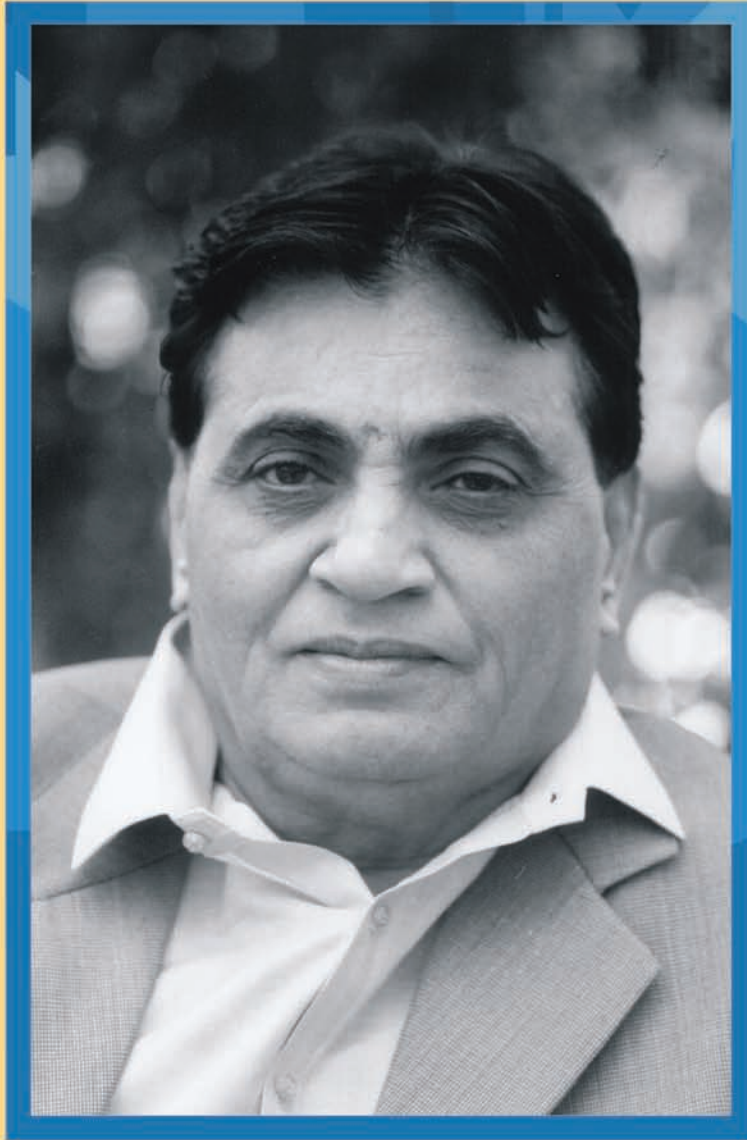




LOOK. LEAP. LEAD.

GANESH HOUSING CORPORATION LIMITED | ANNUAL REPORT 2010-2011



Shri Govindbhai C. Patel (11.03.1937 - 29.10.2009)

Promoter and Ex-Chairman of Ganesh Housing Corporation.

A man of rare vision, integrity and entrepreneurship. An achiever par-excellence, it was his perseverance and single-minded dedication that was instrumental in making Ganesh Housing Corporation Limited a leading real estate company in Gujarat.

Awarded the prestigious Gujarat Gaurav and Gujarat Gaurav Sanman, he also started the Govindbhai C. Patel Foundation to actively contribute to social upliftment.

At Ganesh Housing Corporation Limited, we continue to remain inspired by his vision and re-dedicate ourselves to his guiding principles.

02 LOOK: LEAP: LEAD 10 STRATEGIC OVERVIEW

16 FINANCIAL SNAPSHOT 18 CHAIRMAN'S MESSAGE

20 CORPORATE INFORMATION 21 NOTICE

24 DIRECTORS' REPORT

34 MANAGEMENT DISCUSSION AND ANALYSIS 44 CORPORATE GOVERNANCE REPORT

60 AUDITORS' REPORT

66 BALANCE SHEET

67 PROFIT AND LOSS ACCOUNT

68 CASH FLOW STATEMENTS

77 SCHEDULES TO ACCOUNTS

88 CONSOLIDATED ACCOUNTS

113 STATEMENT PURSUANT TO SECTION
212 OF THE COMPANIES ACT, 1956

ATTENDANCE SLIP / PROXY

CONTENTS

LOOK. LEAP. LEAD.

THESE THREE WORDS ENCAPSULATE WHO WE ARE, WHERE WE STAND AND HOW WE LEAD. THESE THREE WORDS ALSO DEFINE OUR PHILOSOPHY, STRENGTHS AND LEADERSHIP AND GIVES AN INDICATION OF WHAT TO EXPECT FROM GANESH HOUSING.



Look is a reflection of what is within, our soul. This is how we do business. Look exemplifies our value systems and the detailed work we do before taking any decision and once we take we stay firm. Take a look.

- We have a regional focus in Ahmedabad, one of the fastest growing metropolis in India. And Ahmedabad will keep us busy for many decades to come. It is just warming up for tomorrow. We believe two and true words for Ahmedabad are great opportunity and growth.
- Our land bank strategy has always been to acquire important parcels of land before they become prominent and important. Because we know Ahmedabad better than most, we believe we have the most prime developable land bank, not just for today, but for tomorrow. Further, at the same time we always keep our eyes open and remain vigilant in terms of any promising opportunity that comes and will grasp the same.
- Team of Ganesh is a combination of experienced and aggressive young professional. We believe in generating future leaders and dynamic team building is part of our main vision.

Ganesh Housing is at inflection. It has a total developable construction area of approx 40 million sq. fts developable and we are well prepared to execute 4-5 million sq. ft. per annum. In coming years, for such mega executions, we have set our procedures and skills accordingly.

- Execution of Project and it's methodology has completely changed and improved.
- ERP system has been implemented for better MIS.
- Better infrastructure has been given to project sites and head office and further giving of lots of value addition with quality and innovation is on the agenda.
- Customer Service Department has been strengthening.

Lead is our positioning. We lead by thought, by action and Innovation. With these qualities, we are one of the most respected developers of Ahmedabad.

- Leadership in acquiring tomorrow's land bank, today.
- Leadership in providing transparency for the industry. What we do, others follow.
- Leadership in environment protection.
- Leadership in altruism.
- Leadership in customer service.
- Leadership in innovation
- Leadership in Corporate Social Responsibility.

Look Within. Leap Ahead. Lead by Thought, Action and Innovation.
That is who we are.

LOOK BEFORE THE LEAP

Insight Ganesh.





SATVA



SHANGRI - LA

We also believe that in our business, knowing the territory, the evolution and the expansion of the territory we serve is critical. We are into an asset-led business. We buy land, which develops into your homes, offices and shopping destinations of tomorrow. Knowing where you want to live work and shop is important.

As the city of Ahmedabad spreads because of its economic growth, the circumference also expands. The opportunity is in buying land parcels that will build tomorrow's destinations, today. That way we buy land cheaper and therefore, not just drive higher cash flows tomorrow, but also ensure that we are the most competitive. To achieve this, it is important to know your city inside out. And we believe we know Ahmedabad better than the most. It is our city. And has always been our focus. We have avoided the distractions of building a pan-India presence. Because we can keep growing in Ahmedabad for decades to come.



GANESH HOUSING IS A 45 YEAR OLD GROUP AND HAS BEEN LEADING THE AHMEDABAD MARKET FOR OVER FOUR DECADES. WE CONSIDER OURSELVES FORTUNATE TO BE PART OF THE AHMEDABAD STORY. THE POLITICAL AND ECONOMIC LEADERSHIP OF GUJARAT IN GENERAL AND AHMEDABAD IN PARTICULAR HAS ENSURED THAT GANESH HOUSING DOES NOT LOOK OUTSIDE FOR GROWTH.

Take a look.

- Ahmedabad needs 65,000 dwelling units every year. And this is growing at 15%. At Rs 10,000 crores today, this market adds Rs 1,500 crores every year.
- We target to achieve 5% market shares with 3 years which means approximately 300 units. Thus, we do not have to look out.

This reduces the risk profile of our business considerably. Our land buys are large in absolutely value terms. In our business any mistake could be an expensive one. And hence, it is important to know your strengths, and more importantly, the weakness. We have built Ganesh and its land bank on a platform of over four decades of experience : experience in better understanding of land, city development plans, changing demographics, local authorities and the broking community which helped us filter the opportunities better and utilise our resources to create wealth.

Our strategy to remain committed to Ahmedabad has also added a very different aggression to our business. Knowing Ahmedabad so well, if we see an opportunity, seldom do we let go of it.

And this look before you leap has ensured that at any given time, we have developable land and execution strategy for the next five to seven years.

That's Ganesh Housing.

- 45 years of experience.
- Ahmedabad. Ahmedabad. Ahmedabad.
- Over 17 million sq. ft. of development completed till date.

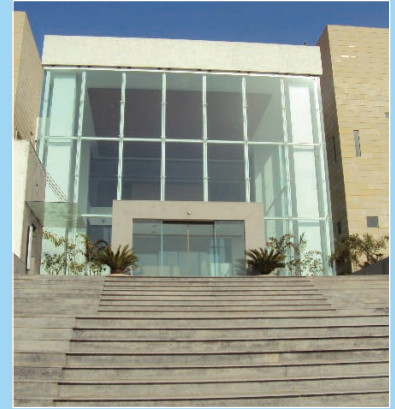
THE LEAP FOR THE LEAD

Inflection at Ganesh.





CORPORATE HOUSE



CORPORATE HOUSE



INDIA IS AT AN INFLECTION. GUJARAT IS AT AN INFLECTION. AHMEDABAD IS AT AN INFLECTION. AND SO ARE WE. OUR AHMEDABAD FOCUS ENSURED THAT WE WERE READY FOR THIS INFLECTION. IN FACT, WE HAVE BEEN QUIETLY PREPARING FOR THIS LEAP. BECAUSE WE KNOW THE EXPANSION OF AHMEDABAD AND THE WAY THE CITY WAS FAST MOVING AND GROWING ECONOMICALLY, WE BOUGHT FUTURISTIC LAND PARCELS YESTERDAY. THIS LAID THE FOUNDATION FOR THE LEAD TO COME. IT WAS ONLY A MATTER OF TIME.

Leap in infrastructure

In the coming years, Ganesh Housing would be leaping from 0.5 - 1.5 million sq. ft. to 3.5 million sq. ft. Execution plays a vital role in real estate development, and Ganesh Housing strives to increase the execution capacity and also evolve a standard execution methodology. The Company carries out Wire adopting quantitative techniques with 3D modelling that accurately ascertains the quantity of material resources required at each stage. This has enhanced our inventory management which in turn has resulted into saving of time, labour, etc. With latest construction techniques and machinery, we are less dependent on manual labour.

Leap in systems

The Company became ERP-enabled during the year. ERP will lead to multiple benefits due to substantial cost and savings like reduction in inventory, reduction in duplicate efforts, reduction in non value added activities, high utilisation of employees, uniform processes, etc.

This ERP-enabled back-end leap ensured that we were ready with a stronger infrastructure and systems before we took a giant leap. And we took a huge leap in 2010-11.

