

DCM Realty Investment & Consulting Limited

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Financial Statements of your company for the year ended March 31, 2014.

FINANCIAL HIGHLIGHTS

The Net Loss of the Company for the current financial year is Rs. 4,07,996/- (Rs. Four Lakh Seven Thousand Nine Hundred and Ninety Six only) after taking into account MAT Credit entitlement for previous years of Rs. 42,211/- (Rs. Forty Thousand Two Hundred and Eleven only).

DIVIDEND

No Dividend has been recommended for the financial year under review.

FIXED DEPOSIT

The company has not accepted any deposit from the public within the meaning of section 58A of the Companies Act, 1956.

DIRECTOR

Mr. Pawan Kumar Gupta retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director of the Company. His re-appointment is placed before the shareholders of the Company at the ensuing Annual General Meeting.

Further in terms of Section 260 of the Companies Act, 1956, Mr. Krishan Gopal Gupta has been appointed as an Additional Director of the Company in its meeting held on January 29, 2014, and holds office upto the date of ensuing Annual General Meeting. A resolution is proposed for his appointment as director of the Company at the ensuing Annual General Meeting.

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

The provisions of energy conservation and technology absorption are not applicable to the Company. The Company has no earnings or outgo of foreign exchange in the financial year under review.

AUDITORS

The Auditors of the Company, M/s Grewal & Singh, Chartered Accountants (Registration No. 012322N), retires at the conclusion of ensuing 22nd Annual General Meeting and have confirmed their eligibility and willingness to accept office, if re-appointment. Your Director recommends their appointment as Auditors of the Company from the conclusion of ensuing 22nd Annual General Meeting (AGM) till the conclusion of

the 27th Annual General Meeting of the Company subject to ratification of their appointment by the members at every AGM held after this AGM but before 27th AGM.

AUDITORS OBSERVATIONS

The observations of the auditors are self-explanatory and/or suitably explained in various notes to the Accounts.

PARTICULARS OF EMPLOYEES

There was no employee in the company during the year under the category specified under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) While preparing Annual Accounts, the applicable accounting standards have followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent which gives a true and fair view of affairs of the Company and the profits or loss of the Company;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared accounts on a going concern basis.


ACKNOWLEDGEMENTS

The Directors wish to acknowledge and thanks the Statutory Authorities and all regularity bodies for their continued support and guidance. The Directors thanks the shareholders, business associates and Banks for the faith reposed in the Company and its management.

On Behalf of the Board
For DCM Realty Investment & Consulting Limited

Place: New Delhi
Dated: 16.05.2014


(Krishan Gopal Gupta)
DIRECTOR


(Pawan Kumar Gupta)
DIRECTOR



GREWAL & SINGH Chartered Accountants

A-17, L.G.F., Lajpat Nagar-III, New Delhi - 110 024
Tel. : 011-29842641, 29833394, 29839823
Fax : 011-29849331
E-mail : mail@cagrewalsingh.com

Independent Auditor's Report For the year ended 31st March 2014

TO
THE MEMBERS,
DCM REALTY INVESTMENT & CONSULTING LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of DCM REALTY INVESTMENT & CONSULTING LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

2. Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and 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.

3. Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also include evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014,
- ii) in the case of the Profit & Loss account, of the profit/loss of the Company for the year ended 31st March, 2014.
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended 31st March, 2014.

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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of the Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.



PLACE : NEW DELHI

DATE : 16 MAY 2014

For GREWAL & SINGH
Chartered Accountants
Firm No. 012322N


(ANITA GOYAL)
PARTNER
M.NO. 520677

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended March 31, 2013 of **DCM REALTY INVESTMENT & CONSULTING LIMITED**)

