



CR RETAIL MALLS (INDIA) LIMITED

Annual Accounts 2012-13

INDEPENDENT AUDITORS' REPORT

The Members
CR Retail Malls (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **CR Retail Malls (India) Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management of the Company 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 misstatements, whether due to fraud or error.

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 requirement 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 amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 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 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 accepted in India;

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- ii) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii) In the case of Cash Flow Statement, the cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement of the matters specified in paragraph 4 and 5 of the said order.
- (ii) Further to our comments in the Annexure referred to in Paragraph 5(i) above, as required by section 227(3) of the Act, we report that;

- a. We have obtained all the information and explanation 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 dealt with by this report are in agreement with the books of accounts;
- d. In our opinion, the Balance Sheet & Statement of Profit and Loss dealt herewith comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956;
- e. On the basis of the written representations received from the Directors as on March 31, 2013 and taken on records by the Board of Directors, we report that none of the Director are disqualified, as on March 31, 2013, from being appointed as Director in terms of section 274(1)(g) of the Companies Act, 1956.

For Arun Arora & Co.,
Chartered Accountants

Arun Arora
(Proprietor)
Membership No.: A-12018

Place : Mumbai
Date : 15 May, 2013

CR RETAIL MALLS (INDIA) LIMITED

Referred to in paragraph 3 of our report of even date,

- (i) (a) The company has maintained proper records showing full particular including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management during the year. In our opinion, the programme of verification carried out is reasonable, having regard to the size of the Company and the nature of its assets and, on the basis of the explanations given to us, no discrepancies have been noted on verification.
- (c) In our opinion and according to the information and explanations given to us, the company has not made any substantial disposals of fixed assets during the year.
- (ii) The nature of the business / activities of the company during the year is such that Paragraph 4 (ii) is not applicable to the company.
- (iii) (a) According to the information and explanations given to us, company has not given secured or unsecured loans to companies, firms or other parties, as listed in the register maintained under section 301 of the companies act, 1956.
- (b) According to the information and explanations given to us, company has not taken secured or unsecured loans from companies, firms or other parties listed 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 fixed assets. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (v) (a) According to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 has been entered.
- (b) In our opinion and according to the information and explanations given to us transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposits within the meaning of section 58A and 58AA of the Companies Act,, 1956.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The company is not required to maintain any cost records under section 209(1)(d) of the companies Act, 1956.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, wealth tax and other material statutory due applicable to it.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income-tax, Wealth-tax were in arrears, as at 31st March 2013 for the period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues on account of income-tax, wealth-tax and other statutory dues which have not been deposited on account of the matter pending before appropriate authorities as on 31st March, 2013 except for stamp duty demand of Rs. 90,68,925/- by Chief Controlling Revenue Authority, against which the company had been granted ad interim stay by Hon'ble High Court of Bombay.

- (x) The company neither has any accumulated losses at the end of the year nor incurred cash losses during the current and immediately preceding financial year.
- (xi) The company has not taken any loans from financial institutions or banks.
- (xii) According to the information and explanations given to us, the company has not given any 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 (Auditors' Report) Order, 2003 are not applicable to the company.
- (xiv) The company has maintained proper records of transactions and contracts in respect of investments in shares, debentures and other securities and timely entries have been made therein. The investments are held by the company in its own name.
- (xv) In our opinion company has not given any guarantees for loan taken by others from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans have been applied for the purpose for which they were obtained.
- (xvii) To the best of our knowledge and belief and according to the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment (fixed assets, etc.) and vice versa. company has not raised any fund on short term basis.
- (xviii) The company has not made any preferential allotment of shares during the year.
- (xix) According to the information and explanations given to us and the records examined by us, during the year, company has not issued any debenture.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For Arun Arora & Co.
Chartered Accountants

Arun Arora
(Proprietor)