Leap in scope

Ganesh Housing will launch SMILE CITY and MILLION MINDS - two to the largest projects in size and scope in Ahmedabad.

SMILE CITY is a huge project to be developable on 534 acres of land with a construction area of 23.26 million sq.ft. at Godhavi, approximately 5 kms. from S.P. Ring Road on western Ahmedabad.

MILLION MINDS is a gigantic IT-SEZ project with a development of over 80 acres of land at Chharodi, S.G. road with construction area of 10.19 million sq.ft.

These two launches will leap Ganesh into the next orbit. With these two launches, the execution leaps to a staggering 3.5 million sq. ft. per annum.

At 34 million sq. ft. from these two developments and 3.5 million sq. ft. of execution every year, the visibility has taken a huge leap to now ten years!

It's time to further the lead.

LEAD BEYOND NUMBERS

Importance at Ganesh.





MILLION MINDS



SMILE CITY

We have the largest developable land bank in Ahmedabad today with 27.88 million sq. ft. But our leadership is beyond the numbers. We are thought leaders. We have bought land bank that is futuristic : acquiring tomorrow's land bank today at very attractive prices.

We are also leaders in execution. As we speak we are executing 1.8 million sq. ft.

At Ganesh Housing leadership is beyond numbers. At Ganesh Housing, we are torch-bearers to the industry. We light up a futuristic road for the industry to follow.

The importance beyond the numbers.

We constantly endeavour to do our bit to make the world a better place. We have been fortunate to have earned from the society. We believe in giving back to the society. We lead in giving back too. We support education. We support organ donations.

- Ganesh Housing has been educating 3000 children. We have been supporting the Surajbaa Educational Trust which runs to support two schools - R.C.Patel School and Sri Ganesh Vidya Mandir.
- We actively support SHATAYU, an organ donation awareness initiative of the Govindbhai C. Patel Foundation in affiliation with the International Red Cross Society.

We believe in leading the transparency that this industry needs. We have re-defined transparency norms in our business. A Ganesh Housing customer has the right to know everything that he is paying for. He knows the carpet area, the built-up area and the saleable area. Besides, he also knows technical details like ducting, plumbing and the technology used.

We are also leading the green drive and environment protection efforts in the industry. We are adopting energy efficient and eco friendly materials for construction. Instead of using precious wood, we have commenced using UPVC windows for various projects. Further, we have also started utilising variable frequency drives in water pumping and elevators.

We are leaders. As we build on our lead, it will not just be in developable land bank and execution, but in areas that are beyond numbers. In CSR. In transparency. And towards a better tomorrow.



WE ARE AN AGGRESSIVE GROUP AT HEART. OUR AGGRESSION IS A REFLECTION OF OUR BELIEF IN THE GROWTH OF AHMEDABAD AND OUR UNDERSTANDING OF THE CITY OVER THE LAST 45 YEARS. THE UNDERSTANDING OF THE CITY AND OUR ABILITY TO GRAB THE OPPORTUNITY HAS MADE US ONE OF THE MOST DOMINANT REAL ESTATE PLAYERS IN AHMEDABAD.

STRATEGIC OVERVIEW

Land Bank.



STRATEGIC OVERVIEW

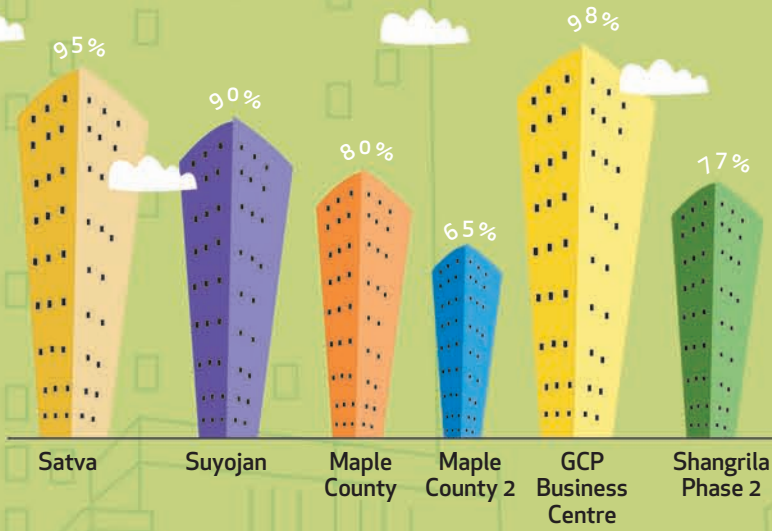
Projects in pipeline

Project	Location	Category	Area (in million sq. ft.)
SMILE CITY	Godhavi	Integrated Township	23.26
MILLION MINDS (including residential project behind Nirma University)	S.G.Road	Mega Project	10.85
SUNDARVAN APOSTLE	Satellite	Residential	0.11
SUNDARVAN EPITOME	Satellite	Residential	0.23
MADHUBAN HILLS	Shrinathji	Residential	0.34
CORPORATE PARK	S.G. Road	Commercial	0.66

Project under execution

Project	Location	Category	Area (in million sq. ft.)	Completion Status (%)
SATVA	Paldi	Residential	0.36	95
SUYOJAN	Sola	Residential	0.23	90
MAPLE COUNTY	Shilaj, S.G.Road	Residential	0.43	80
MAPLE COUNTY 2	Shilaj, S.G.Road	Residential	0.43	65
SHANGRI LA Phase-2	Thaltej	Residential	0.17	77
GCP BUSINESS CENTRE	Vijay Char Rasta	Commercial	0.11	98

Project completion status



MAPLE COUNTY



SUYOJAN



SHANGRILA



SHANGRILA - II



SMILE CITY



MILLION MINDS





CORPORATE HOUSE



MAHALAYA - II



BUSINESS CENTER



SATVA

FINANCIAL SNAPSHOT

Rs. in lacs

Particulars	2010-11	2009-10	2008-09
Total Income	17,027.58	10,173.72	9,325.32
EBIDTA	10,155.48	6,966.99	7,678.92
Depreciation	122.55	143.82	151.34
Interest	2,518.20	1,402.08	2,310.68
Profit Before Tax	7,514.73	5,421.09	5,216.90
Profit After Tax	5,979.82	4,759.85	4,949.26
Gross Block	6,633.13	4,883.88	4,818.84
Net Block	6,102.50	4,446.74	4,519.78
Capital WIP	273.28	825.09	637.93
Investments	1.04	1.04	1.04
Net Current Assets	87,072.48	63,429.05	50,011.75
Cash & Bank Balance	9,461.55	752.92	157.37
Total Debts	27,558.05	10,432.82	9,443.85
Share Capital	3,265.59	3,265.59	3,265.59
Reserves & Surplus	53,428.56	47,181.61	42,523.23
Earnings Per Share (Basic)	18.30	14.51	15.16

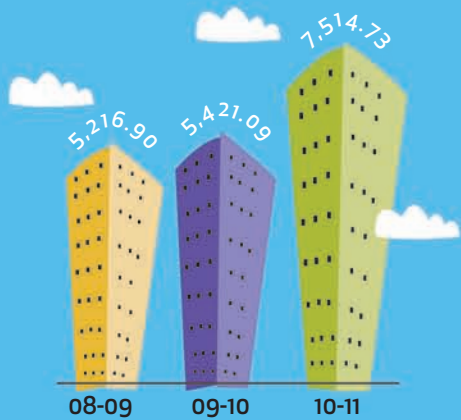
Total Income



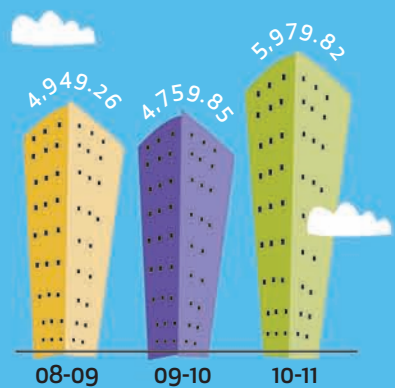
EBIDTA



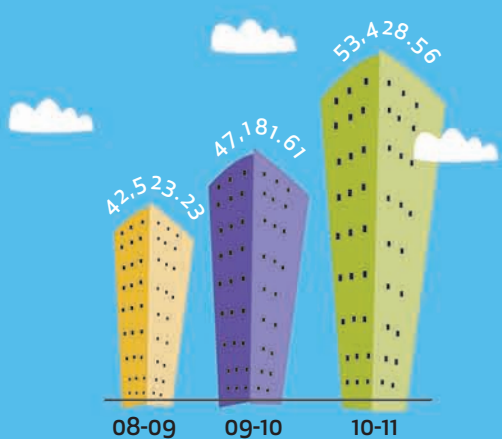
Profit Before Tax



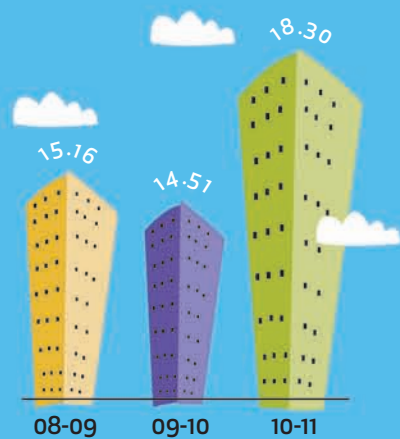
Profit After Tax



Reserves & Surplus



EPS (Basic)



CHAIRMAN'S MESSAGE

Dear Shareholders,

It is always a pleasure sharing with you a few words about our company, its performance in the previous year and its future plans and prospects.

The year 2010-11 saw the real estate industry stabilise and consolidate after two difficult years. The overall economic scenario was also much better during the year. Over the years, the company has taken a strong strategic focus on Ahmedabad. The company firmly believes that in the real estate business, the local knowledge of land, its people, their consumption habits and patterns are all very critical in achieving long-term success. The company's strategy proved to be successful as the last two years have shown that companies who spread far and wide on a pan-India basis were more vulnerable and more affected than those like Ganesh Housing who opted for a very focussed space.

The company is today one of the most recognised and respected names in the real-estate space in Ahmedabad. The city of Ahmedabad is one of the fastest growing tier II cities in the country. The city is lined up for tremendous growth over the next few years and is strongly expected to emerge as the second financial hub and a leading Auto and IT hub in the country. The residential demand in Ahmedabad is estimated at 65,000 units and is projected to grow at a CAGR of 15%. At Ganesh Housing, we plan to capture 5% of this market in the next three years.

The company has the largest developable land bank in and around the city at 640 acres. In the real-estate business, the size of the developable land bank is a strong indication of the future prospects of the company. This land bank has been very judiciously acquired. All this land bank is developable today and promises a great future. The land bank that we have also has one of the lowest cost of acquisition. This gives tremendous flexibility and leverage to our projects, not to mention the compelling price advantage to our customers. With this superb quality of land bank, we are now ready to leap and lead and take the company to even greater heights.

Apart from the largest land bank, the company is also actively executing various projects in the commercial and retail sectors of about 1.73 sq.ft. with another 2.00 million sq.ft. of developments in the pipeline. The company also has two of the

most ambitious mega projects - Million Minds of around 10.19 million sq.ft. built up space and Smile City of about 23.26 million sq.ft. of built up space about to be launched.