- i. (a) As per the information and explanations provided to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As per the information and explanations provided to us, the fixed assets are physically verified by the management at reasonable intervals and no material discrepancy was noticed on such verification.
(c) Based on the procedures applied by us and according to the information and explanations provided to us, no fixed asset has been disposed off during the year.
- ii. The Company did not carry any inventory during the year; hence no comment is made on its physical verification, procedure of physical verification and on maintaining the proper records.
- iii. a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted the loans, the paragraphs (iii) (b), (c) and (d) of the Order are not applicable.
b) The Company has not taken any loans, secured or unsecured from the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the Company has not taken the loans the paragraphs (iii)(f) and (g) of the Order are not applicable.
- iv. Based on the procedures applied by us, there is an internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets. We further report that the Company has no inventory, goods and services for sale and we have not come across any major weakness in the internal control system.
- v. There has been no transaction of purchase of goods and materials and sale of goods, materials and services during the year aggregating to Rs. 5,00,000/- or more in value in respect of each party made in pursuance of contracts and arrangements entered in the register maintained u/s 301 of the Companies Act, 1956.
- vi. The Company has not accepted any deposit from the public under the provisions of section 58A and 58AA of the Companies Act, 1956.
- vii. Based on the procedures applied by us and according to the information and explanations provided by the management, in our opinion the company has an internal audit system commensurate with the size and nature of its business.
- viii. As per the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of Companies Act, 1956.
- ix. (a) According to the information and explanations given to us the company is regular in depositing statutory dues with respect to the Income Tax. We have been explained that the provisions of Employee State Insurance Act, Investor Education & Protection Fund, Custom Duty, Provident Fund, Sales Tax, Service Tax, Wealth Tax and Excise Duty are not applicable.
(b) Based on the audit procedures and on the basis of the information and explanations provided to us, there are no dues of sales tax, income tax, custom duty, excise duty, service tax, wealth tax and cess.



- x. Based on the audit procedures and on the basis of the information and explanations provided to us, the company does not have accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year but in the immediately preceding financial year.
- xi. Based on the audit procedures and on the basis of the information and explanations given to us, the company has not taken any loans from financial institutions or banks or debenture holders, therefore no comment has been made thereon.
- xii. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The Company is not a chit fund, nidhi or mutual benefit fund or society. Hence, the provisions of special statute are not applicable on the company.
- xiv. The Company is not dealing or trading in shares, securities, debentures and other investment. Hence, no comment is made of the maintenance of record.
- xv. According to the information and explanations provided to us, the company has not given any guarantee for the loans by others from banks or financial institutions.
- xvi. The Company has not raised any term loan during the year.
- xvii. The Company has not raised any short term as well as long term loans during the year.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the registers maintained under section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures; hence no comment is made on creating the securities in respect of debentures issued.
- xx. The Company has not raised any money by way of Public Issue.
- xxi. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by or on the company has been noticed or reported during the course of our audit.



PLACE : NEW DELHI

DATE : 16 MAY 2014

For GREWAL & SINGH
Chartered Accountants
FIRM No. 012322N


(ANITA GOYAL)
PARTNER
M.NO. 520677

DCM REALTY INVESTMENT & CONSULTING LIMITED
NEW DELHI
BALANCE SHEET AS AT MARCH 31, 2014

(Amount in Rupees)

| | Particulars | Note No. | Figures as at the end of current reporting period 2014 | Figures as at the end of previous reporting period 2013 |
|------------|--------------------------------|----------|--|---|
| I. | EQUITY AND LIABILITIES | | | |
| (1) | Shareholder' funds | | | |
| (a) | Share capital | 1 | 2,55,00,700 | 2,55,00,700 |
| (b) | Reserves and surplus | 2 | 56,79,512 | 60,87,508 |
| (2) | Non-current liabilities | | | |
| (a) | Long Term Provisions | 3 | 10,04,176 | 6,31,115 |
| (3) | Current liabilities | | | |
| (a) | Other Current Liabilities | 4 | 26,817 | 61,804 |
| (b) | Short Term Provisions | 5 | | 64,000 |
| | | | 3,22,11,205 | 3,23,45,127 |
| II. | ASSETS | | | |
| (1) | Non-current Assets | | | |
| (a) | Fixed Assets | 6 | | |
| (i) | Tangible assets | | 559 | 748 |
| (b) | Long Term loans and advances | 7 | 13,23,556 | 13,79,799 |
| (2) | Current Assets | | | |
| (a) | Cash and Cash Equivalents | 8 | 32,27,438 | 33,81,519 |
| (b) | Other Current Assets | 9 | 2,55,754 | 1,48,597 |
| (c) | Short Term Loans and Advances | 10 | 2,74,03,898 | 2,74,34,464 |
| | | | 3,22,11,205 | 3,23,45,127 |


Notes 1 to 10 and 15 annexed hereto form part of this Balance Sheet.