Place : Mumbai
Date : 15 May, 2013

CR RETAIL MALLS (INDIA) LIMITED
BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note No.	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
a Share Capital	2.1	200,000,000	200,000,000
b Reserves and Surplus	2.2	61,447,274	58,066,013
		261,447,274	258,066,013
2 Non-current liabilities			
a Long-term borrowings	2.3	400,000,000	400,000,000
b Other Long term liabilities	2.4	27,000,000	27,000,000
		427,000,000	427,000,000
3 Current liabilities			
a Trade payables	2.5	8,508,921	2,370,411
b Short-term borrowings	2.6	167,500,000	196,900,000
c Other current liabilities	2.7	1,393,568	2,073,052
		177,402,489	201,343,463
Total		865,849,763	886,409,476
II. ASSETS			
1 Non-current assets			
a Fixed assets	2.8		
Tangible assets		807,137,821	834,333,033
Intangible assets		103,665	158,130
b Long-term loans and advances	2.9	26,622,576	21,543,655
		833,864,062	856,034,819
2 Current assets			
a Trade receivables	2.10	511,586	511,585
b Cash and bank balances	2.11	31,063,193	29,519,810
c Short-term loans and advances	2.12	376,730	330,034
d Other current assets	2.13	34,192	13,227
		31,985,701	30,374,657
Total		865,849,763	886,409,476
Significant accounting policies & notes to financial statements	1 & 2		

As per our attached reports of even date

For Arun Arora & Co.

Chartered Accountants

For and on behalf of the Board

Arun Arora

Proprietor

Membership No. A-12018

R K Narayan

Managing Director

P K Choksi

Director

Place : Mumbai

Date : 15 May, 2013

Place : Mumbai

Date : 15 May, 2013

CR RETAIL MALLS (INDIA) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Note No.	Current year Rupees	Previous year Rupees
I. REVENUE FROM OPERATIONS	2.14	108,672,000	109,751,754
II. OTHER INCOME	2.15	2,054,669	2,970,031
III Total Revenue (I + II)		110,726,669	112,721,785
IV EXPENSES			
Employee benefits expense	2.16	28,065	217,659
Finance costs	2.17	70,639,840	76,137,861
Depreciation and amortization expense	2.8	27,249,678	27,253,426
Other expenses	2.18	8,927,824	29,486,691
Total expenses		106,845,407	133,095,636
V Profit before tax		3,881,262	(20,373,852)
Tax expense			
Provision for Current taxes		500,000	-
Deferred tax		-	(26,789,502)
		500,000	(26,789,502)
VI Profit after tax for the year		3,381,262	6,415,651
VII Earnings per share	2.19		
Basic & diluted		0.17	0.32
Significant accounting policies & notes to financial statements	1 & 2		

As per our attached reports of even date

For Arun Arora & Co.

Chartered Accountants

For and on behalf of the Board

Arun Arora

Proprietor

Membership No. A-12018

R K Narayan

Managing Director

P K Choksi

Director

Place : Mumbai

Date : 15 May, 2013

Place : Mumbai

Date : 15 May, 2013

CR RETAIL MALLS (INDIA) LIMITED
CASH FLOW STATEMENT

Particulars	In Rupees	
	For the year ended March 31, 2013	For the year ended March 31, 2012
A Cash flow from operating activities		
Profit before tax	3,881,262	(20,373,852)
Adjustment for:		
Depreciation	27,249,678	27,253,426
(Profit)/loss on sale of investments	(570)	-
Dividend income	(1,949,974)	(1,718,810)
Interest income	(104,125)	(21,424)
Interest expense	70,639,840	69,046,981
Operating profit before working capital changes	99,716,111	74,186,321
Adjustment for:		
(Increase)/decrease in inventories	-	2,405,627
(Increase)/decrease in trade receivables	-	1,596,206
(Increase)/decrease in short-term loans and advances	(46,696)	10,561,644
(Increase)/decrease in other current assets	(20,965)	(13,227)
Increase/(decrease) in trade payables	6,138,510	(16,268,607)
Increase/(decrease) in other current liabilities	(679,484)	993,394
Cash generated from/(used in) operations	105,107,476	73,461,358
Direct taxes paid	(5,578,921)	(3,804,869)
Net cash from/(used in) operating activities	99,528,555	69,656,489
B Cash flow from investing activities		
Purchase of current investments - Others	(110,841,709)	(130,581,822)
Sale of current investments - Others	110,841,709	130,581,822
Interest Income	104,125	21,424
(Profit)/loss on sale of investments	570	-
Dividend Income	1,949,974	1,718,810
Net cash from/(used in) investment activities	2,054,669	1,740,234
C Cash flow from financing activities		
Proceeds from long-term borrowings	-	400000000
Proceeds from other long term liabilities	-	27,000,000
Proceeds from short-term borrowings	100,000,000	-
Repayment of short-term borrowings	(129,400,000)	(400,002,802)
Interest paid	(70,639,840)	(69,046,981)
Net cash from/(used in) financing activities	(100,039,840)	(42,049,783)
Net increase/(decrease) in Cash and cash equivalents	1,543,383	29,346,938
Cash & cash equivalents (opening)	29,519,810	172,872
Cash & cash equivalents (closing)	31,063,193	29,519,810