With this land bank and projects under execution and in pipeline, the company is about to enter the higher orbit. In the coming years, we will go from 0.5 million sq.ft. today to 3.5 million sq.ft. per annum.

The company had yet another remarkable year and registered a sterling performance. In the year 2010-11, our revenues increased by Rs. 67.37%. We recorded revenues of Rs.170.28 crores as compared to Rs. 101.74 crores in the previous year. We improved our EBIDTA to Rs. 101.38 crores during the year from Rs.69.67 crores in the previous year, an increase of 45.51%. Our PAT also improved from Rs. 47.60 crores in the previous year to Rs. 57.73 crores in the current year, registering an increase of 21.28%.

The company continues to fortify and strengthen itself internally by ensuring that it adopts and embraces best practices and processes in the industry. During the year, the company implemented Enterprise Resource Management (ERP). With ERP System, the company will have one of the best management information system for faster and accurate decision making.

The company continues its commitment as a responsible corporate citizen. The company actively supports education through its directly involvement with two schools. The company is also actively supporting SHATAYU - an organ donation awareness initiative of the Govindbhai C. Patel Foundation in affiliation with the International Red Cross Society.

The Company has fully prepared itself for the future and is looking eagerly for a big leap in the coming years to establish itself as the leader in real estate space in the city of Ahmedabad, one of the fastest growing cities.

I sincerely thank you for your support and faith in the company and assure you we shall continue in our endeavour to deliver best projects to the people of Ahmedabad and exceptional value to our shareholders.

Yours sincerely,

Dipakkumar G. Patel



Corporate Information

Board of Directors

Mr. Dipakkumar G. Patel	Chairman & Whole-Time Director
Dr. Bharat J. Patel	Director
Dr. Tarang M. Desai	Director
Mr. Arvindbhai R. Nanavati	Director
Ms. Lalitaben G. Patel	Director
Mr. Ashish Modi	Director
Mr. Shekhar G. Patel	Managing Director

Company Secretary

Mr. Vijay R. Lalaji

Auditors

M/s J. M. Parikh & Associates
Chartered Accountants
Ahmedabad

Audit Committee

Mr. Arvind R. Nanavati	Chairman
Dr. Tarang M. Desai	Member
Mr. Ashish Modi	Member
Mr. Shekhar G. Patel	Member

Remuneration and Compensation Committee

Mr. Arvindbhai R. Nanavati	Chairman
Dr. Tarang M. Desai	Member
Mr. Ashish Modi	Member
Ms. Lalitaben G. Patel	Member

Shareholders' / Investors Grievance Committee

Mr. Arvindbhai R. Nanavati	Chairman
Dr. Tarang M. Desai	Member
Mr. Ashish Modi	Member
Mr. Shekhar G. Patel	Member

Share Allotment Committee

Mr. Dipakkumar G. Patel	Chairman
Mr. Shekhar G. Patel	Member
Ms. Lalitaben G. Patel	Member

Bankers

Tamilnad Mercantile Bank Limited
ICICI Bank Limited
HDFC Bank Limited
JSC VTB BANK

Registered Office

Ganesh Housing Corporation Limited
Ganesh Corporate House, 100 Ft. Hebatpur-
Thaltej Road, Nr. Sola Bridge, Off S. G. Highway,
Ahmedabad - 380 054.
Phone: 079- 6160 8888, Fax 079 - 6160 8899

Registrar and Share Transfer Agent

MCS Limited
101 Shatdal Complex,
Opp. Bata Show Room,
Ashram Road,
Ahmedabad - 380 009
Phone: +91-79-2658 2878/ 2658 1296/ 2658 4027
Fax: +91-79-3007 0678

Notice

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of GANESH HOUSING CORPORATION LIMITED will be held on Friday, 30th September, 2011 at 3.00 p.m. at the Registered Office of the Company at: Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road, Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date together with the Directors' and Auditors' Reports thereon.
2. To declare dividend for the year ended 31st March, 2011.
3. To appoint a Director in place of Mr. Ashish Modi, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. Bharat J. Patel, who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s. J. M. Parikh & Associates, Chartered Accountant, (Firm Registration No. 118007W) as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Registered Office:
GANESH CORPORATE HOUSE
100 Feet Hebatpur-Thaltej Road,
Nr. Sola Bridge, Off. S. G. Highway
Ahmedabad - 380 054

Date: 12th August, 2011
Place: Ahmedabad

By order of the Board

Vijay R. Lalaji
President (Legal)
& Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. A proxy form should be lodged with the Company not less than 48 hours before the scheduled commencement of the meeting at the Registered Office of the Company. The proxy form is enclosed.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a Certified True Copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of Joint Holders attending the meeting, only such joint holder who is higher in the order of the name will be entitled to vote.
5. The Register of Members and the Share Transfer Books shall remain closed from Friday, 16th September, 2011 to Friday, 30th September, 2011 (Both days inclusive) for the purpose of payment of Dividend and Annual general meeting.
6. The Dividend for the year ended March 31, 2011, if declared at the meeting will be paid on or after October 04, 2011 to those members of the Company holding shares in physical form whose names appear on the Register of Members of the Company on September 15, 2011. In respect of shares held in electronic form, the dividend will be paid to the beneficial owners holding shares as on September 15, 2011 as per the details provided by the Depositories for this purpose.
7. The details of Directors seeking re-appointment, in terms of Clause 49 of the Listing Agreement, are annexed hereto and form part of this Notice.
8. Members are requested to communicate the change in address or bank account details, if any, (i) to the Company's Registrar for physical share accounts and (ii) to their Depository Participants (DPs) in respect of the electronic share accounts.
9. Members are requested to bring their attendance slip along with a copy of Annual Report while attending the Annual General Meeting of the Company and to quote their Folio No./DP Id – Client Id in all correspondence.
10. If any shareholder has any query with regard to accounts the same may be sent to the Company's Registered Office at least 7 days before the Meeting.
11. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance by allowing paperless compliances by companies through electronic mode in accordance with the recent circulars bearing no. 17/2011 dated 21/04/2011 and 18/2011 dated 29/04/2011 issued by Ministry. Accordingly, Company can now send various notices / documents (including notice calling Annual General Meeting, Audited Financial Statements, Director's Report, Auditor's Report, etc.) to their shareholders through electronic mode, to the registered email addresses of the shareholders. Our Company has adopted Green Initiative in Corporate Governance and taken steps in this connection through its RTA.

Registered Office:
GANESH CORPORATE HOUSE
100 Feet Hebatpur-Thaltej Road,
Nr. Sola Bridge, Off. S. G. Highway
Ahmedabad - 380 054

Date: 12th August, 2011
Place: Ahmedabad

By order of the Board

Vijay R. Lalaji
President (Legal)
& Company Secretary

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT)

Name of Director	Mr. Ashish Modi	Dr. Bharat J. Patel
Category of Director	Independent Non-Executive	Independent Non-Executive
Director Identification Number	02506019	00944269
Date of Birth / Age	12/12/1967 / 43 years	07/08/1955 / 56 years
Expertise in specific functional areas	He possesses over 22 years of experience in real estate and infrastructure development business especially road construction	He is a prominent Orthopedic Surgeon of Ahmedabad. He is practicing as an Orthopedic Surgeon in Ahmedabad for the last 31 years
Directorships held in other Public Companies	Nil	N. K. Industries Limited
Committee Positions in GHCL	Audit Committee – Member Shareholders'/Investors' Grievance Committee – Member Remuneration and Compensation Committee – Member	Nil
Committee Positions in other Public Companies	Nil	Audit Committee – Member and Remuneration Committee – Member of N. K. Industries Limited
Relationships between Directors inter-se	Not Applicable	Not Applicable
Number of Shares held in the Company	Nil	Nil

Directors' Report

Dear Shareholders,

Ganesh Housing Corporation Limited,

Your Directors have pleasure in presenting the Twentieth Annual Report and the Audited Accounts for the Financial Year ended 31st March, 2011.

STANDALONE FINANCIAL RESULTS:

PARTICULARS	(₹ in Lacs)	
	YEAR ENDED 31-03-2011	YEAR ENDED 31-03-2010
Net Sales / Income from operations	18121.86	12828.04
Total Expenditure	4594.11	5827.95
Interest	2517.41	1399.32
Gross Profit before dep. and taxation	7111.52	5600.77
Depreciation	104.98	143.83
Net Profit / Loss before tax	7216.50	5456.94
Less: Provision for taxation	1450.00	930.00
Less: Provision for Wealth Tax	3.37	3.72
Add/ (Less): Deferred Tax	10.64	4.87

(₹ in Lacs)

PARTICULARS	YEAR ENDED 31-03-2011	YEAR ENDED 31-03-2010
: (Short) / Excess provision of income tax of earlier years w/off	(0.01)	231.96
: (Short) / Excess provision of Wealth Tax of earlier years w/off	0.05	(0.04)
: (Short) / Excess provision of Fringe Benefit Tax of earlier years w/off	(0.56)	(0.16)
Profit After Tax	5773.24	4759.85
Add: Extra ordinary items	-	-
Net Profit after extra ordinary items	5773.24	4759.85
Income Tax & expenses of earlier years	-	-
Profit available for appropriation	5773.24	4759.85
Add: Balance of Profit brought forward from last year	18704.40	15382.25
Total Amount available for appropriation	24477.64	20142.10
Appropriations:		
(a) General Reserve	600.00	750.00
(b) Dividend on Equity shares	718.43	587.81
(c) Tax on Dividend	119.32	99.89
Balance carried to Balance Sheet	23039.89	18704.40

REVIEW OF OPERATIONS

In spite of the slowdown of the economy, there was a significant improvement in the operations of the Company. Income from operations rose from ₹ 12828.04 lacs to ₹ 18121.86 lacs, showing an increase of 41.27% over the corresponding figures of the last year. Net profit after tax (PAT) increased by 21.29% from Rs.4759.85 lacs to ₹ 5773.24 lacs.

During the year under review, Mahalaya-2 scheme for construction of 56 bungalows was successfully completed and the possessions of the said bungalows were given to the Prospective Acquirers. The construction of 764 units of SATVA, SUYOJAN, MAPLE COUNTY, MAPLE COUNTY-2 and SHANGRI-LA was in full swing. Company started giving possessions of some units in SATVA scheme. For completion of these projects the Company recruited professionals from different discipline. Latest methods for construction were also applied. Further, the Company conceived various projects to be rolled out in the current financial year.

FUTURE OUTLOOK

Your Company's focus has remained Ahmedabad. The city offers tremendous potential for growth in the real estate sector. Some national level players have also entered the Ahmedabad real estate market. As the State Government is proactive with regard to development, various construction projects are being implemented by local and national level players. The State Government has commenced giving approvals for setting up township in and around Ahmedabad.

Your Company will undertake two new projects for multi storey high end apartments viz. SUNDERVAN EPITOME for construction of 46 units and SUNDERVAN APOSTLE for construction of 36 units in posh locality of Jodhpur Crossroad, Satellite in Ahmedabad. Further, the Company is toying with an idea of constructing residential apartments on a land area of around 0.66 million sq. ft at Chharodi, B/h Nirma University, Ahmedabad. Now days, a new concept of 'Pilgrimage Homes' has been floated. In order to seize this opportunity the Company has formed a Special Purpose Vehicle (SPV) called Shaily Infrastructure Pvt. Ltd. for constructing 228 bungalows at Shrinathji, Rajasthan.

