340	3.55	2.75	5880
December	4.05	3.08	19427	4.05	3.00	5931
January 13	3.60	2.91	19895	3.60	2.90	6082
February	3.30	2.50	18862	3.15	2.50	5999
March	2.76	1.86	18836	3.10	1.85	5946

Registrar and Transfer Agents

Sharex Dynamic (India) Pvt. Ltd.
Unit no. 1, Luthra Industrial Premises, Safed Pool,
Andheri - Kurla Road, Andheri (E), Mumbai - 400 072
Telephone No. (022) 2851 5606/5644 7
Fax: (022) 2851 2885

Share Transfer System

The Company has delegated its powers to effect the transfer of shares to the registrar and transfer agents of the Company M/s Sharex Dynamic (India) Pvt. Ltd.

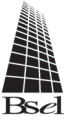
Distribution of Shareholding as on March 31, 2013

Shares	No. of Holders	% of Holders	Total Shares	% of Shareholding
UPTO 5000	37,386	69.85	74,70,978	9.04
5001 TO 10000	7,450	13.92	64,30,194	7.78
10001 TO 20000	4,079	7.62	65,14,487	7.89
20001 TO 30000	1,493	2.79	39,00,630	4.72
30001 TO 40000	752	1.41	27,23,155	3.30
40001 TO 50000	652	1.22	31,33,215	3.79
50001 TO 100000	949	1.77	71,27,634	8.63
100001 AND ABOVE	760	1.42	4,53,16,547	54.85
Total	53,521	100.00	8,26,16,840	100.00

Shareholding Pattern as on March 31, 2013

Sr.	Category of Shareholder	No. of Shareholders	Total No. of Shares	No. of Shares in Demat	% of Total No. of Shares
A.	Promoter Shareholding				
	Individuals/ HUF	4	77,87,860	77,87,860	9.43
	Bodies Corporate	9	99,52,108	99,52,108	12.05
	Total Promoter Shareholding	13	1,77,39,968	1,77,39,968	21.48
B.	Public Shareholding				
	1. Institutions				
	Financial Institutions / Banks	2	190	10	0.00
	Venture Capital Funds	1	600	600	0.00
	Foreign Institutional Investors	0	0	0	0.00
	Sub-Total (B)(1)	3	790	610	0.00
	2. Non-institutions				
	Bodies Corporate	622	67,62,300	67,61,040	8.19
	Individuals	52,538	5,36,47,329	5,35,51,927	64.93
	Other	344	26,29,983	26,29,823	3.18
	Sub-Total (B)(2)	53,504	6,30,39,612	6,29,42,790	76.30
	(B) Total Public Shareholding (B)(1)+(B)(2)	53,507	6,30,40,402	6,29,43,400	76.30
(C)	Shares Held by Custodians and Against which Depository Receipts have been Issued				
		1	18,36,470	18,36,470	2.22
	GRAND TOTAL (A)+(B)+(C)	53,521	8,26,16,840	8,25,19,838	100.00

* Promoters' shareholding in the Company is free from all/ any lien, encumbrance or pledge.



Dematerialization of Shares:-

The equity shares of the Company are traded in electronic form. As on March 31, 2013 - 82,518,358 equity shares or 99.88% of the total paid up equity capital were held in electronic form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). All the demat requests were generally processed and confirmed within 7 days of receipt.

Demat ISIN in NSDL and CDSL for Equity Shares –

INE395A01016

Outstanding GDR's / ADR's Warrants or Any Convertible Instruments

As on March 31, 2013 - the total number of outstanding GDR's was 183,647 wherein each GDR represents 10 underlying equity shares.

Registered Office

The Address of Registered Office and Address of Correspondence with BSEL stands as 737, 7th Floor, The Bombay Oil Seeds and Oil Exchange Premises Co.op. Society Ltd., The Commodity Exchange, Plot No. 2.3 & 4, Sector 19, Vashi, Navi Mumbai - 400 705.

Secretarial Audit Report

As stipulated by the Securities and Exchange Board of India, Secretarial Audits have been carried out, by Firm of Practising Chartered Accountant, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the board of directors. The audit, inter alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Declaration under Clause 49(I)(D) of the Listing Agreement for compliance with the Code of Conduct

As per the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has laid down a Code of Conduct for its Board of Directors and Senior Management.

For and on behalf of the Board

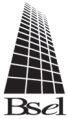
Place : Navi Mumbai
Date : August 14, 2013

Sd/-
Disha Devrukhkar
Whole Time Director

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956 RELATING TO SUBSIDIARY

(Amount in ₹)

Sr. No.	Name of the Subsidiary	BSEL Infrastructure Realty FZE	BSEL Infrastructure Realty Sdn. Bhd.	BSEL Waterfront Sdn. Bhd.
1	Reporting Currency	AED	MYR	MYR
2	Exchange Rate as on March 31, 2013	14.79	17.43	17.43
3	Share Capital	443,835,000	1,743,190	34,863,800
4	Reserves & Surplus	(836,564,722)	(1,867,828)	(118,290,084)
5	Total Assets	5,501,940,275	34,863,800	—
6	Total Liabilities (other than 3 and 4)	5,894,669,997	34,988,438	83,426,284
7	Investments other than in subsidiary	15,868,122	NIL	NIL
8	Name of the Holding Company	BSEL Infrastructure Realty Limited	BSEL Infrastructure Realty FZE	BSEL Infrastructure Realty Sdn. Bhd.
9	% of Holding	100%	100%	100%
10	Sale and other income	(6,718,804)	NIL	NIL
11	Profit / (loss) before Tax	(10,747,968)	286,389	5,353,424
12	Provision for Tax	NIL	NIL	NIL
13	Profit / (loss) after Tax	(10,747,968)	286,389	5,353,424
14	Dividend	NIL	NIL	NIL



CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) OF THE COMPANY

WE, DISHA DEVRUHKAR, CHIEF EXECUTIVE OFFICER AND VIJAY CHAUHAN, CHIEF FINANCIAL OFFICER OF BSEL INFRASTRUCTURE REALTY LIMITED, TO THE BEST OF OUR KNOWLEDGE AND BELIEF, CERTIFY THAT:

- a. We have reviewed the balance sheet and profit and loss account (stand alone and consolidated) along with all its schedules and notes on accounts, as well as the cash flow statement and the directors report;
- b. Based on our knowledge and information, these statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of circumstances under which such statements were made, not misleading with respect to the statements made;
- c. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all, material respects, a true and fair view of Company's affairs, the financial condition, result of operations and cash flows of the Company as of, and for, the periods presented in this report and are in compliance with the existing Accounting Standards and/or applicable laws and regulations;
- d. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.
- e. We are responsible for establishing and maintaining disclosure controls and procedure and internal controls over the financial reporting of the Company and have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and what we have done or propose to do to rectify these;
- f. We have also disclosed to the auditors as well as the Audit Committee, instances of significant fraud, if any, that involve management or employees having a significant role in the Company's internal control systems; and
- g. We have indicated to the auditors, the Audit Committee and in the notes to the accounts, whether or not there were any significant changes in internal control and / or accounting policies during the year.

Place : Navi Mumbai
Date : May 30, 2013

Sd/-
Disha Devrukhkar
(CEO)

Sd/-
Vijay Chauhan
(CFO)

AUDITORS' CERTIFICATE TO THE MEMBERS OF THE COMPANY ON COMPLIANCE OF THE CONDITIONS OF CLAUSE 49 OF THE LISTING AGREEMENT (CORPORATE GOVERNANCE) FOR THE YEAR ENDED MARCH 31, 2013

We have examined the compliance of conditions of corporate governance by BSEL Infrastructure Realty Limited, for the year ended as at 31st March, 2013, as stipulated in clause 49 of the listing agreement of the Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures 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, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a year exceeding one month against the Company as per the records maintained by the shareholder / investors grievance committee.

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

For RAJU & PRASAD CHARTERED ACCOUNTANTS

Sd/-
CA. Avinash Jain
Partner
Membership No: 41689

Place : Mumbai
Date : August 14, 2013

INDEPENDENT AUDITORS' OPINION

TO THE MEMBERS OF BSEL INFRASTRUCTURE REALTY LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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 the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For RAJU & PRASAD CHARTERED ACCOUNTANTS

FRN NO. 003475 S

Sd/-

CA Avinash Jaain

Partner

Membership No. 41689

Place : Mumbai

Date : 30.05.2013



ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- I.
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) Physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw materials. The discrepancies noted during the physical verification were not material.
 - (c) Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.
- II.
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- III.
 - (a) The Company has not granted secured or unsecured loans to the company which is covered in the register maintained under section 301 of the Act.
 - (b) The Company has not granted interest free loan to the parties covered in the register maintained under section 301 of The Companies Act, 1956, hence the comment on the rate of interest and terms and conditions thereon is not required.
 - (c) The Company has not granted secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 301 of the Act, and there is no repayment schedule prescribed, hence the comment on the receipt of the principal and interest thereon is not required.
 - (d) The Company has not granted secured or unsecured loans to Companies, Firms or other parties covered in the register maintained under section 301 of the Act, and there is no overdue amount which is more than rupees one lakh, hence the comment on the overdue amount is not required.
 - (e) The Company has not taken secured/unsecured loans from the Company covered in the register maintained under section 301 of the Companies Act, 1956.
 - (f) The Company has not taken interest free loan from the parties covered in the register maintained under section 301 of The Companies Act, 1956, hence the comment on the rate of interest and terms and conditions thereon is not required.
 - (g) The Company has no outstanding secured or unsecured loans to the Companies covered in the register maintained under section 301 of the Companies Act, 1956.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- V.
 - (a) According to the information and explanations given to us, we are of the opinion that particulars of the contracts or agreements that need to be entered have been so entered in the registers required to be maintained under that section.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or agreements have been made at price which is reasonable having regard to the prevailing market price at relevant time.
- VI. According to the given information and explanation given to us, the Company has not accepted any deposits from the public in terms of section 58A and 58AA or any other relevant provision of the Act and the rules framed there under, therefore provision of clause 4 (vi) of the order are not applicable.
- VII. In our opinion, the Company has an internal audit system, commensurate with its size and the nature of its business.
- VIII. The Central Government has not prescribed maintenance of cost records by the Company under section 209 (1) (d) of the Act.
- IX.
 - (a) According to the information and explanations given to us and records of the Company examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Cess is outstanding at the year end for a year of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of Sales Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax and Cess which have not been deposited on account of any dispute. However, the demands of Income Tax are as under.

Name of the statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Demand for Tax	₹ 26,424,532/-	AY 2001-02	CIT(Appeal)
The Income Tax Act, 1961	Demand for Tax	₹ 6,070,321/-	AY 2006-07 Sec 154 Pending.	Rectification under
The Income Tax Act, 1961	Demand for Tax	₹ 7,061,210/-	AY 2010-11	CIT (Appeals)

- X. The Company has no accumulated losses at the end of the financial year. The Company has not incurred cash losses in the current financial year and the company has incurred cash losses in the immediately preceding financial year.
- XI. Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders.
- XII. According to the information and explanations given to us and based on the documents and records produced 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.
- XIII. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of The Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') are not applicable to the Company.
- XIV. In our opinion, the Company is dealing in or trading in shares, securities, debentures and other investments and proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company, in its own name.
- XV. To best of our knowledge and belief and according to the information and explanation given to us, in our opinion, the terms and conditions on which the Company has given guarantee for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- XVI. There are no term loans outstanding from any Financial Institution from the beginning of the financial year.
- XVII. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds have been raised on short term basis.
- XVIII. According to information and explanations given to us, the Company has not made any preferential allotment of shares to the parties and Companies covered in register maintained under section 301 of the Act.
- XIX. The Company did not have any debentures during the year.
- XX. The Company has not raised any funds by way of public issue during the financial year.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

FOR RAJU & PRASAD CHARTERED ACCOUNTANTS

FRN NO. 003475 S

Sd/-

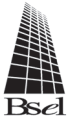
CA. Avinash Jain

Partner

Membership No. 41689

Place : Mumbai

Date: 30.05.2013

**BALANCE SHEET AS AT 31ST MARCH, 2013**

(All Figures in ₹)