CR RETAIL MALLS (INDIA) LIMITED
CASH FLOW STATEMENT**Notes**

- 1 The cash flow statement has been prepared under the 'Indirect Method' set out in AS 3 - "Cash Flow Statement" notified in Companies (Accounting standards) Rules, 2006 (as amended).
- 2 Previous year's figures have been regrouped and rearranged wherever necessary

As per our attached reports of even date

For Arun Arora & Co.

Chartered Accountants

For and on behalf of the Board**Arun Arora**

Proprietor

Membership No. A-12018

R K Narayan

Managing Director

P K Choksi

Director

Place : Mumbai**Date : 15 May, 2013****Place : Mumbai****Date : 15 May, 2013**

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

a. Nature of Operations

The Company is engaged in the business of giving and taking on lease, sub-lease in any manner whatsoever land, buildings, structures, properties including Multiplexes and Cinemas and to deal in real estate, land & buildings and other properties of all types wherever situated.

b. Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and are in compliance with material aspect of the applicable Accounting Standards notified under Companies (Accounting Standards) Rules 2006 (as amended), the relevant provisions of the Companies Act, 1956 ("the Act"). Except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

c. Use of estimates

The preparation of financial statements is in conformity with Indian Generally Accepted Accounting Principles which require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known/materialised.

d. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Amount of sales tax and service tax collected on generating operating revenue has been deducted from the respective operating revenue.

Interest Income

Interest revenue is recognised on accrual basis.

Dividend Income

Dividend income on Investment is accounted for when Company's right to receive dividend is established.

Rent Income

Revenue from rent is recognized based upon the contract/lease agreement, for the period the property and/or Furniture / Fixtures etc. has been let out.

e. Fixed assets and depreciation

Fixed Assets are stated at Cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of qualifying Fixed Assets are also included to the extent they relate to the period till such assets are ready for their intended use.

Leasehold improvements represent expenses incurred towards civil works, interior furnishings, etc. on the leased premises.

Depreciation

Leasehold Improvements are amortized over the estimated useful life or unexpired period of lease (whichever is lower) on a straight line basis.

Depreciation on all other assets is provided on Straight-Line Method at the rates computed based on estimated useful life of the assets, which are equal to the corresponding rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions to fixed assets is provided over the remaining useful life of the assets.

Assets costing Rs. 5,000 and below are fully depreciated in the year of acquisition.

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

Intangibles Assets
Software

Cost relating to purchased software's is capitalised and is amortised on a Straight-Line Basis over their estimated useful life.