CHANGE IN REGISTERED OFFICE OF THE COMPANY

During the year under review, the Company shifted its Registered Office from 1st Floor, "Samudra", Nr. Klassic Gold Hotel, Off. C. G. Road, Ellisbridge, Ahmedabad – 380 006 to Ganesh Corporate House, 100 Feet Hebatpur-Thaltej Road, Nr. Sola Bridge, Off. S. G. Highway, Ahmedabad – 380 054 w.e.f. 9th October, 2010.

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 2.20/- (Previous year ₹ 1.80/-) per equity share of Rs 10/- each for the year ended March 31, 2011. This will absorb ₹ 718.42 Lacs. The Company will pay dividend distribution tax amounting to ₹ 119.32 Lacs to the Central Government.

DEPOSITORY SYSTEM

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2011, 98.77% of the Company's total paid up capital representing 32254467 shares are in dematerialized form. In view of the numerous advantages offered by the Depository System, Members holding shares in physical mode are advised to avail of the facility of dematerialization on either of the Depositories.

FIXED DEPOSITS

During the year under review, there were no such deposits which were due for repayment on or before 31st March, 2011 and were not claimed by the depositors on that date.

SUBSIDIARIES

The Company has two Subsidiaries viz. Gatil Properties Private Limited and Yash Organiser Private Limited. Gatil Properties Private Limited is setting up a township near Village: Godhavi for which one FDI Player has made investment in the said Project. Moreover, during the year under review, Yash Organiser Private Limited has rolled out Commercial Project in a posh locality called Memnagar under the name and style of 'GCP Business Centre'. Moreover, Shaily Infrastructure Private Limited became Subsidiary of our Company w.e.f. 19th May, 2011 and Maheshwari (Thaltej) Private Limited became Subsidiary of our Company w.e.f. 21st July, 2011.

Ministry of Corporate Affairs, Government of India has granted general exemption under Section 212(8) of the Companies Act, 1956 vide General Circular No: 2/2011 dated 8th February, 2011 from attaching the Balance Sheet, Profit & Loss Account and other documents of the Subsidiaries to the Balance Sheet of the Company. Financial information of the subsidiary companies, as required by the said general circular, is disclosed in the Annual Report. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and that of the respective Subsidiary Companies. The consolidated financial results of the Company include financial results of its subsidiary companies.

STATUTORY DISCLOSURES

PARTICULARS OF EMPLOYEES

The information as required under the provisions of section 217(2A) of the Companies Act 1956, read with the Companies (Particulars of the Employees) Rules, 1975, have been set out in the Annexure – A to the report.

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

The particulars as prescribed under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure – B annexed hereto and forms part of this Report.

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

Management Discussion & Analysis report for the year under review as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges is annexed as Annexure – C hereto and forms part of this Report.

CORPORATE GOVERNANCE REPORT

Your company is committed to maintain the highest standard of Corporate Governance. Your Directors adhere to the requirements set out in Clause 49 of the Listing Agreement with the Stock Exchanges. Report on Corporate Governance as stipulated in the said Clause is annexed as Annexure – D hereto and forms part of this Report.

Certificate from the Statutory Auditors M/s J. M. Parikh & Associates, Chartered Accountants, confirming compliance of conditions of Corporate Governance as stipulated under Clause 49, is also annexed to the Report on Corporate Governance.

EMPLOYEES STOCK OPTIONS SCHEME:

During the year under review, the Company introduced the Employees Stock Option Scheme ("ESOP 2010") in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the SEBI Guidelines") at their meeting held on 30th October, 2010. Moreover, the Company changed the nomenclature of Remuneration Committee as 'Remuneration and Compensation Committee' and further reconstituted the said Committee with additional terms of reference in accordance with the SEBI Guidelines for the purpose of administration and monitoring of ESOP 2010 Scheme w.e.f. 1st October, 2010.

As required by Clause 12 of SEBI Guidelines, information with respect to active stock Options as at 31st March, 2011 is given below:

a.	Total grant approved by Remuneration and Compensation Committee.	15,00,000 options
b.	Total Options Granted:	Grant I – 9,98,815 [Nine Lac Ninety Eight Thousand Eight Hundred Fifteen] options granted on 01-11-2010 to all permanent employees and non-executive directors, including independent directors of the Company including its Subsidiary Company/ Companies, if any, the grade as decided by the Board.
c.	Exercise Price or Pricing Formula:	Discount up to a maximum of 30% to the Market price i.e. Rs. 244/-. Hence, Exercise Price per option stands at Rs. 171/-
d.	Options Vested:	Vesting is linked to continued association & future performance appraisal with the Company and its Subsidiary Companies, if any. The options would vest not earlier than 1 year and in the ratio of 20% - 20% - 20% - 20% - 20% over the next five years. Date of vesting of options has been fixed as 01-11-2011 and so on over next five years.

e.	Options Exercised:	Not Application as the Options are unvested.
f.	The total number of shares arising as a result of exercise of Options:	Not Application as the Options are unvested.
g.	Options Lapsed:	On account of leaving of service, due to resignation, long term leave, death or otherwise by the employees of the Company including its Subsidiaries, if any. 32,156 Stock Options lapsed.
h.	Variation in terms of Options:	Not Applicable
i.	Money realized by exercise of Options:	Not Application as the Options are unvested.
j.	Total number of Options in force:	9,66,659 [(b) – (g)]
k.	Employee wise details of options granted to- (i) Senior managerial personnel: (ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year: (iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant. -	Rajendra M. Patel – 35,000 Vijay R. Lalaji – 35,000 Bhavin H. Mehta – 35,000 Saurabh Patwa – 21,875 Bhavesh Vyas – 21,875 Not Applicable Not Applicable
l.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'.	Not Application as the Options are unvested.
m.	Where the company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed. The impact	Not Application as the Options are unvested.

	of this difference on profits and on EPS of the company shall also be disclosed.	
n.	<p>Weighted average exercise price of Options whose</p> <p>(a) Exercise price equals market price (Rupees)</p> <p>(b) Exercise price is greater than market price (Rupees)</p> <p>(c) Exercise price is less than market price (Rupees)</p> <p>Weighted average fair value of options whose</p> <p>(a) Exercise price equals market price (Rupees)</p> <p>(b) Exercise price is greater than market price (Rupees)</p> <p>(c) Exercise price is less than market price (Rupees)</p>	<p>No such Grants</p> <p>No such Grants</p> <p>₹ 171</p> <p>No such Grants</p> <p>No such Grants</p> <p>₹ 141.54</p>
o.	<p>A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted-average information:</p> <p>(i) risk-free interest rate</p> <p>(ii) expected life</p> <p>(iii) expected volatility</p> <p>(iv) expected dividends, and</p> <p>(v) the price of the underlying share in market at the time of option grant.</p>	<p>(i) 7.50% to 7.98%</p> <p>(ii) 2.50 to 6.50</p> <p>(iii) 65.02% to 64.71%</p> <p>(iv) 1.97%</p> <p>(v) Rs. 243.85</p>

The Company has received a Certificate dated 15th July, 2011 from the Auditors of the Company that the ESOP 2010 Scheme has been implemented in accordance with the Guidelines and as per the resolution passed by the members of the Company authorizing issuance of ESOP.

DIRECTORS

Pursuant to Section 256 of the Companies Act, 1956 read with Clause 110 of Articles of Association of the Company, Mr. Ashish Modi and Dr. Bharat J. Patel retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Brief resume of the Directors proposed to be re-appointed, nature of their experience and other details as stipulated under Clause 49 of the Listing Agreement, are provided in the Notice for convening the Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA), your Directors confirm that:-

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the profit of the Company for the year ended 31st March, 2011.
- (iii) 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.
- (iv) The Directors have prepared the annual accounts on a going concern basis.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges, your Directors have pleasure in attaching the Consolidated Financial Statements prepared with the applicable Accounting Standards in this regard.

AUDITORS

M/s. J. M. Parikh & Associates, Chartered Accountants, Ahmedabad, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting of the Company and have confirmed their willingness and eligibility for re-appointment and have also confirmed that their re-appointment, if made, will be within the limits under Section 224 (1-B) of the Companies Act, 1956.

M/s. J. M. Parikh & Associates has submitted the Peer Review Certificate dated 20th July, 2010 issued to them by Institute of Chartered Accountants of India (ICAI).

ACKNOWLEDGMENTS

Your directors express a deep sense of gratitude for assistance and cooperation received from customers, vendors and shareholders and banks namely Tamilnad Mercantile Bank Limited, ICICI Bank Limited and HDFC Bank Ltd, Central & State Government authorities, other business associates, who have extended their valuable support during the year under review. Your directors take this opportunity to place on record their gratitude and appreciation for the unstinted support of all the employees at all the levels of the Company.

for & on behalf of Board of Directors

Place : Ahmedabad

Date : 12th August, 2011

Dipakkumar G. Patel
Chairman

Statement under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and forming part of the Directors' Report for the year ended 31st March, 2011.

A Employed throughout the year and in receipt of remuneration aggregating not less than ₹ 60, 00,000/- per annum. Directors

Sr No.	Name	Age in Years	Qualification	Years of experience	Particulars of Present Employment			Particulars of Last Employment	
					Date of Commencement	Designation / Nature of Duties	Remuneration received	Employer	Designation
1	Mr. Dipakkumar G. Patel	43	Undergraduate	20	01/10/2002	Chairman & Whole-time Director	60,00,000	NA	NA
2	Mr. Shekharbhai G. Patel	40	Diploma Civil Engineering	16	01/07/1994	Managing Director	60,00,000	NA	NA

B Employed for the part of year and in receipt of remuneration aggregating ₹ 5,00,000/- or more per month Directors

Sr No.	Name	Age in Years	Qualification	Years of experience	Particulars of Present Employment			Particulars of Last Employment	
					Date of Commencement	Designation / Nature of Duties	Remuneration received	Employer	Designation
1	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note:

1. The Remuneration paid to the above managerial personnel is on contractual basis.
2. As per the agreements entered with the managerial personnel, remuneration consists of salary, perquisites and commission.
3. Mr. Dipakkumar G. Patel and Mr. Shekhar G. Patel are related to each other (as Brothers).
Moreover, both of them are also related with Ms. Lalitaben G. Patel, Director of the Company (as Sons).

Details of particulars under section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are given as under

A. CONSERVATION OF ENERGY

The Company is mainly engaged in construction business and hence its operations involve less energy consumption. To conserve energy the Company is taking requisite steps by installing energy efficient devices. As the cost of consumption of energy is considerable low, the same has not been measured.