Sl. No.	Particulars	Note No.	Current Year 2012-13	Previous Year 2011-12
I. EQUITY AND LIABILITIES				
1	Shareholders' Funds			
	(a) Share Capital	2	826,168,400	826,168,400
	(b) Reserves and Surplus	3	3,553,057,380	3,393,571,848
	(c) Money received against share warrants		—	—
2	Share application money pending allotment		—	—
3	Non-Current Liabilities			
	(a) Long-term borrowings		—	—
	(b) Deferred tax liabilities (Net)		—	—
	(c) Other long-term liabilities		—	—
	(d) Long-term provisions		—	—
4	Current Liabilities			
	(a) Short-term borrowings	4	—	1,950,000
	(b) Trade Payables	5	1,005,076	1,243,912
	(c) Other Current liabilities	6	298,960	570,820
	(d) Short-term provisions	7	1,894,537	1,501,669
	TOTAL-EQUITY AND LIABILITIES		4,382,424,354	4,225,006,649
II. ASSETS				
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	8	26,702,730	24,857,463
	(ii) Intangible assets		—	—
	(iii) Capital work-in-progress		—	—
	(iv) Intangible assets under development		—	—
	(b) Non-current investment	9	497,919,279	477,516,279
	(c) Deferred tax assets (net)		—	—
	(d) Long-term loans and advances	10	3,068,395,911	2,928,353,757
	(e) Other non-current assets	11	18,312,222	19,619,108
2	Current assets			
	(a) Current investment		—	—
	(b) Inventories	12	464,364,910	464,364,910
	(c) Trade receivables	13	205,140,837	205,043,368
	(d) Cash and cash equivalents	14	84,267,058	87,810,194
	(e) Short-term loans & advances	15	17,000,000	17,000,000
	(f) Other current assets	16	321,408	441,571
	TOTAL ASSETS		4,382,424,354	4,225,006,649
	Notes to the accounts	1 to 24		

As per our Report of Even Date

FOR RAJU & PRASAD CHARTERED ACCOUNTANTS**FOR BSEL INFRASTRUCTURE REALTY LIMITED**

Sd/-

CA Avinash Jaain

Partner

Membership No.41689

Sd/-

Disha R Devrukhkar

Whole-Time Director

Sd/-

Kirit R Kanakiya

Director

Place : Mumbai

Date : 30.05.2013

PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

(All Figures in ₹)

Sl. No.	Particulars	Note No.	Current Year 2012-13	Previous Year 2011-12
I.	Revenue from operations			
	Other operative Revenues	17	9,778,421	13,794,014
II.	Other Income	18	10,050,214	7,015,167
III.	Total Revenues (I+II)		19,828,635	20,809,181
IV.	Expenses:			
a.	Cost of Materials consumed	19	1,684,761	2,994,151
b.	Purchase of Stock in trade		—	—
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade		—	(552,500)
d.	Employee benefits expenses	20	5,277,338	5,143,078
e.	Finance cost		—	—
f.	Depreciation and amortization expenses	8	1,784,330	1,047,405
g.	Bad Debts		—	30,000,000
h.	Other Expenses	21	8,035,115	12,844,792
	Total Expenses		16,781,544	51,476,926
V.	Profit before exceptional and extra-ordinary itmes and tax (III-IV)		3,047,091	(30,667,745)
VI.	Exceptional Itmes		—	—
VII.	Profit before extra-ordinary itmes and tax (V-VI)		3,047,091	(30,667,745)
VIII.	Extraordinary Items	22	265,537	151,540
IX.	Profit/(Loss) before tax (VII-VIII)		2,781,554	(30,819,285)
X.	Tax Expenses			
a.	Current Tax		623,519	—
b.	Provision of Tax for Earlier years		2,955,197	1,098,143
c.	Deferred Tax Liability/(Assets)		—	(4,632,396)
XI.	Profit /(Loss) for the period from continuing operations (IX-X)		(797,162)	(27,285,032)
XII.	Profit /(Loss) from discontinuing operations		—	—
XIII.	Tax expenses of discontinuing operations		—	—
XIV.	Profit /(Loss) from discontinuing operations (after tax)(XII-XIII)		—	—
XV.	Profit /(Loss) for the period (XI-XIV)		(797,162)	(27,285,032)
XVI.	Earning per equity share:			
(1)	Basic		(0.01)	(0.33)
(2)	Diluted		(0.01)	(0.33)
	Notes to the accounts	1 to 24		

As per our Report of Even Date

FOR RAJU & PRASAD CHARTERED ACCOUNTANTS**For BSEL INFRASTRUCTURE REALTY LIMITED**

Sd/-

CA Avinash Jaain

Partner

Membership No.41689

Sd/-

Disha R Devrukhkar

Whole-Time Director

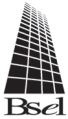
Sd/-

Kirit R Kanakiya

Director

Place : Mumbai

Date : 30.05.2013

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

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax & extraordinary items	3,047,091	(30,667,745)
Adjustments for :		
Extra Ordinary Items	(265,537)	(151,540)
Depreciation	1,784,330	1,047,405
Other Income	(10,050,214)	(7,015,167)
Operating profits before working capital changes	(5,484,329)	(36,787,047)
Adjustments for :		
Trade Receivable	(97,469)	82,685
Deposits (Assets) Loans & Advances	(138,615,105)	(365,778,808)
Inventories	—	(552,499)
Provision for Tax	(623,519)	—
Provision for Tax of Earlier Years	(2,955,197)	(1,098,143)
Provision for Deferred Tax	—	4,632,396
Trade Payable and other liabilities	(2,067,828)	(10,479,213)
Net cash from operating activities	(149,843,447)	(409,980,629)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Foreign Currency Translation Reserve	160,282,694	413,079,281
Sale/(Purchase) of investment	(20,403,000)	(51,623,964)
Sale/(Purchase) of fixed assets	(3,629,597)	(6,117,424)
Net cash from investing activities	136,250,097	355,337,893
C. CASH FLOW FROM FINANCING ACTIVITIES		
Other Income	10,050,214	7,015,167
Net cash from financing activities	10,050,214	7,015,167
Net increase/(decrease) in cash & cash equivalent	(3,543,136)	(47,627,569)
Cash & cash equivalent opening balance	87,810,194	135,437,763
Cash & cash equivalent closing balance	84,267,058	87,810,194

For BSEL INFRASTRUCTURE REALTY LIMITED

Place : Mumbai
Date : 30.05.2013

Sd/-
Disha R Devrukhkar **Kirit R Kanakiya**
Whole-Time Director Director

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of **M/S. BSEL INFRASTRUCTURE REALTY LIMITED**, for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreement with Stock Exchanges and is based on and in agreement with the corresponding Balance Sheet of the Company covered by our report of even date to the members of the Company.

For RAJU & PRASAD CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 30.05.2013

Sd/-
CA Avinash Jaain
Partner
Membership No.41689

NOTE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2013**NOTE : "2"
SHARE CAPITAL**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Authorised Capital		
150,000,000 Equity Shares of ₹10/- each	1,500,000,000	1,500,000,000
b. Issued Subscribed and Paid Up		
82,616,840 Equity Shares of ₹ 10/- each fully paid up	826,168,400	826,168,400
	826,168,400	826,168,400
c. Par value per Share		
Equity Shares	₹ 10 /-	₹ 10 /-

d. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

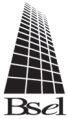
Particulars	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	82,616,840	826,168,400	82,616,840	826,168,400
Shares Issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Any other movement (please specify)	—	—	—	—
Shares outstanding at the end of the year	82,616,840	826,168,400	82,616,840	826,168,400

e. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Particulars	Nature of Relationship	As at	
		31 March 2013	31 March 2012
Equity Shares			
	NA		

f. Shareholders holding ordinary shares more than 5% :

Name of Shareholder	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kirit Ramniklal Kanakiya	4,942,180	5.98	4,942,180	5.98



NOTE : "3"
RESERVES & SURPLUS

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Capital Reserves for Foreign Currency Translation		
Opening Balance	593,925,810	180,846,529
Add : Foreign Currency Translation Capital Reserve	160,282,694	413,079,281
Less : Written Back in Current Year	—	—
Closing Balance	<u>754,208,504</u>	<u>593,925,810</u>
b. Securities Premium Account		
Opening Balance	1,924,752,444	1,924,752,444
Add : Securities premium credited on Share issue	—	—
Less : Premium Utilised for various reasons	—	—
Premium on Redemption of Debentures	—	—
For Issuing Bonus Shares	—	—
Closing Balance	<u>1,924,752,444</u>	<u>1,924,752,444</u>
c. General Reserves		
Opening Balance	195,570,000	195,570,000
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	<u>195,570,000</u>	<u>195,570,000</u>
d. Surplus/(Deficit) in the statement of Profit & Loss		
Opening Balance	679,323,594	706,608,626
Add : Net Profit/(Net Loss) For the current year	(797,162)	(27,285,032)
Add : Transfer from Reserves	—	—
Less : Proposed Dividends	—	—
Less : Interim Dividends	—	—
Less : Transfer to Reserves	—	—
Closing Balance	<u>678,526,432</u>	<u>679,323,594</u>
	<u>3,553,057,380</u>	<u>3,393,571,848</u>

NOTE : "4"
SHORT TERM BORROWINGS

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Unsecured		
a. Loans and advances from related parties		
(i) Orbit Plastics Pvt. Ltd.	—	1,950,000
(Loan repayable on demand ,there is no such repayment schedule)	—	—
	<u>—</u>	<u>1,950,000</u>

**NOTE : "5"
TRADE PAYABLES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Trade Payables	1,005,076	1,243,912
	1,005,076	1,243,912

**NOTE : "6"
OTHER CURRENT LIABILITIES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Deposit against various Leased Properties	50,000	50,000
Deposit for Society Formation	178,930	178,930
Other Liabilities- Advance against sale	—	200,000
Income Received in Advance	—	134,890
Booking Advance - Kevadia	70,030	7,000
	298,960	570,820

**NOTE : "7"
SHORT-TERM PROVISIONS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Provision for employee benefits		
Salary & Reimbursements	245,551	322,357
Contribution to PF	8,324	8,221
Gratuity (Funded)	430,568	335,596
	684,443	666,174
b. Others (Specify nature)		
TDS Payable	23,546	16,411
PT / Cess / ST /VAT Payable	14,293	13,226
Provision for Expenses and Liabilities	1,172,255	805,858
	1,210,094	835,495
	1,894,537	1,501,669

NOTE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2013
**NOTE : "8"
FIXED ASSETS**

(All Figures in ₹)

Fixed Assets	Gross Block						Accumulated Depreciation				Net Block	
	Balance as at 1 April 2012	Addition during the year	Deletion during the Year	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charge for the year	Accumulated depreciation on deletions	Balance as at 31 March 2013	Balance as at 1 April 2012	Balance as at 31 March 2013		
	1	2	3	4	5	6	7	8	9	10		
Tangible Assets (Not Under Lease)												
Land	—	—	—	—	—	—	—	—	—	—		
Buildings	22,050,014	—	471,250	21,578,764	6,032,520	288,718	50,948	6,270,290	16,017,494	15,308,474		
Plant and Equipment	—	—	—	—	—	—	—	—	—	—		
Furniture and Fixtures	17,851,869	3,822,088	—	21,673,957	10,847,222	1,328,098	—	12,175,320	7,004,647	9,498,637		
Vehicles	2,084,576	—	—	2,084,576	1,395,038	70,299	—	1,465,337	689,538	619,239		
Office equipment	2,236,046	96,811	—	2,332,857	1,127,589	73,641	—	1,201,230	1,108,457	1,131,627		
Computers/Printers	54,793,384	131,000	—	54,924,384	54,756,057	23,574	—	54,779,631	37,327	144,753		
Total	99,015,889	4,049,899	471,250	102,594,538	74,158,426	1,784,330	50,948	75,891,808	24,857,463	26,702,730		
Previous Year	92,898,465	6,750,248	1,019,154	98,629,559	73,111,021	1,047,405	386,330	73,772,096	19,787,444	24,857,463		

NOTE : "9"**NON CURRENT INVESTMENTS (AT COST)**

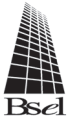
(All Figures in ₹)

Particulars	Current Year 2012-13		Previous Year 2011-12	
	No. of Share	Amount	No. of Share	Amount
Long Term Investments				
(a) In Shares (Quoted)				
Gangotri Textile Ltd.	1,473,188	35,881,280	1,473,188	35,881,280
NHPC Ltd. (Current year market value ₹ 15,668,035/- Previous year market value ₹16,955,473/-)	600,000	18,203,000	600,000	18,203,000
	<u>2,073,188</u>	<u>54,084,279</u>	<u>2,073,188</u>	<u>54,084,279</u>
(b) In Shares (Unquoted)				
Investment in Subsidiary Company				
BSEL Infrastructure Realty (FZE) (100% owned by BSEL Infrastructure Realty Ltd)	—	443,835,000	—	423,432,000
	<u>—</u>	<u>443,835,000</u>	<u>—</u>	<u>423,432,000</u>
	<u>2,073,188</u>	<u>497,919,279</u>	<u>2,073,188</u>	<u>477,516,279</u>