Software licenses costing Rs. 5,000 and below are fully depreciated in the year of acquisition.

f. Impairment of assets

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the profit and loss account.

g. Investments

Investments are classified as non-current/ long-term or current. Non-current/ long-term investments are carried at cost, however, provision for diminution in the value of non-current/ long-term investments is made to recognise a decline, other than temporary, in the value of investments. The provision for diminution in the value of the quoted long-term investments is made to recognise the decline at lower of cost or market value, determined on the basis of the quoted prices of individual investment. Provision for diminution in the value of unquoted non-current/ long-term investments is made as per the Management's estimate. Current investments are carried at lower of cost or fair value.

h. Taxation

Tax expense comprises current tax and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that apply substantively as on the date of balance sheet. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.

i. Foreign currency transactions

Transactions in foreign currency are recorded at rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the profit and loss account. Other non-monetary items, like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction.

j. Provisions, contingent liabilities and contingent assets

Contingent Liabilities are possible but not probable obligations as on the balance sheet date, based on the available evidence. Provisions are recognised when there is a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date. Contingent assets are not recognised in the financial statements.

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.1 SHARE CAPITAL

	(In Rupees)	
	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Authorised		
20,000,000 (previous year 20,000,000) Equity Shares of Rs. 10/- each	200,000,000	200,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
Issued, Subscribed and Paid-up		
20,000,000 (previous year 20,000,000) Equity Shares of Rs. 10/- each	200,000,000	200,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
Total	<u>200,000,000</u>	<u>200,000,000</u>

Note a.

The Company has only one class of shares referred to as equity shares having a Face Value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

Note b.

Particulars	Equity Shares			
	As at 31.03.2013		As at 31.03.2012	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	20,000,000	200,000,000	20,000,000	200,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	20,000,000	200,000,000	20,000,000	200,000,000

Note c.

Out of Equity shares issued by the Company, shares held by each shareholder including its holding company, ultimate holding company and their subsidiaries/associates, holding more than 5 percent shares specifying the number of shares held are as below:

Particulars	As at 31.03.2013		As at 31.03.2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
JM Financial Investment Managers Ltd.	12,403,870	62.02	12,403,870	62.02
JM Financial Products Ltd. alongwith its nominees	7,596,130	37.98	7,596,130	37.98
	<u>20,000,000</u>	<u>100.00</u>	<u>20,000,000</u>	<u>100.00</u>

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.2 RESERVES AND SURPLUS

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
a .Surplus / (deficit) in profit and loss account:		
Opening balance	58,066,013	51,650,363
(+) Profit for the year	3,381,262	6,415,651
Closing balance	61,447,274	58,066,013
Total	61,447,274	58,066,013

2.3 LONG-TERM BORROWINGS

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Secured Loan (refer note below)		
Fom Axis Bank Limited	400,000,000	400,000,000
Total	400,000,000	400,000,000

Note: Term Loan from Axis bank secured against Mortgage of Property and Hypothecation of Rent receivable. Tenure of loan 115 months repayable vide monthly installments starting from September 2014.

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.4 OTHER LONG TERM LIABILITIES

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
- Others (Security deposit)	27,000,000	27,000,000
Total	27,000,000	27,000,000

2.5 TRADE PAYABLES

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Trade Payables		
- Micro, small and medium enterprises	-	-
- Others	8,508,921	2,370,411
Total	8,508,921	2,370,411

2.6 SHORT-TERM BORROWINGS

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Unsecured loan- intercorporate		
Loan from fellow subsidiary company / holding company	167,500,000	196,900,000
Total	167,500,000	196,900,000

2.7 OTHER CURRENT LIABILITIES

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Statutory dues	1,393,568	2,073,052
Total	1,393,568	2,073,052

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.8 FIXED ASSETS

Amount in Rupees

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01-Apr-12	Additions	Deductions / Adjustments	As at 31-Mar-13	As at 01-Apr-12	For the period	Deductions / Adjustments	As at 31-Mar-13	As at 31-Mar-13	As at 31-Mar-12
<u>i) TANGIBLE ASSETS:</u>										
Owned Assets:										
Leasehold Building (refer note below)	635,711,841	-	-	635,711,841	33,843,718	10,362,103	-	44,205,821	591,506,020	601,868,123
Leasehold Improvements	125,193,294	-	-	125,193,294	16,321,677	5,007,732	-	21,329,409	103,863,885	108,871,617
Plant & Machinery	131,526,614	-	-	131,526,614	29,070,023	8,937,941	-	38,007,964	93,518,650	102,456,591
Furniture & Fittings	30,782,552			30,782,552	9,645,849	2,887,436	-	12,533,286	18,249,266	21,136,703
<u>ii) INTANGIBLE ASSETS:</u>										
Software Development Cost	336,000	-	-	336,000	177,870	54,466	-	232,335	103,665	158,130
Total	923,550,301	-	-	923,550,301	89,059,137	27,249,678	-	116,308,815	807,241,486	834,491,164
Previous Year	923,550,301	-	-	923,550,301	61,805,712	27,253,426	-	89,059,137	834,491,164	-