In terms of our separate report of even date attached.

for GREWAL & SINGH
CHARTERED ACCOUNTANTS
FIRM No.- 012322N


(ANITA GOYAL)
PARTNER
(M. No. 520677)


KRISHAN GOPAL GUPTA
DIRECTOR
DIN : 06798713


PAWAN KUMAR GUPTA
DIRECTOR
DIN : 05172941

PLACE: NEW DELHI
DATE: 16 MAY 2014

(RESTRICTED USE)

DCM REALTY INVESTMENT & CONSULTING LIMITED
NEW DELHI

PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED MARCH 31, 2014

(Amount in Rupees)

| | Particulars | Note No. | Figures as at the end of current reporting period 2014 | Figures as at the end of previous reporting period 2013 |
|------|--|----------|---|--|
| I | Revenue from Operations | 11 | 1,72,667 | 6,57,552 |
| II | Other Income | 12 | 2,90,976 | 2,64,905 |
| III | Total Revenue (I+II) | | 4,63,643 | 9,22,457 |
| IV | Expenses: | | | |
| | Employee Benefit Expenses | 13 | 5,90,868 | 5,05,632 |
| | Depreciation | | 189 | 265 |
| | Other Expenses | 14 | 3,22,793 | 1,98,247 |
| | | | 9,13,850 | 7,04,144 |
| V | Profit / (Loss) before tax (III-IV) | | (4,50,207) | 218,313 |
| VI | Tax Expense: | | | |
| | Current Tax | | - | (64,000) |
| | MAT Credit Entitlement for Previous Years | | 42,211 | - |
| VII | Profit / (Loss) for the period (V-VI) | | (4,07,996) | 1,54,313 |
| VIII | Earnings per equity share | | | |
| | Basic | | (0.16) | .06 |
| | Diluted | | (0.16) | .06 |

Notes 11 to 14 annexed hereto form part of this profit and loss account

for GREWAL & SINGH
CHARTERED ACCOUNTANTS
FIRM No.- 012322N

Krishan Gopal Gupta
KRISHAN GOPAL GUPTA
DIRECTOR
DIN : 06798713

Pawan Kumar Gupta
PAWAN KUMAR GUPTA
DIRECTOR
DIN : 05172941

Anita Goyal
(ANITA GOYAL)
PARTNER
(M. No. 520677)



PLACE: NEW DELHI
DATE: 16 MAY 2014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

| Particulars | CURRENT YEAR | PREVIOUS YEAR |
|--|-------------------|------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit/(loss) before tax | (4,50,207) | 218,313 |
| <u>Adjustments for: -</u> | | |
| Depreciation | 189 | 265 |
| Provision for NPA | 2,88,978 | 1,17,131 |
| Provision for Gratuity | 20,083 | 17,669 |
| Interest on fixed deposit with bank | (2,90,976) | (2,36,405) |
| Operating profit/(loss) before working capital changes | (4,31,933) | 1,16,973 |
| <u>Adjustments for changes in: -</u> | | |
| Long Term Loans and Advances | 98,454 | 273,637 |
| Short Term Loans and Advances | 30,566 | (36,511) |
| Trade and other receivables | (107,157) | 3,214 |
| Trade payables | (34,987) | 38,698 |
| CASH GENERATED/(USED) FROM OPERATIONS | (4,45,057) | 3,96,011 |
| Direct Taxes (Paid) /Refund (Net) | | |
| Net cash Outflow from Operating Activities-A | (4,45,057) | 396,011 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest received | 2,90,976 | 2,36,405 |
| NET CASH GENERATED/(USED) FROM INVESTING ACTIVITIES (B) | 2,90,976 | 2,36,405 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| NET CASH GENERATED/(USED) FROM FINANCING ACTIVITIES (C) | - | - |
| Net Changes in Cash and Cash Equivalents (A+B+C) | (1,54,081) | 6,32,416 |
| Cash and Cash Equivalents at the beginning of the year | 33,81,519 | 27,49,103 |
| Cash and Cash Equivalents at the close of the year | 32,27,438 | 33,81,519 |

Previous year figures, wherever necessary, have been regrouped to make them comparable with current period.