NOTE : "10"**LONG TERM LOANS AND ADVANCES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Loans and advances to related parties		
Secured, considered good	—	—
Unsecured, considered good		
(i) Loans and Advances to BSEL Infrastructure Realty FZE- UAE	3,043,171,716	2,903,129,562
Doubtful	—	—
Less: Provision for doubtful loans and advances	—	—
	<u>3,043,171,716</u>	<u>2,903,129,562</u>
b. Other loans and advances (specify nature)		
Secured, considered good	—	—
Unsecured, considered good		
(i) Advance for Purchase of Land/Property	2,335,734	2,335,734
(ii) Advance against Property (Gorkap)	3,030,000	3,030,000
(iii) Goa Tech Parks Pvt. Ltd.	19,858,461	19,858,461
Doubtful	—	—
Less: Provision for doubtful loans and advances	—	—
	<u>25,224,195</u>	<u>25,224,195</u>
	<u>3,068,395,911</u>	<u>2,928,353,757</u>

**NOTE : "11"
OTHER NON-CURRENT ASSETS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Earnest Money Deposits for Tenders	12,200,000	12,200,000
Deposit for Lease Premises	4,500,000	4,500,000
Other Miscellaneous Deposits	164,944	164,944
Other Deposits for Kevadia	559,811	559,811
TDS in advance	887,467	2,194,353
	18,312,222	19,619,108

**NOTE : "12"
INVENTORIES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Work In Progress of Land, Building & Construction Work at Various Projects		
Opening Stock of Work In Progress	464,364,910	463,812,411
Add: Purchase/Additions/Transfer/(Deletions)/(Consumption)/(Sales) during the year	—	552,499
	—	—
Closing Stock - WIP	464,364,910	464,364,910

**NOTE : "13"
TRADE RECEIVABLES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Trade receivables outstanding for a period less than six months		
Secured, considered good	—	—
Unsecured, considered good	140,837	43,368
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
	140,837	43,368
b. Trade receivables outstanding for a period exceeding six months		
Secured, considered good	—	—
Unsecured, considered good	—	—
(i) Gigeo Construction Co Pvt Ltd.	205,000,000	205,000,000
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
	205,000,000	205,000,000
	205,140,837	205,043,368

NOTE : "14"**CASH AND BANK BALANCE**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Balances with banks		
Balance in Current Account	525,331	770,779
Balance in Fixed Deposit	3,635,919	80,673,194
Bank deposits with more than 12 months maturity		
Balance in Fixed Deposit	75,000,000	540,107
b. Cheques, drafts on hand	767,176	967,176
c. Cash in hand	4,338,632	4,858,938
d. Others (specify nature)	—	—
	84,267,058	87,810,194

NOTE : "15"**SHORT TERM LOANS AND ADVANCES**

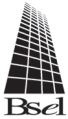
(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Other Loans & Advances		
Secured, considered good	—	—
Unsecured, considered good	17,000,000	17,000,000
Doubtful	—	—
Less: Provision	—	—
	17,000,000	17,000,000

NOTE : "16"**OTHER CURRENT ASSETS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Advance/Imprest to Employees	237,985	399,570
Advacne to Suppliers	50,000	—
Prepaid Expenses	33,423	42,001
	321,408	441,571

**NOTES : "17"
OTHER OPERATIVE REVENUES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Sale of Units	—	—
Other Operating Income	9,665,021	9,730,814
Business Centre Income	113,400	4,063,200
	9,778,421	13,794,014

**NOTES : "18"
OTHER INCOME**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Interest on Fixed Deposit (TDS Current Yr. ₹7,98,617 and Previous Yr. ₹ 3,04,969/-)	7,688,562	3,286,656
Dividend Received	420,000	1,572,136
Foreign Exchange Gain/(Loss)	2,683	6,974
Transfer Charges, NOC Charges, Sign Board Rentals, Misc. Rental and Interest Income	559,271	2,429,494
Profit on sale of Property	1,379,698	(280,093)
	10,050,214	7,015,167

**NOTES : "19"
COST OF MATERIALS CONSUMED**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Direct Project Expenses for various Construction sites		
Direct Material and Direct Expenses	1,684,761	2,994,151
	1,684,761	2,994,151

**NOTES : "20"
EMPLOYEE BENEFIT EXPENSES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
ESIC Paid	17,078	19,623
Gratuity,Bonus, Ex-Gratia & Incentive Paid	176,026	668,240
Directors Remuneration	158,669	616,750
Provident Fund Paid	53,088	77,573
Salaries & Wages	4,786,562	3,540,490
Staff Welfare	85,915	220,402
	5,277,338	5,143,078

NOTES : "21"**OTHER EXPENSES**

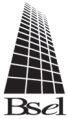
(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Advertisement & Marketing Expenses	133,998	166,140
AGM / EGM Expenses	18,206	15,765
Annual Custody Fees	473,664	483,576
Air Condition Hire Charges	-	17,600
Audit Fees	200,000	200,000
Bank Charges	19,251	83,241
Board Meeting Fees	60,000	70,000
Business Promotion	—	33,549
Brokerage & Commission	—	564,500
Cess paid	1,320	7,447
Conveyance & Transportation	96,986	178,245
Delay Payment Charges	2,262	1,024
Electricity Charges	1,778,537	2,162,488
Insurance	3,705	54,580
Internet Expenses	67,344	54,921
Labour Welfare Fund	—	576
Listing Fees	282,112	433,625
Loss on sale of shares	—	230,482
Maintenance Charges	564,256	490,290
Membership & Subscription Fees	—	21,988
Motor Car Expenses	208,176	391,868
Miscellaneous Expenses	8,616	62,050
Office Expenses	36,183	63,667
Postage & Telegram	157,950	300,785
Printing & Stationery	202,723	452,130
Professional Fees	355,760	412,010
Rent, Rates & Taxes	821,887	1,822,309
Repairs & Maintenance	100,920	1,117,418
Repairs & Maintenance-Gujarat Project	1,521,396	1,757,181
ROC Filing Fees	1,000	5,200
Security Transaction Tax & Other Charges on Shares	281	1,391
Service Tax	222,746	231,544
Share Transfer Charges	212,981	157,893
Stamp Duty & Registration Charges	—	21,460
Telephone Expenses	239,347	400,381
Travelling Expenses (Including Foreign Travel)	205,056	257,936
Water Charges	15,472	79,430
Website Expenses	22,979	37,603
Donation	—	2,500
	8,035,115	12,844,792

NOTES : "22"**EXTRAORDINARY ITEMS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Prior Period Expenses	265,537	151,540
	265,537	151,540



I. NOTE FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013

1. Previous year's figures

The Previous year's figures have been recasted / restated, wherever necessary to confirm to current year classification.

2. Share Capital

The Company has at present, only one class of shares i.e. Equity Shares.

3. Fixed Assets

During the year, the Company has purchased net fixed assets of ₹ 35.79 Lacs (Previous Year: - Purchase of net fixed assets of ₹57.31 Lacs) from its gross block.

4. Loans and Advances

Advances recoverable in cash, kind or value to be received are primarily towards prepayments for value to be received. Other advances represent deposit for office premises, telephone deposit, advance to contractors, advance for the purchase of commercial premises and deposit to the local authorities such as NMMC- Fire Brigade / MSEB etc. Advances also include loans to Subsidiary and Joint Ventures.

5. Auditors Remuneration

(Amount in ₹)

Details	Current Year 2012-2013	Previous Year 2011-2012
Audit Fees	125,000	125,000
Tax Audit Fees	45,000	45,000
Income Tax	25,000	25,000
Other Services	5,000	5,000
Service Tax	24,720	24,720
TOTAL	224,720	224,720

The Audit Fees is provided on annual basis.

6. Foreign Exchange

Foreign currency transactions during the year recorded at the exchange rate prevailing on the date of the transaction.

7. Current Tax

The Company has Provided the current tax of ₹623, 519 as per the Income tax law for the financial year ended 31-03-2013 (Previous Year Tax:- Nil).

8. Earning/Expenditure in Foreign Currency

Earning :- ₹ Nil (Previous Year :- ₹ Nil)

Expenditure :- ₹ 1,63,944. (Previous Year :- ₹1,408)

9. Additional Disclosures in Pursuant to Schedule VI Part II

(Amount in ₹)

Income Related Disclosures	Current Year 2012-2013	Previous Year 2011-2012
Other Incomes		
Interest on Fixed Deposits	7,688,562	3,286,656
Other Miscellaneous Income/ Rent / Interest/Transfer Charges/ Noc Charges	559,271	2,429,494
Dividend Received	420,000	1,572,136
Foreign Exchange Gain/ (Loss)	2,683	6,974

(Amount in ₹)

Expenses Related Disclosures	Current Year 2012-2013	Previous Year 2011-2012
Remuneration to Director	158,669	616,750
Salary, Bonus and other Staff related Expenses	5,118,669	4,526,328
Travelling, Conveyance and Transportation	302,042	436,181
Rent Paid	-	-
Telephone Expenses	239,347	400,381
Legal & Professional Expenses	355,760	412,010
Printing & Stationery	202,723	452,130
Advertisement & Marketing Expenses	133,998	166,140
Loss/ (Gain) on sale of equity shares	-	230,482
Repairs & Maintenance	100,920	1,117,418
Repairs & Maintenance – Gujarat Project	1,521,396	1,757,181
Power & Fuel	1,778,537	2,162,488
Rent, Rates and Taxes	821,887	1,822,309
Auditors Remuneration :		
Statutory Audit Fees	1,25,000	1,25,000
Tax Audit Fees	50,000	50,000
Income Tax Matters and Consultancy Fees	20,000	20,000
Other Services	5,000	5,000
Service Tax	24,720	24,720
Bank Charges	19,251	83,241
Bad Debts	—	30,000,000
Brokerage & Commission	—	564,500

10. Related Party Disclosures

Related Party Disclosure as required by AS-18 "Related Party Disclosure" are given below :

1 Individuals owing directly or indirectly an interest in the voting power that gives them control or significant influence:

Name of the Party	Nature of Relationship
Kirit R. Kanakiya	- Director

2. Key Management Personnel

Name of the Party	Nature of Relationship
Kirit R. Kanakiya	- Director
Disha R Devrukhkar	- Whole-Time Director

3. Other Related Parties and Nature of Relationship**(a) Nature of Relationship :- Associate Concerns****(b) Name of the Parties**

a. Beachcraft Investment & Trading Co. Pvt. Ltd.,	b. Blackmore Investment & Trading Co. Pvt. Ltd.,
c. Consisent Packagers Pvt. Ltd.,	d. Pleasant Packaging Co. Pvt. Ltd.,
e. Poornima Commercial Pvt. Ltd.,	f. Pravara Commercial Pvt. Ltd.,
g. Relaxed Packagers Pvt. Ltd.,	h. Orbit Plastics Private Limited
i. Timberhill Engineers Pvt. Ltd.,	j. KKR Commercial Brokerage, LLC
k. Total Bizcon Solution Limited	l. Western Bizcon Services Ltd.
m. Contact Consultancy Services Pvt. Ltd.,	n. Stock Watch Securities Pvt. Ltd.,
o. Stock Watch	p. Supreme Compliment Sdn. Bhd.
q. BSEL Molek Sdn. Bhd.	r. Jitovest Sdn. Bhd.
s. Splendid Advisory Sdn. Bhd.	t. BSEL Resources Sdn. Bhd.



4. Subsidiaries and Joint Ventures

a. Wholly Owned Subsidiary/Sub-Subsidiary

BSEL Infrastructure Realty FZE

b. Sub-Subsidiaries

BSEL Waterfront Sdn. Bhd.

BSEL Infrastructure Realty Sdn. Bhd.

c. Joint Ventures

Goa Tech Parks Pvt. Ltd.

11. The Following transactions were carried out with the related parties in the Ordinary Course of Business. Details regarding the parties referred to in items (1) to (4) above

(₹ In Lacs)

Particulars	Key Management Personnel	Joint Ventures & Associate Concern	W.O.S. & Sub-subsidiaries	Total
Managerial Remuneration	1.59	—	—	1.59
Investments	—	—	4,438.35	4,438.35
Loans and Advances Given	—	198.58	30,431.72	30,630.30
Guarantee and Security Taken	—	—	11,459.28	11,459.28
Guarantee and Security Given	—	—	1,315.61	1,315.61

12. Earnings Per Share

The earnings considered in ascertaining the Company's earnings per share comprise of the net profit after tax.

(₹ in Lacs)

Particulars	Current Year 2012-2013	Previous Year 2011-2012
A. Net Profit (Loss)after Tax	(7.97)	(272.85)
Add : Excess Provision and refund of taxes of earlier years (Net)	—	—
Net Profit (Loss) for calculation of Earning per share (Numerator)	(7.97)	(272.85)
B. Weighted Average Number of Equity Shares (Denominator) (Nos.)	826.17	826.17
C. Basic and diluted Earning Per Share (A/B) (In Rupees)	(0.01)	(0.33)
D. Nominal Value per Equity Share (In Rupees)	10.00	10.00

13. Deferred tax

During the year company has generated the profit but being losses in previous year and company management was not hopeful to generate the profit in near future hence company has not provided the DTA in previous year and all the net deferred tax liability has been transferred to profit and loss account. Hence there is no DTL available with the company to adjust the current year DTA. Hence no DTA provision is made in books of account.