Note:- Leasehold Building mortgage against Rs. 40 Crs. Term Loan taken from AXIS Bank Limited.

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.9 LONG TERM LOANS AND ADVANCES

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Unsecured, considered good		
Advance Tax (net of provisions)	26,622,576	21,543,655
Total	26,622,576	21,543,655

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.10 TRADE RECEIVABLES

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Unsecured, considered good outstanding for a period more than six months	511,586	511,585
Total	511,586	511,585

2.11 CASH AND BANK BALANCES

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Balances balances:		
In current accounts	6,863,193	6,019,810
In deposit accounts (less than 3 months maturity)	24,200,000	23,500,000
	31,063,193	29,519,810
Other bank balances	-	-
Total	31,063,193	29,519,810

2.12 SHORT-TERM LOANS AND ADVANCES

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	376,730	330,034
Total	376,730	330,034

2.13 OTHER CURRENT ASSETS

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Interest accrued but not due on Fixed Deposits	34,192	13,227
Total	34,192	13,227

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.14 REVENUE FROM OPERATIONS

	Current year Rupees	Previous year Rupees
Income from sale of tickets of films	–	12,760,107
Sale of food and beverages	–	2,311,840
Advertisement	–	30,000
Rent Income on Furniture & Fixtures	1,800,000	1,567,742
Rent Income on Premises	106,872,000	93,082,065
TOTAL	108,672,000	109,751,754

2.15 OTHER INCOME

	Current year Rupees	Previous year Rupees
Interest Income	104,125	21,424
Rent received	–	368,724
Dividend	1,949,974	1,718,810
Miscellaneous Income	570	861,073
Total	2,054,669	2,970,031

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.16 EMPLOYEE BENEFITS EXPENSE

	Current year Rupees	Previous year Rupees
Salaries, Bonus and Allowances	28,065	–
Staff Welfare	–	217,659
Total	28,065	217,659

2.17 FINANCE COSTS

	Current year Rupees	Previous year Rupees
Interest Expense	70,639,840	69,046,981
Other Borrowing Cost	–	7,090,880
Total	70,639,840	76,137,861

2.18 OTHER EXPENSES

	Current year Rupees	Previous year Rupees
Film distributors' share	–	3,505,756
Consumption of food and beverages	–	1,135,040
Rates and taxes	7,020	236,644
Communication expenses	–	20,090
Advertisement and publicity	–	24,863
Insurance expenses	533,061	409,208
Repairs and maintenance	–	2,403,863
Electricity and water charges	–	2,659,837
Legal and professional fees	201,430	2,242,528
Security service charges	–	251,854
Auditors' remuneration		
statutory audit	30,000	30,000
Others	85,000	100,000
Travelling expenses	20,406	69,446
Property Tax	8,035,330	8,035,330
Printing and stationery	–	2,055
Miscellaneous expenses	15,578	8,360,177
Total	8,927,824	29,486,691

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.19 EARNING PER SHARE

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

	Current year	Previous year
Profit after tax (Rupees)	3,381,262	6,415,651
Profit attributable to the equity shareholders for the purpose of basic & diluted earnings per share (Rupees)	3,381,262	6,415,651
Weighted average number of equity shares outstanding during the year for basic & diluted earnings per share	20,000,000	20,000,000
Basic & diluted earnings per share – Rupees	0.17	0.32
Nominal value per share – Rupees	10	10