In terms of our separate report of even date attached.

for GREWAL & SINGH
Chartered Accountants
FIRM No.- 012322N

Anita Goyal
(ANITA GOYAL)
PARTNER
(M. No. 520677)

Krishan Gopal Gupta
KRISHAN GOPAL GUPTA
DIRECTOR
DIN : 06798713

Pawan Kumar Gupta
PAWAN KUMAR GUPTA
DIRECTOR
DIN : 05172941

PLACE: NEW DELHI

DATE: 16 MAY 2014

| | | (Amount in Rupees) | |
|----------|---|--|---|
| Note No. | Particulars | Figures as at the end of current reporting period 2014 | Figures as at the end of previous reporting period 2013 |
| 1 | <u>SHARE CAPITAL</u> | | |
| | <u>AUTHORISED</u> | | |
| | 60,00,000 Equity shares of Rs. 10/- each (Previous Year 60,00,000 Equity Shares of Rs. 10/- each) | 6,00,00,000 | 6,00,00,000 |
| | 40,00,000 Preference share of Rs. 10/- each (Previous Year 40,00,000 Preference Shares of Rs. 10/- each) | 4,00,00,000 | 4,00,00,000 |
| | | 10,00,00,000 | 10,00,00,000 |
| | <u>ISSUED, SUBSCRIBED AND PAID UP :</u> | | |
| | 25,50,070 Equity shares of Rs. 10/- each fully paid up (Previous Year 25,50,070 Equity Shares of Rs. 10/- each) | 2,55,00,700 | 2,55,00,700 |
| | | 2,55,00,700 | 2,55,00,700 |
| | The reconciliation of the number of shares outstanding as at March 31, 2014 and March 31, 2013 is set out below:- | | |
| | No. of Equity Shares at the beginning | 25,50,070 | 25,50,070 |
| 2 | No. of Equity Shares at the end | 25,50,070 | 25,50,070 |
| | <u>Details of shareholders holding more than 5% shares</u> | | |
| | <u>Equity Shares:</u> | <u>No. of Shares</u> | <u>No. of Shares</u> |
| | DCM LIMITED (Holding Company) | 25,50,020 | 25,50,020 |
| | | 99.99% | 99.99% |
| | <u>RESERVES AND SURPLUS</u> | | |
| | (a) Special Reserve (In terms of Section 36(1)(viii) of the Income Tax Act, 1961) | | |
| | Opening Balance | 31,15,928 | 31,15,928 |
| | Add: Transfer from Profit and Loss Account | - | - |
| | | 31,15,928 | 31,15,928 |
| 3 | (b) Surplus - Opening Balance | 29,71,580 | 28,17,267 |
| | Add: Profit after tax for the period transfer from Profit and Loss Account | (4,07,996) | 154,313 |
| | | 56,79,512 | 60,87,508 |
| | <u>NON CURRENT PROVISIONS</u> | | |
| | For Gratuity | 93,617 | 73,534 |
| | For NPA | 5,99,559 | 3,10,581 |
| | For Income Tax (Previous Years) | 3,11,000 | 2,47,000 |
| | | 10,04,176 | 6,31,115 |
| | <u>OTHER CURRENT LIABILITIES</u> | | |
| | TDS Payable | 850 | 664 |
| 4 | Audit Fees Payable | 22,828 | 22,828 |
| | Contribution to Staff Club Payable | 2,400 | - |
| | Telephone Expenses Payable | 739 | 906 |
| | Salary Payable | - | 37,406 |
| | | 26,817 | 61,804 |
| | <u>CURRENT PROVISIONS</u> | | |
| | For Income Tax (Current Year) | - | 64,000 |
| | | | |
| | | | |
| | | | |