Particulars	As at 31.03.2013 (₹)	As at 31.03.2012 (₹)
Liability		
Deferred tax liability related to fixed assets	0	0
Asset		
Deferred tax assets on account of unabsorbed loss under the Income-tax Act, 1961	0	0
Net deferred tax transferred to Profit & Loss	0	(4,632,396)
Opening Balance of deferred tax liability	0	4,632,396
Deferred tax liability as per Balance Sheet	0	0

14. Consolidated Financial Statements

The consolidated financial statements are published as per the Accounting Standard 21 – Consolidated Financial Statements issued by Institute of Chartered Accountants of India.

15. Dues to Small Scale Industrial Undertakings

Due to Micro, Small, Medium Enterprises as defined under the MSMED Act, 2006 is ₹ Nil (Previous Year ₹ Nil). This information has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

16. There are no amounts due and outstanding to be credited to Investor Education Protection Fund.

17. Employees Benefits

a) Defined Contribution Plans

The Group's Contribution paid/ payable during the year towards Provident Fund is charged in the Profit and Loss Account every year

b) Defined Benefit Plan

During the current Financial year Provisions of ₹94,972/- (Previous Year ₹71,653/-) is made towards Gratuity liability as on 31.03.2013 under the payment of Gratuity Act,1972.

18. Provision for Doubtful Debts

There is no doubtful amount receivable from the parties; therefore no provision has been made towards Doubtful Debts in the books of accounts. Further the management has opinion that advance given to the wholly owned subsidiary will be recovered in normal course & business once the recovery comes in Dubai market. The management is of the opinion that amount due from wholly owned subsidiary is not doubtful hence no provision made in books of account. The loan given to wholly owned subsidiary is for the purpose of business operation. The nature of transfer represent interest free loan provided to its wholly owned subsidiary will not fined repayment schedule.

19. Prior Period Items

Prior period items having material impact on the financial affairs of the company have been disclosed.

20. There is no employee drawing Salary of ₹ 2 Lacs per month or more.

21. Contingent liability which can be reasonably ascertained are provided for if it is in the opinion of the Company the future outcome of the same may be detrimental to the Company.

22. All the Loans and Advances (Assets) and Current Assets and Current Liabilities are subject to confirmation from the respective parties.

23. Balance of Unpaid Dividend Account as at 31st March, 2013 is ₹1,017,963/-.

24. Other additional information pursuant to Schedule VI Part II of the Companies Act, 1956 are not applicable to the Company.

As per our Report of Even Date

For RAJU & PRASAD CHARTERED ACCOUNTANTS

Sd/-

CA Avinash Jaain

Partner

Membership No. 41689

Place : Mumbai

Date : 30.05.2013

For BSEL INFRASTRUCTURE REALTY LIMITED

Sd/-

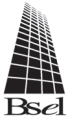
Disha R Devrukhkar

Whole-Time Director

Sd/-

Kirit R Kanakiya

Director



1. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India including the mandatory accounting standards issued by the institute of Chartered Accountants of India (ICAI) and referred to in Section 211 (3C) of the Companies Act, 1956 (The Act). The significant accounting policies adopted for the preparation of the financial statements are as follows:

a. Revenue Recognition

Revenue from projects is recognized based on percentage completion method, which is determined on the basis of the stage of completion of ongoing projects on the Balance Sheet date. The stage of completion is determined based on progress of the work and estimation of the architects.

b. Fixed Assets

Fixed assets are stated at cost of acquisition minus the accumulated depreciation. Advances paid towards acquisition of the fixed assets which have not been installed or put to use and the cost of the assets not put to use, before the year end, are disclosed under advance for purchase of assets.

c. Inventories

Inventories are valued at the lower of cost or net realizable value. The cost is determined on a first in first out basis and includes all applicable overheads in bringing the inventories to their present location and condition.

d. Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as a part of the cost of the assets.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

e. Deferred Tax

Deferred tax asset or liability has been determined in pursuant to the AS-22-Accounting for taxes on Income.

f. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating financing and investing activities of the company are segregated.

g. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include accounting for contract cost expected to be incurred, contract revenues, stage of completion, provisions, income taxes, useful lives of fixed assets etc. actual results could be different from those estimates.

h. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of the asset and from its ultimate disposal are discounted to their present values using a pre-determined discount rate that reflects the current market assessments of the time value of money and risks specific to the asset.

B. DEPRECIATION

Depreciation on fixed assets is provided using the straight line method, based on the useful life as estimated by the management. Depreciation is charged on pro-rata basis for assets purchased / sold during the year. The management's estimates of useful life for various fixed assets are given below:

Furniture & Fixtures	-	6 Years
Computer Equipments	-	3 Years

C. INVESTMENT

Current Investments are stated at lower of cost and fair value. The long term Investments are stated at cost after deducting provisions made for permanent diminution in the rate of exchange if any.

D. PROVIDENT FUND

The benefits of Provident Fund are received by the eligible employees, which is defined in contribution plan. Both the employees and the Company are making monthly contribution to this Provident Fund equal to specified percentage of the covered employees' salary.

E. SEGMENT ACCOUNTING POLICIES

The company has only one segment of operation i.e. Infrastructure activity in local market. So segment wise Income/ Expenditure/ Assets and Liabilities are not presented.

F. OTHER ACCOUNTING POLICIES

Other accounting policies are consistent with generally accepted accounting policies.

As per our Report of Even Date

For RAJU & PRASAD CHARTERED ACCOUNTANTS

For BSEL INFRASTRUCTURE REALTY LIMITED

Sd/-

CA Avinash Jaain

Partner

Membership No. 41689

Sd/-

Disha R Devrukhkar

Whole-Time Director

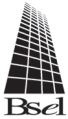
Sd/-

Kirit R Kanakiya

Director

Place : Mumbai

Date : 30.05.2013



INDEPENDENT AUDITORS' OPINON

To the Members of BSEL INFRASTRUCTURE REALTY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of BSEL Infrastructure Realty Limited (the Company and its subsidiaries constitute "The Group") which comprise the Consolidated Balance Sheet as at 31st March, 2013, the Statement of Consolidated Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the 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 the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The Consolidated Financial Statements of one wholly owned Subsidiary along with two Sub-Subsidiaries have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the said report.

We regard that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards-21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

Opinion

Based on our audit and consideration of report of other auditors, on separate Financial Statements and to the best of our information and according to explanations given to us, we are of the opinion that attached Consolidated Financial Statements gives a true and fair view in conformity with the accounting principles generally accepted in India. Subject to the followings opinion :

- a) Figures of the sub subsidiary companies incorporated in Malaysia have been extracted from the financial statement audited by another firm of independent auditor, which has modified their opinion and include para for matter of emphasis.
- b) In FZE they did not receive independent confirmations from the accounts receivable, account payable and other liabilities, which has limited their scope to verify the balances independently, the management has confirmed to them that due to the nature of sales transaction of the establishment, they cannot provide the independent confirmation for the account receivable. However the fair value of account receivable is not materially different than stated in the financial statement and is considered good.
- c) In the absence of independent valuer certificate, they are unable to express opinion on value of work in progress of FZE.
- d) In FZE, they did not receive independent confirmation from Ajman Bank, Bank of Baroda, Dubai Islamic bank and Emirates Islamic Bank, Further they are not able to verify the balance with the bank independently.
- e) In FZE, investment in associates and Subsidiary to be accounted on fair value basis. We draw attention that there be any impairment in investment, the losses would have increased to that extent
- f) In FZE, they did not received the adequate information to ascertain the list of pending or threatened litigation or claim against the company and list of unasserted claims and lawyers confirmation letter for the same, which has limited their scope to verify independently the completeness of the contingent liabilities and the possibility of any reimbursement.
- g) In FZE, auditor is not aware of any contraventions except as stated above, during the year of the above mentioned laws, which may have material effect on the financial position of the group or result of its operations for the year.
- h) **Matter of Emphasis**
Without qualifying our opinion we draw attention to the fact that the establishment is in a continued loss situation, the accumulated losses have eroded the share capital and the establishment is financially dependent on the funds provided by shareholders in order to continue the business as a going concern. The management has assured that funds shall continuously be injected to sustain losses.
- i) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2013.
- j) In the case of the Consolidated Profit & Loss account, of the Loss of the Group for the year ended on that date; and
- k) In the case of Consolidated Cash Flow Statement, of the Consolidated Cash Flows of the Group for the year ended on that date.

For RAJU & PRASAD CHARTERED ACCOUNTANTS

FRN. : 003475 S

Sd/-

CA Avinash Jaïn

Partner

Membership No.:41689

Place : Mumbai

Date : 30.05.2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH,2013

(All Figures in ₹)

Sl. No.	Particulars	Note No.	Current Year 2012-13	Previous Year 2011-12
I. EQUITY AND LIABILITIES				
1	Shareholders' Funds			
	(a) Share Capital	2	826,168,400	826,168,400
	(b) Reserves and Surplus	3	2,488,247,498	2,489,900,822
	(c) Money received against share warrants		—	—
2	Share application money pending allotment		—	—
3	Non-Current Liabilities			
	(a) Long-term borrowings		—	—
	(b) Deferred tax liabilities (Net)		—	—
	(c) Other long-term liabilities		—	—
	(d) Long-term provisions		—	—
4	Current Liabilities			
	(a) Short-term borrowings	4	35,690,045	35,999,381
	(b) Trade Payables	5	1,670,830,539	1,592,896,416
	(c) Other Current liabilities	6	1,145,596,137	1,098,620,540
	(d) Short-term provisions	7	2,766,569	2,346,839
	TOTALEQUITY AND LIABILITIES		6,169,299,188	6,045,932,398
II. ASSETS				
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	8	26,702,730	24,857,463
	(ii) Intangible assets		—	—
	(iii) Capital work-in-progress		—	—
	(iv) Intangible assets under development		—	—
	(b) Non-current investment	9	54,084,279	54,084,279
	(c) Deferred tax assets (net)		—	—
	(d) Long-term loans and advances	10	41,092,317	40,362,862
	(e) Other non-current assets	11	18,319,619	20,063,711
2	Current assets			
	(a) Current investment		—	—
	(b) Inventories	12	2,800,745,282	2,800,745,282
	(c) Trade receivables	13	3,068,706,188	2,931,425,685
	(d) Cash and cash equivalents	14	85,961,147	102,348,506
	(e) Short-term loans & advances	15	73,366,217	71,592,933
	(f) Other current assets	16	321,408	451,677
	TOTAL ASSETS		6,169,299,188	6,045,932,398
	Notes to the accounts	1 to 33		

As per our Report of Even Date

For RAJU & PRASAD CHARTERED ACCOUNTANTS

For BSEL INFRASTRUCTURE REALTY LIMITED

Sd/-

CA Avinash Jain

Partner

Membership No. 41689

Sd/-

Disha R Devrukhkar

Whole-Time Director

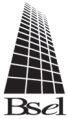
Sd/-

Kirit R Kanakiya

Director

Place : Mumbai

Date : 30.05.2013

**CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

(All Figures in ₹)

Sl. No.	Particulars	Note No.	Current Year 2012-13	Previous Year 2011-12
I.	Revenue from operations			
	Other operative Revenues	17	2,972,951	(279,007,746)
II.	Other Income	18	17,144,103	85,569,975
III.	Total Revenues (I+II)		20,117,054	(193,437,771)
IV.	Expenses:			
	a. Cost of Materials consumed	19	1,684,761	2,994,151
	b. Purchase of Stock in trade		—	—
	c. Changes in inventories of finished goods, WIP and stock-in-trade		—	(552,500)
	d. Employee benefits expenses	20	5,277,338	5,683,293
	e. Finance cost	21	—	15,427
	f. Depreciation and amortization expenses	8	1,784,330	1,047,405
	g. Bad Debts		—	149,148,641
	h. Other Expenses	22	12,543,265	31,265,594
	Total Expenses		21,289,694	189,602,011
V.	Profit before exceptional and extra-ordinary itmes and tax (III-IV)		(1,172,640)	(383,039,782)
VI.	Exceptional Itmes		—	—
VII.	Profit before extra-ordinary itmes and tax (V-VI)		(1,172,640)	(383,039,782)
VIII.	Extraordinary Items	23	265,537	2,414,143,088
IX.	Profit/(Loss) before tax		(1,438,177)	(2,797,182,870)
X.	Tax Expenses			
	a. Current Tax		623,519	—
	b. Provision of Tax for Earlier years		2,955,197	1,098,143
	c. Deferred Tax Liability/(Assets)		—	(4,632,396)
XI.	Profit /(Loss) for the period from continuing operations (IX-X)		(5,016,893)	(2,793,648,617)
XII.	Profit /(Loss) from discontinuing operations		—	—
XIII.	Tax expenses of discontinuing operations		—	—
XIV.	Profit /(Loss) from discontinuing operations (after tax)(XII-XIII)		—	—
XV.	Profit /(Loss) for the period (XI-XIV)		(5,016,893)	(2,793,648,617)
XVI.	Earning per equity share:			
	(1) Basic		(0.06)	(33.81)
	(2) Diluted		(0.06)	(33.81)
	Notes to the accounts	1 to 33		