B. TECHNOLOGY ABSORPTION

Particulars to be given in Form B under Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are as under:

Research and development (R & D):

1.	Specific areas in which R & D carried out by the Company	<ul style="list-style-type: none"> a. Green building technology b. Self Compacting concrete and high performance concrete was further improved.
2.	Benefits derived as a result of the above R & D	<ul style="list-style-type: none"> a. Porosity decreased making the concrete impervious. b. Compression strength improved by 30% and also initial 7 days strength was improved by 40% c. Construction noise pollution reduced as mechanical vibration zeroed out. d. Flexural Strength of concrete increased by 25% making buildings more earthquake resistant. e. Hazardous material not being used in construction carried out by our Company.
3.	Future Plan of action	<ul style="list-style-type: none"> a. Machine mixed plasticized mortar will be used to ensure better quality in plaster and block masonry. b. Foam Concrete blocks will be used replacing conventional bricks thereby making it more eco-friendly. c. Company will make more energy efficient buildings and will use more portion of renewable energy like solar panels to supply electricity to LED lights, street lights and Water pumps. d. Sewage treatment plants will be installed and more water will be recycled. e. High tech automation and security services in lighting being planned to be provided. f. Variable frequency drive elevators in all building are being provided making energy efficient buildings. VRF being used in water pumps which further results into making energy efficient building.
4.	Expenditure on R & D:	₹ 2.5 lacs has been spent on procuring various plasticizing compounds for deciding right mix.

Technology, absorption, adaptation and innovation:

<p>1. Efforts, in brief, made towards technology absorption, adaptation and innovation</p>	<p>a. Double glazed energy efficient UPVC windows are used. b. Rain water harvesting has been carried out. c. Started using machine mixed plasticized mortar with constant water cement ratio for much better exterior plastering. d. Making buildings more energy efficient by using L E D lights. Using V R F (Variable Refrigeration Flow) in our air-conditioning plants with linkage to central building management system making more energy efficient apartments / buildings. A M F panels are used in D G sets making operations very efficient. e. Company has carried out various experiments and increase flexural values of concrete by 20%. f. Company has completed making of one green building with the help of consultants and architect.</p>
<p>2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.</p>	<p>a. Buildings are becoming more energy efficient. b. Improved earthquake resistant as flexural strength of concrete improved as reducing porosity has worked as waterproofing.</p>
<p>3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)</p>	<p>a. Technology imported: Nil b. Year of import: Not Applicable c. Has technology been fully absorbed ? : Not Applicable. d. If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action: Not Applicable.</p>

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

As regards foreign exchange earnings and outgo, members are requested to refer to Note no. 15 of Schedule No. 19 in notes forming part of accounts for the year ended 31st March, 2011.

For & on behalf of Board of Directors

Place : Ahmedabad
Date : 12th August, 2011

Dipakkumar G. Patel
Chairman

Management Discussion and Analysis

ECONOMY OVERVIEW

The year 2010 began on an optimistic note with major global economies stabilising. As per International Monetary Fund's (IMF) World Economic Outlook, the world's economy is estimated to have grown by **4.2%**, which is much faster than what had been forecast a year ago. Fears of double-dip recession were put to rest. In the US, the economy is expected to register a growth of **3.1%**. The housing market has enjoyed some stability, even as it continues address problems of employment had huge budget deficit. In the European Union, macroeconomic imbalances and debt crises continue to be the biggest single worry. The near default of Greece last year is now threatening to spill over to Ireland, Spain and Portugal. In the UK, the economic recovery was severely affected by heavy cuts in public spending.

The spotlight of growth has clearly shifted to emerging economies, particularly in Asian countries. According to the UN's annual economic report, World Economic Situation and Prospects 2011, East Asia is the fastest growing region in the world with a growth of **8.8%** in 2010. China continued to muscle its way and lead growth in the region, with **10.1%** growth in GDP, the inflationary pressures notwithstanding. All sectors witnessed robust growth and real wages increased substantially.

India too continued its fast paced momentum of growth in 2010, largely on the back of rapid expansion in gross fixed capital formation, increased government spending and robust growth in consumer spending. The economy has grown by **8.2%** in the year, according to Reserve Bank of India, with buoyant growth in agriculture, industrial and services sector. Despite this impressive growth, inflation continues to be a worry. The Reserve Bank of India increased interest rates six times during the year in a sustained effort to bring inflation under control. Sustained effort by the government has brought down inflation by a certain degree, as evidenced by the decline in Wholesale Price Index in last quarter for 2010 (**7.4%** 2010 against **8.6%** in 2009).

India continues to remain a destination of choice for global investors. The United Nations Conference on Trade and Development (UNCTAD) ranks India as the **5th** favourite destination for global investors. As per Ernst & Young's 2010 European Attractiveness Survey, India was ranked **4th** attractive destination. The Indian rupee continued to strengthen against major currencies and closed at **44.58** and **63.34** against the US Dollar and Euro respectively on 31st March 2010.

INDUSTRY OVERVIEW

The real estate market in India stabilised and consolidated in the year 2010, after witnessing a revival in 2009. There was an overall sense of renewed confidence leading to revival of demand across all asset classes. With a growth in overall economic activity in general and positive improvements in key drivers of growth like salary levels, disposable incomes, absorption levels across the country witnessed healthy improvements.

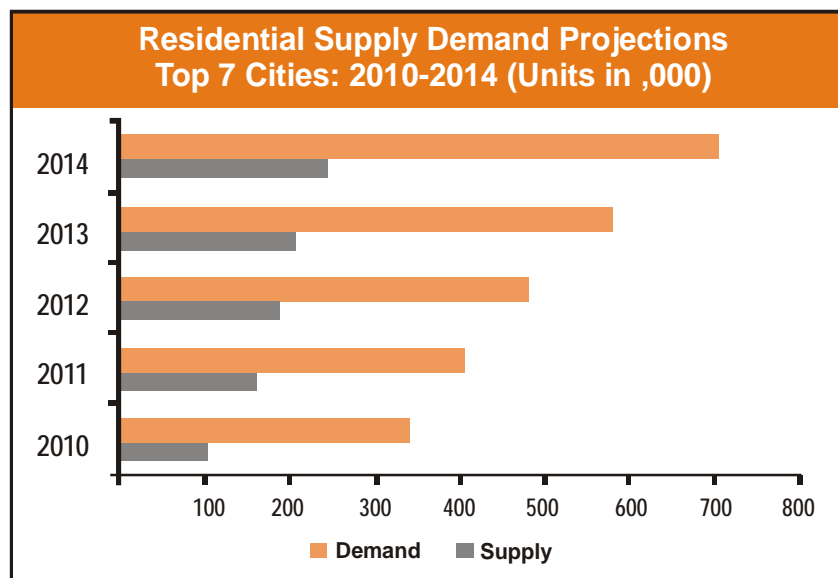
The year also saw some interesting trends emerging for investments in real estate markets. Segments like education, healthcare, hospitality, senior-citizen housing, second/holiday homes are making their presence felt, even though they are still at a very nascent stage.

The government continues to focus on infra-structure development and is aggressively looking at Public Private Partnerships (PPP) models. An ambitious target of 9% of GDP is earmarked for the terminal year of the Eleventh Five year Plan (2007-2011). The government has allowed 100% FDI in this segment to emphasise its importance.

Residential

Residential demand continues to remain the dominant asset class in the real estate industry. On the back of healthy growth in key drivers like rise in disposable income, increase in nuclear families, rapid urbanisation, demand remained buoyant during the year. Apart from demand from the end-users, the year also saw improved demand from the Non Resident Indians (NRIs) and High Net-worth Individuals (HNIs), especially in the high end segment of the market.

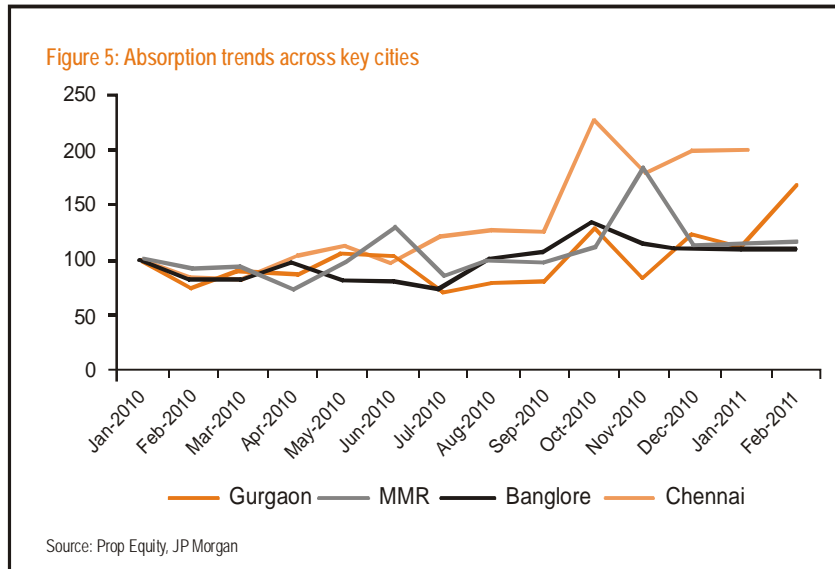
According to a report titled '**Riding the Wave – Re-emergence of the Indian Real Estate sector**' by Cushman and Wakefield, the annual pan-India demand for housing by 2014 is estimated to be 4.25 million units. The residential segment is expected to grow at a CAGR of 15% till 2014. According to this report, 60% of this demand is expected to come from the top seven cities of India.



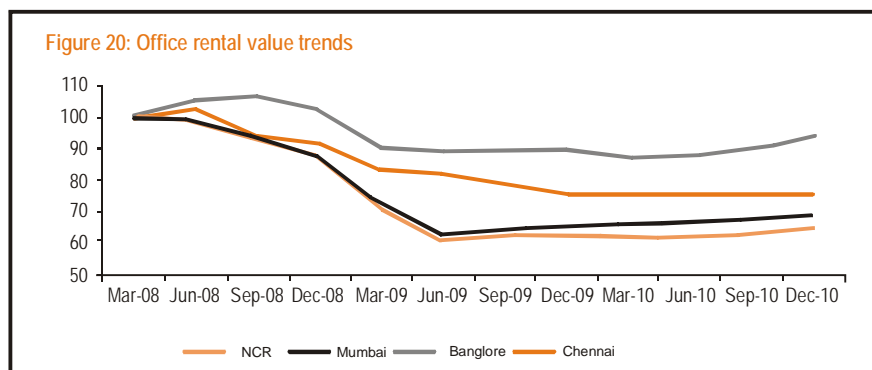
Source: Cushman & Wakefield Research

The supply continues to remain constrained due to slow pace of construction activity in 2009. As a result, the demand is expected to be three times higher than supply in the top seven cities. In segments like affordable housing, this gap is even higher, while in segments like luxury and premium housing, the gap is about one and half times supply.

Absorption rates continued to remain healthy in spite of investor concerns of volume slowdown and contrary to perception. Absorption rates across the country are driven by mid income and affordable housing projects.



Commercial



According to Cushman and Wakefield research report, the pan-India cumulative demand for commercial offices space is estimated to approximately **240.7 million sq. ft.** In 2010, there was a marginal revival in demand for commercial office space based on improved business sentiments and overall economic conditions. IT and ITES continued to dominate demand for commercial office space, but the year also saw new entrants like Pharmaceutical, Biotech, Telecom and Manufacturing companies reviving demand. Developers also were more flexible and offered added incentives like free parking, better leasing terms and rental discounts, leading to higher levels of pre-commitments.