DCM REALTY INVESTMENT & CONSULTING LIMITED

Notes on accounts for the year ended March 31, 2014

Note No. 6

| DESCRIPTION | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------------|-----------------------|-----------|----------|--------------------|--------------------|------------|----------------|--------------------|--------------------|--------------------|
| | AS AT 31-MAR-13 | ADDITIONS | DISPOSAL | AS AT 31-MAR-14 | AS AT 01-APR-13 | ADDITIONS | WRITTEN OFF | AS AT 31-MAR-14 | AS AT 31-MAR-14 | AS AT 01-APR-13 |
| | (RUPEES) | (RUPEES) | (RUPEES) | (RUPEES) | (RUPEES) | (RUPEES) | (RUPEES) | (RUPEES) | (RUPEES) | (RUPEES) |
| TANGIBLE ASSETS | | | | | | | | | | |
| Office & Electrical Equipments | 2,17,125 | - | - | 2,17,125 | 2,16,770 | 118 | - | 2,16,888 | 237 | 355 |
| Furniture & Fixture | 14,560 | - | - | 14,560 | 14,167 | 71 | - | 14,238 | 322 | 393 |
| TOTAL RS. | 2,31,685 | - | - | 2,31,685 | 2,30,937 | 189 | - | 2,31,126 | 559 | 748 |
| Previous Year | 2,31,685 | | | 2,31,685 | 2,30,672 | 265 | | 2,30,937 | 748 | |

DCM REALTY INVESTMENT & CONSULTING LIMITED

Notes on accounts for the year ended March 31, 2014

(Amount in Rupees)

| Note No. | Particulars | Figures as at the end of current reporting period 2014 | Figures as at the end of previous reporting period 2013 |
|----------|---|--|---|
| 7 | <u>LONG TERM LOANS AND ADVANCES</u> | | |
| | Housing / Other loans | 9,22,207 | 10,90,325 |
| | Advance Taxes | 3,59,138 | 2,89,474 |
| | MAT Credit Entitlement | 42,211 | - |
| | | 13,23,556 | 13,79,799 |
| 8 | <u>CASH AND CASH EQUIVALENTS</u> | | |
| | Cash in hand | 1,822 | 6,764 |
| | with Scheduled Banks: | | |
| | On Current accounts | 54,290 | 3,15,564 |
| | On Deposit accounts | 31,71,326 | 30,59,191 |
| | | 32,27,438 | 33,81,519 |
| 9 | <u>OTHER CURRENT ASSETS</u> | | |
| | Accrued Interest on Term Deposit | 2,20,439 | 1,11,272 |
| | Accrued Interest on Housing Loans | 5,445 | 6,655 |
| | Overdue of Borrowers | 29,870 | 30,670 |
| | | 2,55,754 | 1,48,597 |
| 10 | <u>SHORT TERM LOANS AND ADVANCES</u> | | |
| | Advance for purchase of property | 2,73,64,800 | 2,73,64,800 |
| | Advance Taxes | 39,098 | 69,664 |
| | | 2,74,03,898 | 2,74,34,464 |
| 11 | <u>REVENUE FROM OPERATIONS</u> | | |
| | Interest from Housing Loan | 72,667 | 1,97,313 |
| | Income from Real Estate Operations | 1,00,000 | 4,60,239 |
| | | 1,72,667 | 6,57,552 |
| 12 | <u>OTHER INCOME</u> | | |
| | Interest on fixed deposits with bank | 2,90,976 | 2,36,405 |
| | (TDS Rs.29,098/- (Previous Year Rs. 23,640/-) | | |
| | Misc. Receipts | - | 28,500 |
| | | 2,90,976 | 2,64,905 |
| 13 | <u>EMPLOYEE BENEFIT EXPENSES</u> | | |
| | Salaries & Other Benefits | 5,70,785 | 4,87,963 |
| | Gratuity | 20,083 | 17,669 |
| | | 5,90,868 | 5,05,632 |
| 14 | <u>OTHER EXPENSES</u> | | |
| | Filing Fees | 2,500 | 6,000 |
| | Audit fees | 11,798 | 11,798 |
| | Provision for NPA A/cs | 2,88,978 | 1,17,131 |
| | <u>Miscellaneous expenses:</u> | | |
| | Printing and Stationery | 236 | 40 |
| | Postage & Telephone | 10,074 | 11,821 |
| | Conveyance | 5,448 | 5,197 |
| | Other Exp. | 801 | 9,721 |
| | Professional Fees | 2,300 | 33,300 |
| | Bank Charges | 450 | 1,606 |
| | Refreshment Expenses | 208 | 1,633 |
| | | 3,22,793 | 1,98,247 |



DCM REALTY INVESTMENT & CONSULTING LIMITED

NOTE – 15

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

1. **Accounting convention:**

The financial statements are prepared under the historical cost convention in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 1956. Further those Accounting Standards which otherwise are not applicable to company has been complied with in these accounts to make such accounts fit for consolidation.