2.20 Contingent Liability

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
<p>The Chief Controlling Revenue Authority has issued an order dated 10.08.2010 whereby the company has been directed to pay stamp duty, being the purported deficit stamp duty payable in respect of an Indenture of Sub-Lease dated February 27, 2007, executed by and between the company and the sub-lessor namely, Phoenix Mills Limited.</p> <p>The company has filed a petition W.P. (C) No. 9010/2010 in the High Court of Judicature at Mumbai, challenging the above order.</p> <p>On 21.12.2010, the Hon'ble High Court was pleased to grant ad interim stay of operation of order dated 10.8.2010 and stay to continue until further orders. Pending the final disposal of the above matter, the company has not provided for the above liability.</p>	9,068,925	9,068,925

2.21 Expenditure in Foreign Currency

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
CIF Value of Imports		
Capital Goods	–	–
Software	–	–
Total	–	–

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

2.22 Segment Reporting

a. Primary Segment:

The Company is solely engaged in the business of giving & taking on lease, sub-lease in any manner whatsoever land, buildings, structures, properties including Multiplexes and Cinemas. The entire operations are governed by the same set of risk and returns, hence, the same has been considered as representing a single primary segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard – 17 on Segment Reporting.

b. Secondary Segment (by Geographical segments):

The Company operates within India with Nil income from overseas market and does not have any operations in economic environments with different set of risks and returns. Hence, it is considered operating in a single geographical segment.

2.23 Leases

Rental income in respect of operating leases are recognized as an income in the Profit and Loss.

Operating Lease (for assets given on lease)

The Company has given multiplex under operating lease agreements. Details of rent income as under:

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
Minimum Lease Rent Receipts :		
Not Later than one year	108,672,000	108,672,000
Later than one year but not later than five years	545,957,419	506,626,839
Later than five years	515,508,774	663,511,355
Total	1,170,138,194	1,278,810,194
Lease rent receipts for the year recognized in Profit and Loss Account	108,672,000	94,649,807

2.24 Disclosure in respect of related parties pursuant to accounting standard 18:

(a) Names of related parties and description of relationship where control exists upto 17/05/2011

Holding Company

PVR Limited

Fellow Subsidiaries

PVR Pictures Limited

(b) Names of related parties and description of relationship where control exists from 18/05/2011

Holding Company

JM Financial Investment Managers Limited

Fellow Subsidiaries

JM Financial Products Limited

Related party relationship have been identified by the management and relied upon by the auditors.

CR RETAIL MALLS (INDIA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

Following transactions were carried out with the related parties in the ordinary course of business

Particulars	Nature of Transaction	01.04.2012	01.04.2011	18.05.2011
		to	to	to
		31.03.2013	17.05.2011	31.03.2012
		Amount	Amount	Amount
Holding Company				
PVR Limited	(i) Inter Company loan repaid	-	2,802	-
	(ii) Interest paid	-	6,085,142	-
	(iii) Balance outstanding	-	596,900,000	-
JM Financial Investment Managers Limited	(i) Inter Company loan taken	100,000,000	-	-
	(ii) Interest paid	5,490,411	-	-
	(iii) Balance outstanding	100,000,000	-	-
Fellow Subsidiary Company				
PVR Pictures Limited	(i) Film Distributors share of Expenses (recovery towards publicity)	-	334,156	-
JM Financial Products Limited	(i) Inter Company loan taken	-	-	596,900,000
	(ii) Inter Company loan repaid	129,400,000	-	400,000,000
	(iii) Interest paid	16,349,425	-	35,151,180
	(iv) Balance outstanding	67,500,000	-	196,900,000

No amount is written off or written back during the year in respect of debts due from or to related parties.

- 2.25 The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure, if any relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given
- 2.26 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For Arun Arora & Co.
Chartered Accountants

For and on behalf of the Board

Arun Arora
Proprietor
Membership No. A-12018

R K Narayan
Managing Director

P K Choksi
Director

Place : Mumbai
Date : 15 May, 2013

Place : Mumbai
Date : 15 May, 2013