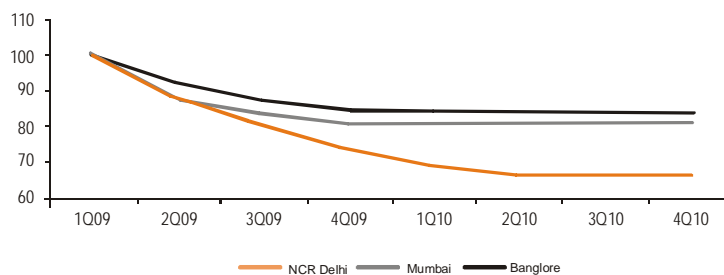
The sector continued to remain in a state of over-supply. Absorption rate picked up during the year, with **33 million sq. ft.** of commercial space being absorbed in 2010 as against **20 million sq. ft.** in 2009. Approximately **55 million sq. ft.** were added in supplies during the year. Rentals remained flat during the year with signs of picking up in select markets near the end of the year.

Retail

India currently has over **200** malls with a total retail space of approximately **56 million sq. ft.** The pan-India demand for retail space is expected to go up to **55.26 million sq. ft.** by 2014, as per Cushman and Wakefield's research report. In addition to malls, the main street also accounts for a significant share of retail in India. By 2014, a demand for **106 million sq. ft.** of additional retails space from main streets is expected.

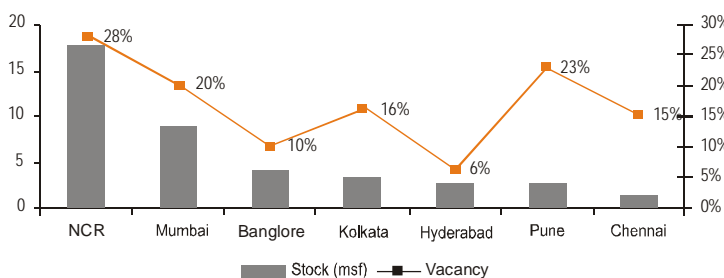
2010 witnessed a significant revival of demand in the retail segment as both domestic and foreign retailers resumed their expansion plans. The developers' complemented this by becoming more accommodating and offering better lease and rental terms. These brought down vacancy levels marginally from **17%** in 2009 to **15.5%** in 2010. After falling by about **30% to 45%** from peak of 2007, rentals during the year have stabilised, with minimum guarantee plus revenue sharing models gaining more widespread acceptance. The Central Government will slowly but surely open up FDI for multi-brand retailing in India. However, even though demand is expected to grow, rentals are not likely to improve due to a situation of large supply overhang.

Figure 24: Retail rental trends



Source: JLL

Figure 25: Retail: Existing stock and vacancy levels (Msf, %)



Source: Knight Frank

COMPANY OVERVIEW

Ganesh Housing Corporation Limited (GHCL) is one of the leading players in the real-estate space construction and development with the group's prominent presence in Ahmedabad for the last 45 years. The company has always focussed developing residential sector and has till date successfully developed and delivered nearly **17 million sq.ft.** of residential projects in Ahmedabad. GHCL has also acquired one of the largest developable land-banks in Ahmedabad and currently holds **640 acres** in and around the city. This land bank has been judiciously acquired at low costs, giving the company dual benefit of flexibility and competitive advantage. The company is currently executing residential and commercial projects of around **1.73 million sq.ft.** with another approximately **2.00 million sq.ft.** development in the pipeline. The company is also strategically focussing on two mega projects – **Million Minds** of around **10.19 million sq. ft.** and **Smile City** which would be around **23.26 million sq. ft.**

Since last few financial Years, the company is focusing on launching good size projects at a reasonable interval subject to market conditions and economic trends. Most of the projects of the company that are being executed are 100% sold, ensuring a steady cash flow and a strong balance sheet. The company continues to have a strong geographic focus on Ahmedabad and consolidate its position as a leading real estate player in the city. The company has taken a conscious call of not going for a pan-India presence and build on its position in the city.

Ahmedabad is one of the fastest growing tier II cities in India and a favourite destination in the country for new projects. A recent survey had placed Ahmedabad in top five cities for investment in the country. The development of **Kankaria Lake Front** and **BRTS** is attracting tourists in hordes. Due to rapid growth, Ahmedabad city has received 15 awards from various prominent agencies in India and internationally. Further, metro rail and river front projects are being developed. Work is in full swing for development of a prestigious high tech **GIFT City** which will eventually turn the city into a financial hub, as well as create a lot of fresh job opportunities. The city is also witnessing setting up of a string of hospitals which offer medical facilities of international standards. This development has transformed the city into a medical hub. The sheer presence of the '**NANO**' plant at Sanand near Ahmedabad has attracted various international auto players. This will eventually turn the city into auto hub.

During the year, the company has successfully completed **Mahalaya 2** project consisting of **56 units** with total construction area of about **0.14 million sq. ft.** situated on Science City Road Near Sola Bridge, Sola, Ahmedabad.

Projects Launched

Work is going on in full swing at the four residential projects and one commercial project. This is expected to be completed by the end of current fiscal year. These are:

Residential Projects

- **SATVA** - Located in the prime Paldi area, **SATVA** has **208** apartments measuring about **0.33 million sq. ft** and **13 shops** measuring about **0.03 million sq. ft.**, totalling **0.36 million sq. ft.** All apartments of the project are 100% sold and sales of the shops have been started by the company during the current financial year. . The total sale value of the project is about **₹ 780 million.**
- **SUYOJAN** – Located in Sola, **SUYOJAN** has **96** apartments and is a fully residential project. It has a total area of **0.23 million sq.ft.** It is 100% sold and the total sale value of the project is about **₹ 470 million.**
- **MAPLE COUNTY** – Located at Shilaj, S. G. Road, **MAPLE COUNTY** is a fully residential project having **192** apartments covering **0.43 million sq.ft.** The project is **92%** booked and it has total sale value of **₹ 1,226 million.**
- **MAPLE COUNTY 2** – Located at Shilaj, S. G. Road, **MAPLE COUNTY 2** is a fully residential project having **192** apartments covering **0.43 million sq.ft.** The project is **86%** booked and it has total sale value of **₹ 1,315 million.**

- **SHANGRILA - PHASE-2** Located at Thaltej, Shangrila is a fully residential project having **76** twin bungalows covering **0.17 million sq. ft.** The project is **88%** booked and it has total sale value of about **₹ 932 million.**

Commercial Project

- **GCP BUSINESS CENTRE** - Located in the prime Vijay Char Rasta area in western Ahmedabad. The said project is **27%** booked and its total sale value is around **₹ 574 million.** All necessary titles and approvals are in place and the building is ready for fit-outs. It has an area of **0.11 million sq. ft.** comprising of **31** showrooms/offices and ample car parking in the basement.

Projects under pipeline:

The company has ambitious plans to launch mega projects and premium projects in the coming years. These include:

Mega Projects:

- **SMILE CITY** – This is a mega project being developed over **534 acres** having a construction area of over **23.26 million sq.ft.** It is located at Godhavi which is almost 5 kms. away from the S.P. Ring Road in western Ahmedabad.
- **MILLION MINDS** – one of the biggest projects in IT in the state, **MILLION MINDS** is spread over **80 acres** on S.G. Road within Ahmedabad city. It has a **10.19 million sq.ft.** of complete infrastructure with business towers, 5 star hotels, shopping malls and multiplexes, hospitals and schools. The project will also have residential apartments, and serviced apartments and will be connected by 40, 60 and 100 feet wide roads with global safety standards.

Residential:

- **SUNDERVAN APOSTLE** – This is a multi storey high end apartment situated at Satellite having **36** units with total construction area of approximately **0.11 million sq. ft.** The total sale value of the project is expected to be around **₹ 648.00 million.**
- **SUNDERVAN EPITOME** – This is a multi storey high end apartment situated at Satellite. It consists of two Blocks, Block A contains **24** units and Block B contains **22** units with total construction area of approximately **0.23 million sq. ft.** The total sale value of the project is expected to be around **₹ 1,386.67 million.**
- **MADHUBAN HILLS** – This project consists of **228** units of row houses and tenements with a total construction area of **0.34 million sq. ft.** situated at Shrinathji, Rajasthan. The total sale value of the project is expected to be around **₹ 898.50 million.**
- **PROJECT BEHIND NIRMA UNIVERSITY** - Company is also going to launch one residential project on the land situated behind Nirma University, S. G. Road with a construction area of about **0.66 million sq. ft.** The total sale value of the project is expected to be around **₹ 2,901.00 million.**

Commercial:

- **CORPORATE PARK** – This is a commercial project situated at S .G. Road with construction area of about **0.66 million sq. ft.** The total sale value of the project is expected to be around **₹ 3,510.00 million.**

OPPORTUNITIES AND THREATS

The real estate industry saw a revival in the beginning of 2010 and has re-emerged during the year from the depths of recession levels of 2008 and 2009. All traditional asset classes comprising of residential, commercial and retail sectors witnessed a healthy growth in demand. This growth was driven an overall improvement in economic conditions. All key drivers of growth like disposable incomes, affordability and access of finance, rise in consumer spending and sustained government spending into infra-structure saw a meaningful improvement. All these factors are expected to open up many more opportunities in the coming years in the industry.

The affordable housing segment has seen the highest rate of demand growth during the year. With rapid urbanisation and increasing rate of disposable income, the demand for affordable housing is expected to continue to dominate. As per Cushman and Wakefield research report, demand is likely to be three times supply for affordable housing. Gujarat is one of the most urbanised states in India with over almost **38%** of its population living in cities, as compared to **27%** in India.

Besides the dominant asset class in the industry, viz., residential, commercial and retail, a few more sub-classes are emerging that are likely to grow at a fast rate in the coming year. Education, health-care, hospitality, vacation/second-homes are the sub-classes that have made their presence felt during the year, even though they are still in a very nascent stage.

The IT/ITes industry as well as the retail industry have revived during the year, and are going ahead with their expansion plans in India. This augurs well for the commercial and retail segments of the industry which were affected by over-supply. New players are also expected to enter the market, which will only add to enhance demand.

In the commercial and retail segments, there is a lack of differentiation. In the retail segment, those projects that are differentiated by concept and design, and catchment area will always demand a premium and would be readily saleable. However, those without differentiation will tend to continue facing problems in both realisation as well as saleability.

Over the last few months, property prices risen sharply across major Indian cities. In some micro-markets, these have gone up by **30%** - **40%**. This has affected affordability substantially. If this price-rise continues, there will be a deferment of purchases by the buyers.

The government has increased interest rates ten times over the last fifteen months in an effort to bring inflation under control. This has increased home-loan rates and EMI for the end consumer negatively impacting affordability. If the interest rates continue to be increased, this will have a serious affect on demand and leading to pile-up of unsold inventory.

OUTLOOK

The year 2010-11 was definitely a positive one for the industry. There was a marked and meaningful improvement in all the asset classes, particularly residential segment. The year also saw stronger interest in emerging asset classes like vacation homes, senior citizen homes, pilgrimage home, educational institutions, health and hospitality segments.

According to Cushman and Wakefield research report, the annual pan-India demand for housing by 2014 is estimated to be **4.25 million** units with a CAGR growth rate of **15%** from 2010-2014. This report also estimates that by 2014, the demand for commercial and retail space will be around **240 million sq.ft.** and **55.26 million sq.ft.** respectively on a pan-India basis.