As per our Report of Even Date

For RAJU & PRASAD CHARTERED ACCOUNTANTS

For BSEL INFRASTRUCTURE REALTY LIMITED

Sd/-
CA Avinash Jaani
Partner
Membership No. 41689

Sd/-
Disha R Devrukhkar
Whole-Time Director

Sd/-
Kirit R Kanakiya
Director

Place : Mumbai
Date : 30.05.2013

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

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax & extraordinary items	(1,172,640)	(383,039,782)
Adjustments for :		
Extra Ordinary Items	(265,537)	(2,414,143,088)
Depreciation	1,784,330	1,047,405
Other Income	(17,144,103)	(85,569,975)
Operating profits before working capital changes	(16,797,950)	(2,881,705,440)
Adjustments for :		
Trade Receivable	(137,280,503)	121,590,408
Deposits (Assets) Loans & Advances	(628,378)	124,309,469
Inventories	—	(868,167,894)
Provision for Tax	(623,519)	—
Provision for Tax of Earlier Years	(2,955,197)	(1,098,143)
Provision for Deferred Tax	—	4,632,396
Trade Payable and other liabilities	125,020,114	2,426,586,943
Net cash from operating activities	(33,265,433)	(1,073,852,261)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Foreign Currency Translation Reserve	3,363,570	874,309,509
Sale/(Purchase) of investment	—	957,036
Sale/(Purchase) of fixed assets	(3,629,597)	(6,117,424)
Net cash from investing activities	(266,027)	869,149,121
C. CASH FLOW FROM FINANCING ACTIVITIES		
Other Income	17,144,103	85,569,975
Loan from Bank	—	—
Net cash from financing activities	17,144,103	85,569,975
Net increase/(decrease) in cash & cash equivalent	(16,387,358)	(119,133,165)
Cash & cash equivalent opening balance	102,348,506	221,481,672
Cash & cash equivalent closing balance	85,961,147	102,348,506

For BSEL INFRASTRUCTURE REALTY LIMITED

Place : Mumbai
Date : 30.05.2013

Sd/-
Disha R Devrukhkar
Whole-Time Director

Sd/-
Kirit R Kanakiya
Director

AUDITOR'S CERTIFICATE

We have examined the attached Consolidated Cash Flow Statement of **M/S. BSEL INFRASTRUCTURE REALTY LIMITED**, for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreement with Stock Exchanges and is based on and in agreement with the corresponding Balance Sheet of the Company covered by our report of even date to the members of the Company.

For RAJU & PRASAD CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 30.05.2013

Sd/-
CA. Avinash T. Jain
Partner
Membership No.41689



NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

**NOTE : "2"
SHARE CAPITAL**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Authorised Capital		
150,000,000 Equity Shares of ₹10/- each	1,500,000,000	1,500,000,000
b. Issued Subscribed and Paid Up		
82,616,840 Equity Shares of ₹ 10/- each fully paid up	826,168,400	826,168,400
	826,168,400	826,168,400
c. Par value per Share		
Equity Shares	₹ 10 /-	₹ 10 /-

d. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	82,616,840	826,168,400	82,616,840	826,168,400
Shares Issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Any other movement (please specify)	—	—	—	—
Shares outstanding at the end of the year	82,616,840	826,168,400	82,616,840	826,168,400

e. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Particulars	Nature of Relationship	As at 31 March 2013	As at 31 March 2012
Equity Shares			
NA			

f. Shareholders holding ordinary shares more than 5% :

Particulars	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Name of Shareholder				
Kirit Ramniklal Kanakiya	4,942,180	5.98	4,942,180	5.98

NOTE : "3"
RESERVES & SURPLUS

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Capital Reserves for Foreign Currency Translation		
Opening Balance	936,890,673	62,581,164
Add : Foreign Currenty Translation Capital Reserve/(Loss)	3,363,570	874,309,509
Less : Written Back in Current Year	—	—
Closing Balance	<u>940,254,243</u>	<u>936,890,673</u>
b. Securities Premium Account		
Opening Balnace	1,924,752,444	1,924,752,444
Add : Securities premium credited on Share issue	—	—
Less : Premium Utilised for various reasons	—	—
Premium on Redemption of Debentures	—	—
For Issuing Bonus Shares	—	—
Closing Balance	<u>1,924,752,444</u>	<u>1,924,752,444</u>
c. General Reserves		
Opening Balance	195,570,000	195,570,000
Add : Current Year Transfer	—	—
Less : Written Back in Current Year	—	—
Closing Balance	<u>195,570,000</u>	<u>195,570,000</u>
d. Surplus		
Opening Balance	(567,312,295)	2,226,336,322
Add : Profit/(Loss) for the year	(5,016,893)	(2,793,648,617)
Add : Transfer from Reserves	—	—
Less : Proposed Dividends	—	—
Less : Interim Dividends	—	—
Less : Transfer to Reserves	—	—
Closing Balance	<u>(572,329,189)</u>	<u>(567,312,295)</u>
	<u>2,488,247,498</u>	<u>2,489,900,822</u>

NOTE : "4"
SHORT TERM BORROWINGS

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Unsecured		
a. Loans and advances from related parties		
(i) Orbit Plastics Pvt. Ltd. (Loan repayable on demand ,there is no such repayment schedule)	—	1,950,000
(ii) Mr. Kirit Kanakiya- Representative of Holding Company (Loan repayable on demand ,there is no such repayment schedule)	35,690,045	34,049,381
	<u>35,690,045</u>	<u>35,999,381</u>

**NOTE : "5"****TRADE PAYABLES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Trade Payables	1,670,830,539	1,592,896,416
	<u>1,670,830,539</u>	<u>1,592,896,416</u>

NOTE : "6"**OTHER CURRENT LIABILITIES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Share Holders Loan Accounts	—	—
Vehicles Loan (Current Portion)	—	—
Bills Payable	—	—
Other Liabilities-Advance against Sale/from Customer	—	—
Deposit against various Leased Properties	50,000	50,000
Deposit for Society Formation	178,930	178,930
Other Liabilities- HSBC Singapore	1,145,297,177	1,098,249,720
Income Received in Advance	—	134,890
Booking Advance - Kevadia	70,030	7,000
	<u>1,145,596,137</u>	<u>1,098,620,540</u>

NOTE : "7"**SHORT-TERM PROVISIONS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Provision for employee benefits		
Salary & Reimbursements	245,551	322,357
Contribution to PF	8,324	8,221
Gratuity (Funded)	430,568	335,596
	<u>684,443</u>	<u>666,174</u>
b. Others (Specify nature)		
TDS Payable	23,546	16,411
PT / Cess / ST /VAT Payable	14,293	13,226
Provision for Expenses and Liabilities	1,172,255	805,858
Provision FZE	872,032	845,170
	<u>2,082,126</u>	<u>1,680,665</u>
	<u>2,766,569</u>	<u>2,346,839</u>

NOTE FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013NOTE : "g"
FIXED ASSETS

(All Figures in ₹)

Fixed Assets	Gross Block			Accumulated Depreciation				Net Block		
	Balance as at 1 April 2012	Addition during the year	Deletion during the year	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charge for the year	Accumulated depreciation on deletions	Balance as at 31 March 2013	Balance as at 1 April 2012	
	1	2	3	4	5	6	7	8	9	10
Tangible Assets (Not Under Lease)										
Land	—	—	—	—	—	—	—	—	—	—
Buildings	22,050,014	—	471,250	21,578,764	6,032,520	288,718	50,948	6,270,290	16,017,494	15,308,474
Plant and Equipment	—	—	—	—	—	—	—	—	—	—
Furniture and Fixtures	19,648,612	3,822,088	—	23,470,700	12,643,965	1,328,098	—	13,972,063	7,004,647	9,498,637
Vehicles	9,727,854	—	—	9,727,854	9,038,316	70,299	—	9,108,615	689,538	619,239
Office equipment	2,293,781	96,811	—	2,390,592	1,185,324	73,641	—	1,258,965	1,108,457	1,131,627
Computers/Printers	55,562,871	131,000	—	55,693,871	55,525,544	23,574	—	55,549,118	37,327	144,753
Total	109,283,132	4,049,899	471,250	112,861,781	84,425,669	1,784,330	50,948	86,159,051	24,857,463	26,702,730
Previous Year	103,165,708	6,750,248	1,019,154	108,896,802	83,378,264	1,047,405	386,330	84,039,339	19,787,444	24,857,463



NOTE : "9"

NON CURRENT INVESTMENTS (AT COST)

(All Figures in ₹)

Particulars	No. of Share	Current Year	No. of Share	Previous Year
		2012-13 Amount		2011-12 Amount
Long Term Investments				
In Shares (Quoted)				
Gangotri Textile Ltd.	1,473,188	35,881,280	1,473,188	35,881,280
NHPC Ltd.	600,000	18,203,000	600,000	18,203,000
(Current year market value ₹ 15,668,035/- Previous year market value ₹16,955,473/-)				
	2,073,188	54,084,279	2,073,188	54,084,279

NOTE : "10"

LONG TERM LOANS AND ADVANCES

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Loans and advances to related parties		
Secured, considered good	—	—
Unsecured, considered good		
(i) BSEL Molke Sdn Bhd Malaysia	8,457,809	8,069,005
(ii) Jitovest Sdn Bhd Malaysia	2,470,105	2,356,554
(iii) Splendid Advisory Sdn Bhd Malaysia	2,470,105	2,356,554
(iv) Supreme Compliment Sdn Bhd Malaysia	2,470,105	2,356,554
Doubtful	—	—
Less: Provision for doubtful loans and advances	—	—
	<u>15,868,122</u>	<u>15,138,667</u>
b. Other Long Term Loans and advances		
Secured, considered good		
Unsecured, considered good		
(i) Advance against Property (Gorkap)	3,030,000	3,030,000
Loans and Advances to BSEL Infrastructure Realty FZE- UAE	—	—
(ii) Advance for Purchase of Land/Property	2,335,734	2,335,734
(iii) Goa Tech Parks Pvt. Ltd.	19,858,461	19,858,461
Doubtful	—	—
Less: Provision for doubtful loans and advances	—	—
	<u>25,224,195</u>	<u>25,224,195</u>
	<u>41,092,317</u>	<u>40,362,862</u>

NOTE : "11"**OTHER NON-CURRENT ASSETS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Earnest Money Deposits for Tenders	12,200,000	12,200,000
Deposit for Lease Premises	4,500,000	4,500,000
Other Miscellaneous Deposits	164,944	164,944
Other Deposits for Kevadia	559,811	559,811
Deposit FZE	7,397	444,604
TDS in advance	887,467	2,194,353
	18,319,619	20,063,711

NOTE : "12"**INVENTORIES**

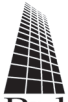
(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Work In Progress of Land, Building & Construction Work at Various Projects		
Opening Stock of Work In Progress	2,800,745,282	2,404,986,902
Add: Purchase/Additions/Transfer/(Deletions)/(Consumption)/ (Sales) during the year	—	395,758,381
	—	—
Closing Stock - WIP	2,800,745,282	2,800,745,282

NOTE : "13"**TRADE RECEIVABLES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Trade receivables outstanding for a period less than six months		
Secured, considered good		
Unsecured, considered good	140,837	43,368
Unsecured, considered doubtful	—	—
Less: Provision for doubtful debts	—	—
	140,837	43,368
b. Trade receivables outstanding for a period exceeding six months		
Secured, considered good		
Unsecured, considered good		
(i) Gigeo Construction Co Pvt Ltd.	205,000,000	205,000,000
(ii) Trade Receivable of BSEL Infrastructure Realty FZE	2,863,565,352	2,726,382,317
Less: Provision for doubtful debts	—	—
	3,068,565,352	2,931,382,317
	3,068,706,188	2,931,425,685

**NOTE : "14"****CASH AND BANK BALANCE**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Balances with banks		
Balance in Current Account	2,219,420	15,309,091
Balance in Fixed Deposit	3,635,919	80,673,194
Bank deposits with more than 12 months maturity		
Balance in Fixed Deposit	75,000,000	540,107
b. Cheques, drafts on hand	767,176	967,176
c. Cash in hand	4,338,632	4,858,938
d. Others (specify nature)	—	—
	85,961,147	102,348,506