3. **System of Accounting:**

The company adopts the accrual concepts in the preparation of the accounts.

4. **Fixed Assets :**

Fixed Assets are capitalised at cost inclusive of legal and/or installation expenses.

5. **Depreciation:**

a) The company follows the written down value method for providing depreciation on all fixed assets and the same is provided for the full year in respect of assets acquired during the year.

b) The rates of depreciation charged on all fixed assets are in accordance with the rates specified in Schedule XIV to the Companies Act, 1956, except in the following case:

c) Office and electrical equipments including computers -33.33%

6. **Interest on housing Loans:**

Repayment of housing loan is by way of equated monthly installments (EMIs) comprising principal and interest. Interest is calculated each year on the outstanding balance at the beginning of the borrower's financial year. EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, Pre-EMI interest is payable every month.

7. **Income Tax :**

The tax liability under Income Tax Act is computed and provided on assessable income.

8. Housing loans granted by the company are secured or partly secured by:

- a) Equitable mortgage of property and/or
- b) Pledge of shares, assignment of Life Insurance policies and/or
- c) Personal guarantees and/or
- d) Undertaking to create a security.



NOTES TO ACCOUNTS

- 16 Disclosures as per Accounting Standard (AS) - 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India:

A) Name of Related parties and nature of related party relationship

| Key Management Personnel | Holding Company | Fellow Subsidiary |
|--------------------------|-----------------|-------------------------------|
| (A) | (B) | (C) |
| Mr. Krishan Gopal Gupta | DCM Limited | DCM Finance & Leasing Limited |
| | | DCM Engineering Limited |
| | | DCM Textiles Limited |
| | | DCM Tools & Dies Limited |
| | | DCM Data Systems Limited |

B) Transactions during the year and balance as on 31st March, 2014 with related parties referred to in (A) above

| Nature of Transaction | Holding Company | |
|--|-----------------|---------------|
| | Current Year | Previous Year |
| <u>Expenses Reimbursement :</u> | | |
| Hospitalisation Insurance | 3,328 | 2,772 |
| Contribution to Staff Club | 2,400 | 2,400 |
| <u>Closing Balance:</u> | | |
| Amount Payable | 2,400 | NIL |

17. The company has not taken any leased assets and therefore disclosure requirement of Accounting Standard (AS) -19 "Leases" issued by the Institute of Chartered Accountants of India are not applicable.
18. The income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961 and after complying with the provisions of Accounting Standard 22 regarding 'Accounting for Taxes on Income'. There is no deferred tax assets/liability so far.




19. Quantitative details pursuant to Part II of Schedule VI to the Companies Act, 1956 are either nil or not applicable to the company so far. Expenditure in Foreign Currency – Rs. Nil (Previous year Rs. Nil)
20. Additional information pursuant to the provisions of schedule VI of the Companies Act, 1956.
- a) CIF value of imports in respect of Capital goods Rs. Nil (Previous year Rs. Nil).
 - b) Quantitative and statistical information Pursuant to part II of Schedule VI of The Companies Act, 1956.

Not Applicable

21. Figures of previous year have been regrouped and rearranged wherever necessary.
22. Note 1 to 14 (both inclusive) forms an integral part of Balance Sheet and Profit and Loss Account.

In terms of our separate report of even date attached.

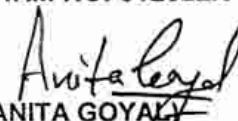

KRISHAN GOPAL GUPTA
DIRECTOR
DIN : 06798713


PAWAN KUMAR GUPTA
DIRECTOR
DIN : 05172941



PLACE: NEW DELHI
DATE : 16 MAY 2014

AUDITORS' REPORT
In terms of our separate report of even date.
for GREWAL & SINGH
Chartered Accountants
FIRM NO. 012322N


(ANITA GOYAL)
PARTNER
M. No. 520677