Since 2005-06, there has been a shift of development activity toward smaller towns and cities as the base of the real estate industry widened. This was led by the domestic IT and ITeS companies. This shift also happened in face of high prices, near saturation of space and rising development costs in the metropolitan cities. In comparison, smaller towns and cities presented greater opportunities in terms of land availability and lower land rates, besides tax benefits and other incentives offered by the government.

Ahmedabad, the financial capital of Gujarat has also benefitted immensely from this shift of focus into smaller towns. Ahmedabad is one of the fastest growing cities in the country and on the fast track to become the second financial hub of the country after Mumbai.

Ganesh is one of the leading players in Ahmedabad having a dominant presence across all verticals. The company holds one of the best developable land banks in the city in terms of area and location. The Group enjoys a high level of trust and reputation with its customers based on its timely execution of top class projects over the last **45** years. The company has already executed and delivered over **17 million sq.ft.** The company has **4** residential projects totalling to **1.45 million sq.ft.** under development. The company also has one commercial project of **0.11 million sq.ft.** Moreover, the Company have **33.45 million sq.ft.** of two mega projects and another **1.91 million sq.ft.** of projects under active pipeline and about to be launched shortly.

With the city of Ahmedabad projected to grow substantially in the next few years, the company has a positive and extremely confident outlook to the future. With proven execution skills, acquired land bank and its position as one of the most reputed developers in Ahmedabad, the company is looking forward to delivering strong results in the near future.

RISK MANAGEMENT

The company considers risk and its effective management as crucial in delivering consistent performance and value. The company has adequate risk-management systems in place which are strictly applied to ensure that all business risks being faced by the company in form of political, economical and legal risks are identified and mitigated.

The company considers the following business risks that are likely to have an impact on its business, and the company's view in mitigating these:

Economic Risks

The real estate business, like any other business will be impacted by any major changes in the macro-economic scenario of the country. If the macro-economic conditions start deteriorating, this will have an adverse effect on the demand as well as rental and capital value realisations, which will in turn have a negative effect on the company's profitability and overall performance.

However, the Indian economy is muscling its way ahead to growth. It is one of the fastest growing economies in the world. The GDP growth for the next year is expected to be above 8. According to the UNCTAD report, India was the second most important FDI destination (after China) for transnational corporations, and will remain in the top 5 most attractive destinations during the 2010-2012 period. The company continuously monitors the external environment and is fully equipped to handle any such downturns. The company's projects offer one of the best values in the industry, and are in good demand by the customers.

Risk of Focussed Location

Being a very focussed player concentrating only in the city of Ahmedabad in the state of Gujarat, there is always a risk associated with this, as compared to a wider geographic spread. This risk has been largely mitigated by the fact that the entire state of Gujarat in general and Ahmedabad in particular are expected to witness healthy growth over the next few years. The government's constant endeavour to position the state as one of the most progressive and investor and industry-friendly states in the country has been reaping rich dividends. The state is also witnessing an increasing influx of newer players in IT and ITeS sector, which is expected to drive more all round growth. Moreover, the company has second to none experience and knowledge of the city and its real estate space. The company is positive and optimistic about the future growth prospects in the state of Gujarat in general and the city of Ahmedabad in particular and eagerly looks forward to delivering stronger performance and better results.

Competition Risk

The company does face the risk of competitors' projects being located in the vicinity of its own projects. This is bound to have an effect on the demand for the company's projects and challenge the prices.

The company firmly believes that its projects offer superior and differentiated value to customers. The company has a rich reputation of designing, developing and executing projects that meet and exceed the expectation of customers. All projects are delivered in time and on schedule. The company's upcoming projects are all located in excellent locations and work is progressing as per schedule. Most of the projects are sold well in advance. The company continues to develop projects that will ensure that it remains in a step ahead of competition.

Input Costs Risk

The real estate industry involves a combination of many factors of inputs. There is always a risk that any substantial increase in these input costs will have an adverse affect on the pricing of the company's projects and hence, also affect demand.

The company has a clean and proven track record of delivering more than 17 million sq.ft. None of the projects of the company have been delayed or adversely affected by any changes in the input costs. The company has excellent relations with its suppliers as well as its contractors. The company also has a system to building in contingencies to cover any overruns of costs. Besides this, the company has a very capable team of in-house and external professional who regularly update each project and ensure that it is developed as per planned projections. This ensures that the company has a high degree of resilience against any upward changes in input costs. The company continues its commitment to deliver high-value to its customers and share-holders.

Health and Safety Risks

There is always a risk concerning health and safety of workers working on construction sites, whether they are company's workers or third-party's workers.

The company has one of the most extensive training programmes for health and safety which is provided to all employees. The company also ensures that all equipments and materials used at the site are of certified standard quality and meet international standards. There is a crisis management team at all sites to ensure prompt and appropriate response to any eventuality. The company is OHAS 180001:2007 certified and follows strict project operating procedures to ensure most effective accident prevention measures at all its sites. Moreover, the Company has also taken insurance of all its projects.

HUMAN RESOURCE DEVELOPMENT

Ganesh firmly believes that its people are its most important resource. The company strives to ensure that its employees have one of the best working conditions in the industry. The company is building on strong values and beliefs and is proud that its employees are one of the best in the industry. The employees of the company are encouraged to undertake skill development and skill upgrading courses. The company has one of the lowest attrition rates in the industry.

Company has introduced Employees Stock Option Scheme 2010 [ESOP 2010] amongst the employees of the Company and its Subsidiaries, if any, in order to foster a sense of ownership and belonging amongst personnel. The said options has been granted on the basis of criteria such as role / designation of the employee, length of service with the Company, past performance record, future potential of the employee and / or such other criteria that may be determined by the Board at its sole discretion.

The total number of employees as on 31st March 2011 was 110.

INTERNAL CONTROLS AND SYSTEMS

Ganesh is fully aware of the fact that internal controls and systems are critical and crucial to deliver sustained performance and share-holder value. The company has well-documented and well-defined processes and procedures. The company also has a clear set of guidelines. Adherence to this is regularly monitored at various levels by the company. The company also engages external internal auditors to further strengthen internal controls and procedures. These are periodically reviewed by the top management. The company ensure that all applicable laws, statues, rules and regulations are followed. The management continuously upgrades the internal control systems. The company also has an exhaustive management information system that regularly monitors expenses and project costs and ensures that these are strictly in accordance with the budgeted allocations. The company also ensures that its resources are also optimised fully and that there is a minimal wastage. The company also implemented latest Enterprise Resource Planning system during the year.

FINANCIAL OVERVIEW

Income : The company recorded total income of ₹ 17,028 lakhs, as compared to ₹ 10,174 lakhs for 2009-2010, a growth of 67.37%.

EBIDTA : The EBIDTA of the company was ₹ 6,967 lakhs in 2009-2010 and ₹ 10,138 lakhs in 2010-2011, an increase of 45.51%.

PAT : The company's Profit After Tax (PAT) stood at ₹ 5,773 lakhs against ₹ 4,760 lakhs in 2009-2010, an increase of 21.28%.

CAUTIONARY STATEMENT

The statement made in this section describes the company's objectives, projections, expectations and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. The annual results may differ materially from those expressed or implied, depending on the economic conditions, Government policies and other factors that are beyond the control of the company.

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance has been framed with the aim of adopting the best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of increasing the value of stakeholders and retention of investors' trust based on transparency, integrity, professionalism and accountability.

The Corporate Governance philosophy of the Company has been further strengthened with the adoption of Code of Conduct for Board and Senior Management Personnel and Code of Conduct for Prevention of Insider Trading for its Directors, Officers and Designated Employees as also a Code of Corporate Disclosure Practices. Thus, The Company, through its Board, Committees and Senior Managerial Personnel endeavor to strike and deliver the highest governing standards for the benefits of its Stakeholders.

2. BOARD COMPOSITION & PARTICULARS OF DIRECTORS

Board Composition

The present composition of Board is as under:

Category	No. of Directors	Percentage of Total No. of Directors
Executive Directors: [includes one Chairman & Whole-time and one Managing Director both being promoter directors]	2	28.57
Non-Executive Directors:-		
• Independent	4	54.14
• Non-independent (promoter)	1	14.29
TOTAL	7	100.00

The composition of Directors is in conformity with the provisions of clause 49 of the listing Agreement(s) entered with the Stock Exchange(s) by the Company.

Directors' Profile

Brief details of all the Directors, nature of their expertise in specific functional areas and the names of companies in which they hold Directorships and Memberships/ Chairmanships of Board Committees are provided below:

- (A) MR. DIPAKKUMAR G. PATEL, aged 43 years [Birth date: 12/11/1967] is a Promoter Director of the Company and is holding the position of Whole-time Director of the Company since 1st October, 2002. After the death of our former Chairman Late Shri Govindbhai C. Patel, Shri Patel was appointed as Chairman of the Company w.e.f. 9th November, 2009. He possesses wide experience of 20 years in construction, finance, real estate development etc. At present, Mr. Patel looks after overall policies, construction, procurement, new projects, quality control, overseas tie up, etc. As on 31st March, 2011 he held 6229117 (19.07%) shares in the Company. He is a Director on the Board of 5 Public Companies viz. Ganesh Plantations Ltd, Ganesh Infotech Ltd, Mihika Buildcon Ltd, Starnet Software (I) Ltd and Shree Ganesh Fintrade Ltd. He is also a Director on the Board of 4 Subsidiary Companies of the Company and 50 Private Limited Companies.
- (b) MR. SHEKHAR G. PATEL, aged 40 years [Birth date: 09/08/1971] is a Promoter Director of the Company and is holding position of Managing Director of the Company since 1st July, 1994. He possesses rich and varied experience of 16 years in construction, marketing, real estate development etc. At present, Mr. Patel looks after day to day affairs of the Company including finance, marketing, recruitment, etc. As on 31st March, 2011 he held 6994390 (21.42%) shares in the Company. He is a Director on the Board of 5 Public Companies viz. Ganesh Plantations Ltd, Ganesh Infotech Ltd, Mihika Buildcon Ltd, Starnet Software (I) Ltd and Shree Ganesh Fintrade Ltd. He is a Managing Director in one of the Subsidiary Company viz. Gatil Properties Private Limited and Director on the Board of 2 other subsidiaries. He is also Director on the Board of 50 Private Limited Companies. He is member of Audit and Shareholders' / Investors Grievance Committees of the Company.
- (c) DR BHARAT J. PATEL, aged 56 years [Birth date: 07/08/1955] is a Non-executive Independent Director of the Company. He is a prominent Orthopedic Surgeon of Ahmedabad. He is practicing as an Orthopedic Surgeon in Ahmedabad for the last 31 years. He didn't hold any shares in the Company as on 31st March, 2011. He is a Director on the Board of Starnet Software (I) Ltd and N. K. Industries Ltd.
- (e) DR TARANG M. DESAI, aged 53 years [Birth date: 24/07/1958] is a Non-executive Independent Director of the Company. He is a prominent consultant physician of Ahmedabad. As the consultant physician, he possesses more than 24 years of experience. He didn't hold any shares in the Company as on 31st March, 2011. He is a Director on the Board of one of the Subsidiary Company viz. Gatil Properties Private Limited. He is member of Audit, Remuneration and Compensation and Shareholders' / Investors Grievance Committees of the Company.
- (f) MR. ARVINDBHAI R. NANAVATI, aged 77 years [Birth date: 09/09/1933] is a Non-executive Independent Director of the Company. He is a retired Income Tax Officer. He possesses more than 44 years of experience in administration. He didn't hold any shares in the Company as on 31st March, 2011. He is not a Director in any other Company. He is Chairman of Audit, Remuneration and Compensation and Shareholders' / Investors Grievance Committees of the Company.
- (G) MS. LALITABEN G. PATEL, aged 65 years [Birth date: 10/11/1945] is a Non-executive Promoter Director of the Company. She has rich experience in construction and real estate development business. She was holding 4553436 (13.94%) shares in the Company as on 31st March, 2011. She is a Director in Ganesh Infotech Ltd, Starnet Software (I) Ltd and Shree Ganesh Fintrade Limited.
- (H) MR. ASHISH H. MODI, aged 43 years [Birth date: 12/12/1967], is a Non-executive Independent Director of the Company. He possesses over 22 years of experience in real estate and infrastructure development business especially road construction. He didn't hold any shares in the Company as on 31st March, 2011. He is not a Director in any other Company. He is member of Audit, Remuneration and Compensation and Shareholders' / Investors Grievance Committees of the Company.