NOTE : "15"**SHORT TERM LOANS AND ADVANCES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
a. Loans and Advance to Related Parties		
Secured, considered good	—	—
Unsecured, considered good		
(i) BSEL Molek Sdn Bhd Malaysia	40,107,993	39,082,096
(ii) Jitovest Sdn Bhd	5,170,900	4,933,195
(iii) Splendid Advisory Sdn Bhd	5,170,900	4,933,195
(iv) Supreme Compliments Sdn Bhd	5,916,424	5,644,447
Doubtful		
Less: Provision		
	56,366,217	54,592,933
b. Other Loans & Advances		
Secured, considered good	—	—
Unsecured, considered good	17,000,000	17,000,000
Doubtful	—	—
Less: Provision	—	—
	17,000,000	17,000,000
	73,366,217	71,592,933

NOTE : "16"**OTHER CURRENT ASSETS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Advance/Imprest to Employees	237,985	399,570
Advance to Suppliers-	50,000	—
Deposit and Advances for Purchase of Lot 1 at Malaysia	—	—
Prepaid Expenses	33,423	52,107
	321,408	451,677

NOTES : "17"**OTHER OPERATIVE REVENUES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Sale of Units (Net of Cancellation)	(6,805,470)	(292,801,760)
Other Operating Income	9,665,021	9,730,814
Business Centre Income	113,400	4,063,200
	2,972,951	(279,007,746)

NOTES : "18"**OTHER INCOME**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Interest on Fixed Deposit (TDS Current Yr. ₹ 7,98,617 and Previous Yr. ₹ 3,04,969/-)	7,688,562	3,286,656
Dividend Received	420,000	1,572,136
Foreign Exchange Gain/(Loss)	2,683	6,974
Transfer Charges, NOC Charges, Sign Board Rentals, Miscellaneous Rental and Interest Income	559,271	2,429,494
Profit on sale of Property	1,379,698	(280,093)
Transfer and Cancellation of Apartments	—	77,624,062
Gain on Sale of Property, Plant & Equipment	—	776,292
Excess provision no more required	7,093,889	—
Miscellaneous Income	—	154,454
	17,144,103	85,569,975

NOTES : "19"**COST OF MATERIALS CONSUMED**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Direct Project Expenses for various Construction sites		
Direct Material and Direct Expenses	1,684,761	2,994,151
	1,684,761	2,994,151

NOTES : "20"**EMPLOYEE BENEFIT EXPENSES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
ESIC Paid	17,078	19,623
Gratuity, Bonus, Ex-Gratia & Incentive Paid	176,026	668,240
Directors Remuneration	158,669	616,750
Provident Fund Paid	53,088	77,573
Salaries & Wages	4,786,562	4,080,705
Staff Welfare	85,915	220,402
	5,277,338	5,683,293

NOTES : "21"**FINANCE COST**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Interest Paid by UAE Company	—	15,427
	—	15,427

**NOTES : "22"****OTHER EXPENSES**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Advertisement & Marketing Expenses	133,998	166,140
AGM / EGM Expenses	18,206	15,765
Annual Custody Fees	473,664	483,576
Air Condition Hire Charges	—	17,600
Audit Fees	355,342	348,201
Bank Charges	1,240,922	2,986,968
Board Meeting Fees	60,000	232,174
Business Promotion	—	33,549
Brokerage & Commission	—	904,445
Cess paid	1,320	7,447
Conveyance & Transportation	96,986	178,245
Delay Payment Charges	2,262	1,024
Electricity Charges	1,778,537	2,162,488
Insurance	3,705	54,580
Internet Expenses	67,344	54,921
Labour Welfare Fund	—	576
Listing Fees	282,112	433,625
Loss on sale of shares	—	230,482
Maintenance Charges	564,256	490,290
Membership & Subscription Fees	—	21,988
Motor Car Expenses	208,176	783,105
Miscellaneous Expenses	177,998	303,420
Office Expenses	36,183	63,667
Postage & Telegram	157,950	300,785
Printing & Stationery	248,009	477,649
Professional Fees	2,470,397	11,948,810
Rent paid	636,164	1,557,990
Rent, Rates & Taxes	821,887	1,822,309
Repairs & Maintenance	215,932	1,117,418
Repairs & Maintenance-Gujarat Project	1,521,396	1,757,181
ROC Filing Fees	1,000	5,200
Security Transaction Tax & Other Charges on Shares	281	1,391
Service Tax	222,746	231,544
Share Transfer Charges	212,981	157,893
Stamp Duty & Registration Charges	—	21,460
Telephone Expenses	239,347	400,381
Travelling Expenses (Including Foreign Travel)	205,056	967,608
Water Charges	15,472	79,430
Website Expenses	22,979	37,603
Utilities	50,656	404,166
Donation	—	2,500
	12,543,265	31,265,594

NOTES : "23"**EXTRAORDINARY ITEMS**

(All Figures in ₹)

Particulars	Current Year 2012-13	Previous Year 2011-12
Prior Period Expenses	265,537	151,540
Penalty Dubai Towers	—	1,007,980,257
Devolvement of Guarantee- Dubai Towers	—	1,406,011,291
	265,537	2,414,143,088

I. NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013.

1. Previous Year's Figures

The previous year's figures have been recasted / restated, wherever necessary to confirm to current year classification.

2. Figures of the subsidiary and sub-subsidiaries companies incorporated in UAE and Malaysia have been extracted from the financial statements audited by another firm of independent auditors.

3. Share Capital, Share Holdings and Activity

1. STATUS

The consolidated financial statements of BSEL Infrastructure Realty FZE represents the operations of following entities:

a. Company in United Arab Emirates :

BSEL Infrastructure Realty (FZE) is a Free Zone Establishment with a Limited Liability incorporated in accordance with the provisions of Sharjah Emiri Decree No.2 of 1995 in the Sharjah Airport International Free Zone, Sharjah, United Arab Emirates bearing Trade License No.02-01-03687 issued on dated 19th February, 2006.

Name of the Shareholder	% of Share
M/s. BSEL Infrastructure Realty Limited. India	100%

b. Companies in Malaysia :

i) **BSEL Infrastructure Realty Sdn. Bhd.** is a private limited company, incorporated and domiciled in Malaysia. The registered office of the company is located at 17-03, Susur Dewata, Larkin Perdana, 80350 Johor Bahru.

Name of Shareholder	% of Share
M/s. BSEL Infrastructure Realty FZE, United Arab Emirates	100%

ii) **BSEL Waterfront Sdn. Bhd.** is a private limited company, incorporated and domiciled in Malaysia. The registered office of the company is located at 17-03, Susur Dewata, Larkin Perdana, 80350 Johor Bahru.

Name of Shareholder	% of Share
M/s. BSEL Infrastructure Realty Sdn. Bhd. Malaysia	100%

2. ACTIVITY

i) BSEL Infrastructure Realty FZE, UAE

The Company is engaged in the development of real estate & related activities.

ii) BSEL Infrastructure Realty Sdn. Bhd., Malaysia

The Principal activity of the company and its subsidiary company during the financial period under review consists of that relating to development of real estate.

iii) BSEL Waterfront Sdn. Bhd.

The Principal activity of the company during the financial period under review consists of that relating to development of real estate.

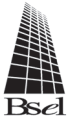
4. Fixed Assets

During the year, the Company Purchase of net fixed assets of ₹35.79 Lacs (Previous Year :- Purchase of net fixed assets of ₹ 57.31 Lacs) from its gross block.

5. Investments in Subsidiary and Sub-subsidiary Concerns

(Amount in ₹)

Particulars	Opening Balance	Additions	Disposals	Add/(Less) Exchange Gain/ (Loss)	Closing
BSEL Infrastructure Realty FZE	423,432,000	—	—	20,403,000	443,835,000
BSEL Molek Sdn. Bhd. Malaysia	8,069,005	—	—	388,804	8,457,809
Jitovest Sdn. Bhd. Malaysia	2,356,554	—	—	113,551	2,470,105
Splendid Advisory Sdn. Bhd. Malaysia	2,356,554	—	—	113,551	2,470,105
Supreme Compliment Sdn. Bhd. Malaysia	2,356,554	—	—	113,551	2,470,105
Total	438,570,667	—	—	21,132,457	459,703,124



6. Loans and Advances

Advances recoverable in cash, kind or value to be received are primarily towards prepayments for value to be received. Other advances represent deposit for office premises, telephone deposit, advance to architect, advance to contractors, advance for the purchase of commercial premises and deposits to the local authorities such as NMMC- Fire Brigade / MSEB etc. Advances also includes loans to subsidiary and joint ventures.

7. Inventories (Work in Progress)

BSEL Infrastructure Realty FZE : The Work in Progress represent total 7 plots (D8,D9,D10,D11,D12,D13 and D14) purchased and construction work in progress at emirates city on emirates road, Ajman, United Arab Emirates . As per Co-operation Agreement with respect to the case of 902 of 2009 in the Ajman Court between BSEL Infrastructure Realty and Dubai Tower the sum of ₹1,291,883,613/- (AED 87,321,884) and ₹235,333,996 (AED 15,906,857) relates to the work performed on the project.

The above Properties are mortgaged to The Hongkong and Shanghai Banking Corporation Limited, Singapore against guarantee give by the company up to an amount of ₹2,066,793,400 (USD 38,000,000/-).

8. Trade Receivable

BSEL Infrastructure Realty FZE: The accounts receivable amounting to ₹2,863,565,352/- related to the project at Ajman, which was expected to be completed and handover to customer by December, 2011. However, this project is halted since previous two year. Based on current status of the project these accounts receivable not over due, considered good and receivable in full.

9. Other Current Assets

The deposit for purchase consideration Malaysia, represents 10% of the deposit specified in the Sales & Purchase Agreement entered by the subsidiary with Transbay Ventures Sdn. Bhd. (in liquidation) during financial year for the purchase of the commercial complex comprising 402,240 square feet of retail space and 1,235 car parking bays together with the land held under H.S. (D) 256676 Lot PTB 20214 located in the tower and district of Johar bahru measuring 373,933 square feet also known as Lot 1 JB Waterfront City.

The purchase consideration in USD 18,130,140/-. The completion of the purchase is subject to the approval of the relevant authorities and other individual lot owners consent which has been rejected at the date of this report. Accordingly during the previous financial year the board of Directors has written off the same to profit & loss.

10. Trade Payable

BSEL Infrastructure Realty FZE : As per Co-operation Agreement with respect to the case of 902 of 2009 in the Ajman Court between BSEL Infrastructure Realty and Dubai Tower the sum of ₹1,291,883,613/- (AED 87,321,884) and ₹235,333,996 (AED 15,906,857) relates to the work performed on the project and balance towards penalty.

11. Other Current Liability

BSEL Infrastructure Realty FZE : The amount payable to the Hongkong and Shanghai Banking Corporation Limited (Security Trustee and Registered Agent for notes issued) towards devolvement of guarantee given by the company.

12. Inventories

The work in progress represent total 7 plots (D8, D9, D10,D11,D12,D13 and D14) purchased and construction work in progress at emirates city on emirates road, Ajman, United Arab Emirates. These are stated at cost as Value and Certified by the management. There is no movement in work in progress as this project is halted since 2011.

The above properties are mortgaged to the Hong Kong and Shanghai Banking Corporation Limited, Singapore against guarantee given by the company up to an amount of ₹2,066,793,400 (USD 38,000,000).

As per Co-operation Agreement with respect to the case of 902 of 2009 in the Ajman Court between BSEL Infrastructure Realty and Dubai Tower the sum of ₹1,291,883,613/- (AED 87,321,884) and ₹235,333,996 (AED 15,906,857) relates to the work performed on the project, treated as direct expenses.

13. Extraordinary Items

1. As per Co-operation Agreement with respect to the case of 902 of 2009 in the Ajman Court between BSEL Infrastructure Realty and Dubai Tower the sum of ₹1,291,883,613/- (AED 87,321,884) and ₹235,333,996/- (AED 15,906,857) relates to the work performed on the project and balance towards penalty.
2. The amount payable to the Hongkong and Shanghai Banking Corporation Limited (Security Trustee and Registered Agent for notes issued) towards devolvement of guarantee given by the company.

14. Auditors Remuneration

(Amount in ₹)

Particulars	Current Year 2012-2013	Previous Year 2011-2012
Audit Fees	280,342	273,201
Tax Audit Fees	45,000	45,000
Income Tax	25,000	25,000
Other Services	5,000	5,000
Service Tax	24,720	24,720
TOTAL	380,062	372,921

Auditors Fees is provided on annual basis.

15. Foreign Exchange Translation

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of transaction.

Subsidiary's accounts are consolidated at the exchange rate prevailing on the Balance Sheet date, any difference due to exchange rate is transferred to Capital Reserve for Foreign Currency Translation.

Exchange Rate considered at the time of consolidation of subsidiaries accounts is 1 AED = ₹ 14.7945, which was rate prevailing as on 31st March, 2013.

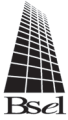
16. Current Tax

The Company has provided current tax on current profit by the company for the financial year ended on 31st March, 2013 amounting to ₹623,519/- (Previous Year tax liability- ₹ Nil).

17. Additional Disclosures in Pursuant to Schedule VI Part II

(Amount in ₹)

Income Related Disclosures	Current Year 2012-2013	Previous Year 2011-2012
Other Incomes		
Interest on Fixed Deposits	7,688,562	3,286,656
Other Miscellaneous Income	—	154,454
Dividend Received	420,000	1,572,136
Foreign Exchange Gain/(Loss)	2,683	6,974
Transfer Charges, NOC Charges, Sign Board Rentals, Miscellaneous Rentals and Transfer and Cancellation of Apartment	559,271	80,053,556
Gain on Sale of Property, Plant & Equipment	—	776,292
Expenses Related Disclosures		
Remuneration to Managing Director	158,669	616,750
Brokerage, Commission & Incentives	—	904,445
Salary, Bonus and other Staff related Expenses	5,118,669	5,066,543
Travelling, Conveyance and Transportation	302,042	1,145,853
Rent paid	636,164	1,557,990
Telephone Expenses	239,347	400,381
Legal & Professional Fees	2,470,397	11,948,810



(Amount in ₹)

Expenses Related Disclosures	Current Year 2012-2013	Previous Year 2011-2012
Printing & Stationery	248,009	477,649
Advertisement & Marketing Expenses	133,998	166,140
Office Expenses	36,183	63,667
Repairs & Maintenance	215,932	1,117,418
Repairs & Maintenance – Gujarat Project	1,521,396	1,757,181
Power & Fuel	1,778,537	2,162,488
Rent, Rates and Taxes	821,887	1,822,309
Auditors Remuneration :-		
Statutory Audit Fees	280,342	273,201
Tax Audit Fees	45,000	45,000
Income Tax Matters and Consultancy Fees	25,000	25,000
Other Services	5,000	5,000
Service Tax	24,720	24,720
Bank Charges	1,240,922	2,986,968
Bad Debts	—	149,148,641

18. Related Party Disclosures

Related Party Disclosures as required by AS-18 “Related Party Disclosures” are given below :

1. Individuals owning directly or indirectly an interest in the voting power that gives them control or significant influence:

Name of the Party	Nature of Relationship
Kirit R. Kanakiya	— Director

2. Key Management Personnel :

Name of the Party	Nature of Relationship
Kirit R. Kanakiya	— Director
Disha R Devrukhkar	— Whole-Time Director

3. Other Related Parties and Nature of Relationship:**(a) Nature of Relationship :- Associate Concerns****(b) Name of the Parties**

- | | |
|--|---|
| a. Beachcraft Investment & Trading Co. Pvt. Ltd. | b. Blackmore Investment & Trading Co. Pvt. Ltd. |
| c. Consisent Packagers Pvt. Ltd. | d. Pleasant Packaging Co. Pvt. Ltd. |
| e. Poornima Commercial Pvt. Ltd. | f. Pravara Commercial Pvt. Ltd. |
| g. Relaxed Packagers Pvt. Ltd., | h. Orbit Plastics Private Limited. |
| i. Timberhill Engineers Pvt. Ltd. | j. KKR Commercial Brokerage, LLC |
| k. Total Bizcon Solution Limited. | l. Western Bizcon Services Ltd. |
| m. Contact Consultancy Services Pvt. Ltd. | n. Stock Watch Securities Pvt. Ltd. |
| o. Stock Watch. | p. Supreme Compliment Sdn. Bhd. |
| q. BSEL Molek Sdn. Bhd. | r. Jitovest Sdn. Bhd. |
| s. Splendid Advisory Sdn.Bhd. | t. BSEL Resources Sdn. Bhd. |

4. Subsidiaries and Joint Ventures :-**a) Wholly Owned Subsidiary/Sub-Subsidiary**

1. BSEL Infrastructure Realty FZE

b) Sub-Subsidiaries

1. BSEL Waterfront Sdn. Bhd.
2. BSEL Infrastructure Realty Sdn. Bhd.

c) Joint Ventures

1. Goa Tech Parks Pvt. Ltd.

5. The Following transactions were carried out with the related parties in the ordinary course of business. Details regarding the parties referred to in items (1) to (4) above.

(₹ in Lacs)

Particulars	Key Management Personnel	Joint Ventures, Associates Concern & Sub-Subsidiaries	Total
Managerial Remuneration	1.59	—	1.59
Investments	—	—	—
Loans and Advances Taken	356.90	—	356.90
Loans and Advances Given	—	920.93	920.93
Guarantee and Security Given	—	1,315.61	1,315.61

Note :

Inter-se transactions between parent company with subsidiaries and sub-subsidiaries (or vice versa) have not been reported in the above table. Also Inter-se transactions between subsidiaries with sub-subsidiaries (or vice versa) have not been reported in above table.

19. Earnings Per Share

The earnings considered in ascertaining the Company's earnings per share comprise of the net profit after tax.

(₹ in Lacs)

Particulars	Current Year 2012-2013	Previous Year 2011-2012
A. Net Profit (Loss) after Tax	(50.16)	(27,936.49)
Add : Excess Provision and refund of taxes of earlier years (Net)	—	—
Net Profit for calculation of Earning per share (Numerator)	(50.16)	(27,936.49)
B. Weighted Average Number of Equity Shares (Denominator) (Nos.)	826.17	826.17
C. Basic and diluted Earning Per Share (A/B) (In ₹)	(0.06)	(33.81)
D. Nominal Value per Equity Share (In Rupees)	10.00	10.00

20. Deferred tax

During the year company has generated the profit but being losses in previous year and company management was not hopeful to generate the profit in near future hence company has not provided the DTA in previous year and all the net deferred tax liability has been transferred to profit and loss account. Hence there is no DTL available with the company to adjust the current year DTA. Hence no DTA provision is made in books of account.

Particulars	As at 31.03.2013 (₹)	As at 31.03.2012 (₹)
Liability		
Deferred tax liability related to fixed assets	0	0
Asset		
Deferred tax assets on account of unabsorbed loss under the Income-tax Act, 1961	0	0
Net deferred tax transferred to Profit & Loss	0	(4,632,396)
Opening Balance of deferred tax liability	0	4,632,396
Deferred tax liability as per Balance Sheet	0	0

21. Consolidated Financial Statements
Criteria for Preparation of Consolidated Financial Statements:

- (a) BSEL Infrastructure Realty Limited has presented Consolidated Financial Statements by consolidating its own financial statements with those of its Subsidiaries and Sub-Subsidiaries in accordance with Accounting Standard 21 (Consolidated Financial Statements) issued by the institute of Chartered Accountants of India.
- (b) Financial Statements for the subsidiary is prepared in accordance with the generally accepted accounting principles & accounting policies of the Parent Company. The effect of inter-company transactions between consolidated companies/ entities are eliminated in consolidation.

Principles of Consolidation:

- (i) The Consolidated Financial Statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits and losses as per Accounting Standard 21-Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.
- (ii) The difference between the costs of investments in the subsidiary company and the net assets is recognized in the financial statements as Capital Reserves for Foreign Currency Translation.
- (iii) Minority interest share of net profit / losses of subsidiaries consolidated for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the company.
- (iv) The Consolidated financial statements comprises the net assets and operating results of the entities referred to above made up to 31st March each year. All inter-Company balances transactions and realized profits have been eliminated upon consolidation.

22. Independent confirmations from the accounts receivable at UAE has not been received.

23. Dues to Small Scale Industrial Undertakings

Due to Micro, Small, Medium Enterprises as defined under the MSMED Act, 2006 is ₹ Nil (Previous Year ₹ Nil). This information has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

24. There are no amounts due and outstanding to be credited to Investor Education Protection Fund.

25. Employees Benefits
a) Defined Contribution Plans

The Group's Contribution paid/ payable during the year towards provident fund is charged in the profit and loss account every year.

b) Defined Benefit Plan

During the current Financial year Provisions of ₹ 94,972/- (Previous Year ₹ 71,653/-) is made towards Gratuity liability as on 31.03.2013 under the payment of Gratuity Act, 1972.

For BSEL Infrastructure Realty FZE: Employees Termination Benefits are provided as per SAIF zone Regulations.

26. Provision for Doubtful Debts

- (i) There is no doubtful amount receivable from the parties; therefore no provision has been made towards Doubtful Debts in the books of accounts.
- (ii) For Subsidiaries and Sub-Subsidiaries: Bad Debts are written off as and when they arise.

27. Prior Period Items

Prior period items having material impact on the financial affairs of the company have been disclosed.

28. Financial Instruments

i) Exchange Rate Risk :

IN FZE since substantial portion of the transactions are designated in AED or in USD to which AED is fixed, there is no material exchange rate risk. All the figures of AED is converted in INR as on rate prevailing as on 31.03.2013 @ ₹14.7945.

ii) Credit Risk:

Financial assets, which potentially expose the company to concentrations of credit risk comprise principally trade debtors. The company's bank balances are placed with high credit quality financial institutions.

iii) Interest Rate Risk:

Fixed Deposits and Bank facility (overdraft) are at floating rates at level.

iv) Fair Value:

As at the balance sheet date, the carrying amount of cash and bank balances, debtors and creditors approximated their fair value.

29. There is no employee drawing Salary of ₹ 2 Lacs per month or more.

30. Contingencies

Contingent liability which can be reasonably ascertained are provided for if it is in the opinion of the Company the future outcome of the same may be detrimental to the company.

BSEL Infrastructure Realty FZE :

1. Establishment has received an amount of ₹1,726,729,785 (AED 116,714,305) from the customers against flats booked. As the construction has halted and in case of non completion of the project the establishment may have to refund the said amount to the customers. This also resulted in non recovery of balance amount from customers.
2. **Legal Dispute:** Litigation is in process (arbitration case in Ajman – case no. 903/2009) against the establishment relating to mutual disagreement about the General Construction Contract dated 27th November, 2007 and the contracts dated 4th October, 2008 and 05th January, 2008 regarding the construction and the maintenance of seven residential tower on the plot number D8,D9, D10, D11, D12, D13, D14 Helio region J- Emirates City – Ajman.

31. All the Loans and Advances (Assets) and Current Assets and Current Liabilities are subject to confirmation from the respective parties.

32. Balance of Unpaid Dividend Account as at 31st March, 2013 is ₹ 1,017,963/-.

33. Other additional information pursuant to Schedule VI Part II of the Companies Act, 1956 are not applicable to the Company.

As per our Report of Even Date

For RAJU & PRASAD CHARTERED ACCOUNTANTS

For BSEL INFRASTRUCTURE REALTY LIMITED

Sd/-

CA Avinash Jaain

Partner

Membership No. 41689

Sd/-

Disha R Devrukhkar

Whole-Time Director

Sd/-

Kirit R Kanakiya

Director

Place : Mumbai

Date : 30.05.2013

1. SIGNIFICANT ACCOUNTING POLICIES

(i) BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India including the mandatory accounting standards issued by the institute of Chartered Accountants of India (ICAI) and referred to in Section 211 (3C) of the Companies Act, 1956 (The Act). The consolidated financial statement have been prepared on going concern basis as its is to the intension of the group and the company to continue operating activities. This is dependable on the future profitable operation , the continued of the directors and shareholder. The significant accounting policies adopted for the preparation of the financial statements are as follows :

a. Revenue Recognition

Revenue from projects is recognized based on percentage completion method, which is determined on the basis of the stage of completion of ongoing projects on the Balance Sheet date. The stage of completion is determined based on progress of the work and estimation of the architects.

b. Fixed Assets

Fixed assets are stated at cost of acquisition minus the accumulated depreciation. Advances paid towards acquisition of the fixed assets which have not been installed or put to use and the cost of the assets not put to use, before the year end, are disclosed under advance for purchase of assets.

c. Inventories (WIP)

Inventories are valued at the lower of cost or net realizable value. Cost is determined on a first in first out basis and includes all applicable overheads in bringing the inventories to their present location and condition. Excise Duty arising on finished goods and Customs Duty on imported raw materials in stock (excluding stocks in the bonded warehouse) are treated as part of the cost of inventories.

Inventories (WIP) of FZE – Inventories are measured at lower of cost and net realizable value. Using Weighted average method. Cost of inventories comprise all costs of purchase, and where applicable costs of conversion and other costs that have been incurred in bringing the inventories to their present location and condition . Net realizable value represents the estimated selling prices less all estimated costs to completion and estimated costs necessary to make the sale.

d. Debtors

Trade receivables are stated at cost, Being the fair value less impairment allowances. Allowances for impairment of trade receivables are established when there is objection evidence that the company will not be able to collect all amounts due according to the original term of receivables. The amount of impairment is recognized in the profit & loss.

e. Taxation (For Subsidiaries)

The Company has provided the tax provision for the current year. A reconciliation of the statutory income tax rate to the effective income tax rate of the group of the company has not been presented as the company and its subsidiary has no chargeable income.

f. Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as a part of the cost of the assets.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

g. Deferred Tax

Deferred tax asset or liability has been determined in pursuant to the AS-22-Accounting for taxes on Income.

h. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating financing and investing activities of the company are segregated.

i. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include accounting for contract cost expected to be incurred, contract revenues, stage of completion, provisions, income taxes, useful lives of fixed assets etc., actual results could be different from those estimates.

j. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. The recoverable amount is the higher of an asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows expected from the continuing use of the asset and from its ultimate disposal are discounted to their present values using a pre-determined discount rate that reflects the current market assessments of the time value of money and risks specific to the asset.

For Subsidiaries and Sub-Subsidiaries: The assets are reviewed for impairment at each year end. An impairment loss is recognized in the statement of income if the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is higher of the value in use and the realizable amount of the asset.

(ii) DEPRECIATION

Depreciation on fixed assets is provided using the straight line method, based on the useful life as estimated by the management. Depreciation are charged on pro-rata basis for assets purchased / sold during the year. The management's estimate of useful life for various fixed assets are given below:

Furniture & Fixtures	2 Years
Computer Equipments	3 Years

BSEL Infrastructure Realty (FZE) : The tangible fixed assets are stated at cost less accumulated depreciation and indentified impairment loss, if any. The costs comprises of purchase price, levied, duties and any directly attributable costs of bringing the assets for its intended use. The cost is depreciated over the estimated useful lives on straight line basis at the following rates.

Computer	2 Years
Furniture and Fixtures	2 Years
Vehicles	2 Years
Office Equipments	2 Years

(iii) INVESTMENT

Current Investments are stated at lower of cost and fair value. The Long Term Investments in subsidiary and Sub-subsidiary are unquoted and stated at historical cost.

(iv) PROVIDENT FUND

Benefits of Provident Fund are received by the eligible employees, which is defined in contribution plan. Both the employees and the Company are making monthly contribution to this Provident Fund equal to specified percentage of the covered employees salary.

(v) SEGMENT ACCOUNTING POLICIES

The company has only one segment of operation i.e. Infrastructure Activity in Local Market. So segment wise Income/ Expenditure/Assets and Liabilities are not presented.

(vi) OTHER ACCOUNTING POLICIES

Other accounting policies are consistent with generally accepted accounting policies.

As per our Report of Even Date

For RAJU & PRASAD CHARTERED ACCOUNTANTS

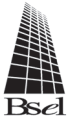
For BSEL INFRASTRUCTURE REALTY LIMITED

Sd/-
CA Avinash Jaani
 Partner
Membership No. 41689

Sd/-
Disha R Devrukhkar
 Whole-Time Director

Sd/-
Kirit R Kanakiya
 Director

Place : Mumbai
 Date : 30.05.2013



NOTICE OF THE EIGHTEENTH ANNUAL GENERAL MEETING:

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of BSEL Infrastructure Realty Limited will be held on Monday, 30th day of September 2013 at 9.30 A.M. at Abbott Hotel, Sector 2, Vashi, Navi Mumbai- 400703 to transact the following business:

Ordinary Business:

1. To consider and adopt the Balance Sheet as at March 31, 2013, the Profit & Loss Account for the year ended on that date including notes thereto, together with the Reports of Directors and Auditors thereon.
2. To appoint Director in place of Mr. Hitesh Vora who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Raju & Prasad Chartered Accountants, the retiring Auditors, being eligible, offer themselves for re-appointment

Special Business:

4. Appointment of Mr. Dibal Muchhala as an Additional Director of the Company

To consider and if thought fit, pass with or without modification(s) if any, as Ordinary Resolution:

"RESOLVED THAT, Mr. Dibal Muchhala, who was appointed as an Additional Director w. e. f 18th June, 2013 pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

"RESOLVED FURTHER THAT the Director of the Company be and are hereby jointly and severally authorised to execute, sign various agreements, documents, deeds, drafts; to file required forms with Registrar of the Companies; to inform various Government as well as Non-government authorities and to take all the necessary actions to give the effect to the above resolution."

5. Appointment of Mrs. Disha Devrukhkar as a Whole Time Director of the Company

To consider and if thought fit, pass with or without modification(s) if any, as Special Resolution:

"RESOLVED THAT, subject to the provisions under sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for time being in force), read with Schedule XIII thereof and Article 153 of the Articles of Association of the company, Mrs. Disha Devrukhkar, be and is hereby appointed as the Whole Time Director of the Company, for period of one (1) year commencing from 28th December, 2012 to 27th December, 2013 at a remuneration which will, including all perquisites, not be exceeding ₹ 1,80,000/- p.a. (₹ One Lac Eighty Thousand only) and a copy of the Draft Letter of Appointment as placed before this meeting be and is hereby specifically approved and sanctioned with the liberty to the Board of Directors to alter and vary terms and conditions so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 including any statutory modification or re-enactment thereof from time being in force or any amendments or modifications that may hereafter be made thereto by the Central Government or as may be agreed to by the Board of Directors and Mrs. Disha Devrukhkar."

"RESOLVED FURTHER THAT in the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII of the Companies Act, 1956 the Board of Directors be and is hereby authorized to vary or increase/decrease the remuneration including salary, commission, perquisites, allowances, benefits etc. within such prescribed limits/ceiling and the aforesaid draft letter of appointment of Mrs. Disha Devrukhkar be suitably amended to give effect to such modification, relaxation or variations without any further reference to the Company in General Meeting."

"RESOLVED FURTHER THAT the Director of the Company be and are hereby jointly and severally authorised to execute, sign various agreements, documents, deeds, drafts; to file required forms with Registrar of the Companies; to inform various Government as well as Non-government authorities and to take all the necessary actions to give the effect to the above resolution."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing the proxy must be deposited at the Registered Office of the Company not later than 48 (forty eight) hours before the commencement of the meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send the certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. Members are requested to bring their duly filled attendance slip along with their copy of annual report to the meeting.
5. Members who hold their shares in dematerialized form are requested to write their client ID and DP ID and those who hold their shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
6. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 25, 2013 to Monday, September 30, 2013 (both days inclusive).
8. The Members are requested to forward all applications for transfer and all other shares related correspondence, including intimation for change of address, if any, to the Registrars and Share Transfer Agent of the Company at the following address:

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises, Safed Pool,
Andheri – Kurla Road, Andheri (E), Mumbai – 400 072
☎Telephone No. (022) 2851 5606/5644 ☎ Fax: (022) 2851 2885
9. Shareholders who have not encashed the dividend warrants so far are requested to make their claim to the Company's Registrars and Share Transfer Agents at the above mentioned address.
10. Pursuant to the provisions of sub – section (5) of section 205A of the Companies Act, 1956, any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of (7) seven years from the date of such transfer to unpaid dividend account, shall be transferred by the Company to the Investor Education and Protection Fund of the Central Government. Those members who have so far not encashed their dividend warrants for any previous years may claim or approach the Companies Registrar and Share Transfer Agent, M/s Sharex Dynamic (India) Pvt. Ltd. at the above mentioned address for the payment thereof.

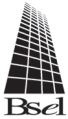
Registered Office:

737, 7th Floor, The Bombay Oil Seeds and Oil Exchange Premises Co.op. Society Ltd.,
The Commodity Exchange, Plot No. 2.3 & 4, Sector 19, Vashi, Navi Mumbai – 400705

Navi Mumbai
August 14, 2013

By Order of the Board of Directors
For BSEL Infrastructure Realty Ltd.

Sd/-
Kirit R. Kanakiya
Director



ANNEXURE TO THE NOTICE

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

The following Explanatory statement, pursuant to section 173(2) of the Act, sets out the material facts relating to the business mentioned in the accompanying notice dated May 30, 2013.

Item no. 4

Appointment of Mr. Dival Muchhala as an Additional Director of the Company

Mr. Dival Muchhala has been appointed as an Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Articles of Association of the Company w. e. f 18th June, 2013. The terms of the Director expires at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mr. Dival Muchhala as Director of the Company.

Brief Profile of Mr. Dival Muchhala:

Mr. Dival Muchhala is qualified with Diploma in MBA – Finance from University of Belgium and has sound knowledge of Capital and Financial Market. He also has good knowledge in investments in shares trading and also in derivative strategy trading. He is also having experience of more than Ten year in Investment in mutual funds.

The Board requests your approval for Appointment of Mr. Dival Muchhala.

None of the Directors, except Mr. Dival Muchhala is concerned or interested in the resolution.

The draft copy of the Letter of Appointment between the Company and Mr. Dival Muchhala is available for inspection at the registered office of the Company on all days except Sunday and other bank holidays between 10.30 A.M. to 12.30 P.M.

Item no. 5

Appointment of Mrs. Disha Devrukhkar as a Whole Time Director of the Company

Mrs. Disha Devrukhkar was appointed as a Director and Whole Time Director of the Company in the meeting of Board of Director held on December 27, 2012, for the period of one (1) year commencing from December 28, 2012 to December 27, 2013 at a remuneration, which will, including all perquisites, not exceeding ₹180,000/- p.a. (₹ One Lac Eighty Thousand only) subject to the approval of shareholders. Brief profile of Mrs. Disha Devrukhkar is given herein below:

Brief Profile of Mrs. Disha Devrukhkar:

Ms. Disha Devrukhkar is qualified with (DNYS) Diploma in Naturopathy and Yogic Sciences through Delhi University (INYS) International Institute of Naturopathy and Yogic Sciences and also completed ND i.e. Diploma in Naturopathy. She is having wide experience in Human resource management. She is well-versed with the new trends on the International Horizon of the industry. She is also having experience of marketing, customer relation building, project management, production management, administration, database maintenance.

The Board requests your approval for Appointment of Mrs. Disha Devrukhkar as Whole Time Director of the Company.

None of the Directors, except Mrs. Disha Devrukhkar is concerned or interested in the resolution.

The draft copy of the Letter of Appointment of Mrs. Disha Devrukhkar is available for inspection at the registered office of the Company on all days except Sunday and other bank holidays between 10.30 A.M. to 12.30 A.M.

INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT

Details of Director seeking re-appointment at the 18th Annual General Meeting to be held on September 27, 2013.

Name of Director	Hitesh Vora
Date of Birth	December 19, 1967
Date of Appointment	August 31, 2001
Experience in specific functional areas	Mr. Hitesh Vora is Chartered Accountant by profession having business experience of more than 20 years. He is having wide experience in Audit and Finance.
Qualifications	Chartered Accountant
List of Directorship in other companies	Nil
Chairman/Member of the Committee of the Board of Directors of the Company	Nil
Chairman/Member of the Committee of the Directors of other Companies in which he is a Director	Nil
No. of Shares	6,500

Registered Office:

737, 7th Floor, The Bombay Oil Seeds and Oil Exchange Premises Co.op. Society Ltd., The Commodity Exchange, Plot No. 2.3 & 4, Sector 19, Vashi, Navi Mumbai – 400705

Navi Mumbai
August 14, 2013

By Order of the Board of Directors

For BSEI Infrastructure Realty Ltd.

Sd/-
Kirit R. Kanakiya
Director

BSEL INFRASTRUCTURE REALTY LIMITED

(REGISTERED OFFICE: 737, 7TH FLOOR, THE BOMBAY OILSEEDS AND OIL EXCHANGE PREMISES CO-OP. SOCT.LTD.,
THE COMMODITY EXCHANGE, PLOT NO. 2,3 & 4, SECTOR-19, VASHI, NAVI MUMBAI-400705)

ATTENDANCE SLIP

(To be presented at the entrance)

18TH ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 30, 2013

AT HOTEL ABBOTT, SECTOR-2, VASHI, NAVI MUMBAI- 400 705

Folio No. _____ DP ID No. _____ Client A/c No. _____

Name of the Shareholder(s) _____

Signature of Shareholder(s) _____

(only shareholders/proxies are allowed to attend the meeting)



BSEL INFRASTRUCTURE REALTY LIMITED

(REGISTERED OFFICE: 737, 7TH FLOOR, THE BOMBAY OILSEEDS AND OIL EXCHANGE PREMISES CO-OP. SOCT.LTD.,
THE COMMODITY EXCHANGE, PLOT NO. 2,3 & 4, SECTOR-19, VASHI, NAVI MUMBAI-400705)

PROXY FORM

I/We _____ of _____

being a member (s) of BSEL Infrastructure Realty Limited, hereby appoint _____ of _____ in the
district of _____ failing whom _____ of _____ in the district of _____ as my/ our proxy to attend and
vote for me /us and on my/our behalf at the Eighteenth Annual General Meeting of BSEL Infrastructure Realty Limited to be held on
Monday, September 30, 2013 and/or at any adjournment thereof

Folio No. _____ DP ID No. _____ Client A/c No. _____

No. of shares held _____

Signed this _____ day of _____ 2013

Affix Re.1
Revenue
Stamp

Signature across Revenue Stamp

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