Board/ Committee Meetings

The procedures with respect to Board Meetings and the Meetings of the Committees thereof are in total compliance with the requirements of the Companies Act, 1956, Listing Agreement with Stock Exchange(s) and other applicable laws and regulations.

Code of conduct for the Board of Directors and senior management personnel:

In terms of Clause 49 of the Listing Agreement, the Board at its meeting held on 5th December, 2005 has adopted the Code of Conduct for the Board of Directors and senior management personnel of the Company. Further, the Board of Directors of the Company recommended and adopted new Code of Conduct for the Board of Directors and senior management personnel of the Company at their meeting held on 11th December, 2010 w.e.f. 1st January, 2011. The said code has been circulated to all the members of the Board and senior management personnel. The compliance of the said code has been affirmed by them annually. A declaration signed by the Managing Director of the Company forms the part of this Report. Moreover, a copy of the Code has been put up on the Company's website www.ganeshhousing.com.

Attendance of each Director at the Board Meetings, last AGM and the number of other Board/ Committees in which he is a Member/ Chairman

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships/ Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of Private Limited Companies, Section 25 Companies and Foreign Companies.

Name of Director	Position	Attendance Particulars		No. of Directorships in other Public Companies	Committee Memberships/ Chairmanships of other Companies	
		Board Meeting	Last AGM		Member	Chairman
Mr. Dipakkumar G. Patel	Chairman and Whole-time Director	12	No	5	Nil	Nil
Mr. Shekhar G. Patel	Managing Director	12	Yes	5	Nil	Nil
Ms. Lalitaben G. Patel	Promoter and Non-Executive	8	No	3	Nil	Nil
Dr Bharat J. Patel	Non-Executive and Independent	12	No	2	1*	Nil
Dr Tarang M. Desai	Non-Executive and Independent	10	Yes	Nil	Nil	Nil
Mr. Arvindbhai R. Nanavati	Non-Executive and Independent	12	Yes	Nil	Nil	Nil
Mr. Ashish H. Modi	Non-Executive and Independent	12	Yes	Nil	Nil	Nil

*for the purpose of above only Audit and Shareholders'/Investors' Grievance Committee is taken into consideration.

Details of Board Meetings held during the year 2010-2011

The details of Board meetings held during the year 2010-2011 are stated in the table shown hereunder:

Sr.No.	Dates of Board Meeting	No. of Directors Present
1	27/04/2010	7
2	20/05/2010	7
3	05/07/2010	7
4	14/08/2010	7
5	01/10/2010	7
6	12/10/2010	7
7	13/11/2010	6
8	11/12/2010	6
9	05/01/2011	6
10	22/01/2011	6
11	14/02/2011	6
12	01/03/2011	6

3. AUDIT COMMITTEE

Composition:

The Board has constituted Audit Committee, comprising of Three Independent Non-Executive Directors and one Executive Director. During the year under review, the said Committee was reconstituted as Mr. Shekhar G. Patel, Managing Director was appointed as a member of the Committee by Board of Directors at its meeting held on 1st October, 2010. Further, Mr. Arvind R. Nanavati is a Chairman of the Committee. He possesses adequate financial accounting knowledge. The Constitution of the Audit Committee is in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956. Mr. Vijay R. Lalaji, Company Secretary is the Secretary to the Audit Committee.

The Primary Objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

Terms of Reference:

The terms of reference/ powers of the Audit Committee has been specified by the Board of Directors as under:

A. The Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. The role of Audit Committee shall include the following:

The role or scope of Audit Committee shall include the following:

- (a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- (c) Reviewing with management the annual financial statements before submission to the board, focusing primarily on:
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgement by management
 - Qualifications in draft audit report
 - Significant adjustments arising out of audit
 - The going concern assumption
 - Compliance with accounting standards
 - Compliance with stock exchange and legal requirements concerning financial statements
 - Any related party transaction i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- (d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- (e) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (f) Discussion with internal auditors any significant findings and follow up there on.
- (g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (h) Discussions with external auditors before the audit commence nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
- (i) Reviewing the company's financial and risk management policies.
- (j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

C. Information for Review:

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as may be defined by the audit committee), submitted by the management.
- Management letters/ letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the Internal Auditors.

Meetings held during the year:

Four Audit Committee meetings were held during the year on April 27, 2010; August 14, 2010; November 13, 2010 and February 14, 2011. The time gap between any two meetings was less than four months.

Attendance of each Member of Audit Committee at Meetings:

The names of the members of the Audit Committee, and its Chairman, and details of meetings attended by them during the year are stated hereunder:

Name	Designation	Meetings	
		Held	Attended
Mr. Arvindbhai R Nanavati	Chairman of the committee, Independent and Non-Executive Director	4	4
Dr Tarang M Desai	Member of the committee, Independent and Non-Executive Director	4	3
Mr. Ashish H Modi	Member of the committee, Independent and Non-Executive Director	4	4
Mr. Shekhar G. Patel	Member of the Committee, Managing Director	4	2

4. SUBSIDIARY COMPANIES:

The Company has two Subsidiaries Companies viz. Gatil Properties Private Limited and Yash Organisers Private Limited. The said two Subsidiaries are neither listed on any stock exchange nor do they cover under the criteria of material non listed Indian Subsidiary Company. The Financial statements of said two Unlisted Subsidiary Companies were reviewed by the Board of Directors of the Company. The Minutes of the Board of Directors of Subsidiary Companies have been regularly placed before the Board of the Company. Moreover, a statement of all the significant transactions and arrangements entered into by the unlisted subsidiary companies were periodically brought to the attention of Board of Directors of the Company. Further, two other Companies viz. Shaily Infrastructure Private Limited and Maheshwari (Thaltej) Complex Private Limited became a Subsidiaries of the Company w.e.f. 19th May, 2011 and 21st July, 2011 respectively.

5. REMUNERATION AND COMPENSATION COMMITTEE**Change in Nomenclature:**

During the year under review, the Company introduced Employee Stock Option Scheme [‘ESOP 2010’] under Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [‘SEBI Guidelines’] amongst the employees and non-executive independent directors of the Company including its Subsidiaries, if any. In terms of para 5 of the said SEBI Guidelines, the Company is required to constitute a Compensation Committee for administration and superintendence of the ESOP 2010. As Remuneration Committee was formed with the objective of the constitution of the Committee is to recommend and review compensation plans of the Managerial Personnel based on their performance, defined assessment criteria and job responsibilities, the Board deemed fit to entrust the said committee with the additional terms of reference under SEBI Guidelines.

Thus, the Board Directors of the Company at its Meeting held on 1st October, 2010, changed the Nomenclature of the said Committee from ‘Remuneration Committee’ to ‘Remuneration and Compensation Committee’ and reconstituted the said committee with additional terms of reference.

Constitution:

The Remuneration Committee has three Independent Non-Executive Directors and one Promoter Non-executive Director. During the year under review, Board of Directors of the Company reconstituted the said Committee at its meeting held on 1st October, 2010 by appointing new member Ms. Lalitaben G. Patel, Promoter and Non-executive Director of the Company.

Terms of reference:

- To review & approve/ recommend the remuneration of Managerial Personnel like Managing Director and Whole Time Directors.
- To review & recommend the remuneration policy of Non-Executive Directors of the Company.
- To perform such other functions as may be detailed in the Remuneration Committee under Schedule XIII of the Companies Act, 1956.
- To discharge such other functions or exercise such powers as may be delegated to the Committee by the Board from time to time.

Moreover, with reference to Para 5 of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the said Committee was delegated with the following additional terms of references:

- The quantum of option to be granted under an ESOP 2010 per employee and in aggregate.
- The conditions under which option vested in employees may lapse in case of termination of employment for misconduct.
- The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period.
- The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee.
- The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period.
- The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporation actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the compensation committee:
 - a. The number and the price of ESOS shall be adjusted in a manner such that total value of the ESOS remains the same after the corporate action.
 - b. For this purpose global best practices in this area including the procedures followed by the derivative markets.
 - c. The vesting period and the life of the options shall be left unaltered as far as leave.
- The grant, vest and exercise of Option in case of employees who are on long leave.
- The procedure for cashless exercise of options.

Meeting:

The Remuneration Committee met on October 01, 2010; November 01, 2010; December 01, 2010 and February 01, 2011 during the Financial Year 2010-2011.

Attendance:

The names of the members of the Committee, its Chairman and the details of meetings attended by them are stated hereunder:

Name	Designation	Meetings	
		Held	Attended
Mr. Arvindbhai R Nanavati	Chairman of the committee, Independent and Non-Executive Director	4	4
Dr Tarang M Desai	Member of the committee, Independent and Non-Executive Director	4	3
Mr. Ashish H Modi	Member of the committee, Independent and Non-Executive Director	4	4
Ms. Lalitaben G. Patel	Member of the committee, Promoter and Non-Executive Director	4	3

Remuneration Policy and Details of Remuneration to all Directors:

The remuneration paid to the Executive Directors viz. Managing Director and Whole-time Director of the Company is recommended by Remuneration and Compensation Committee [previously known as 'Remuneration Committee'] and the Board of Directors and approved by the Shareholders. The remuneration of the Executive Directors has two components: fixed pay and variable pay. While the fixed pay is paid to the Directors on monthly basis, variable pay includes Commission payable to executive directors which is based on Net Profit of the Company.

The Non-executive Directors are paid Sitting Fees within the limits that could be paid without the approval of the Central Government, for attending Board / Committee Meetings.

During the financial year 2010-2011 remuneration of ₹ 60,00,000/- each was paid to Mr. Shekhar G. Patel, Managing Director and Mr. Dipakkumar G. Patel, Chairman and Whole-time Director of the Company. According to the Articles of Agreement entered into between the Company and the abovementioned Directors, they were entitled to commission of 1% on the net profits of the Company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956. During the year under review, the said managerial personnel waived the commission payable to them.

In addition to this, non-executive directors were paid Sitting Fees of ₹ 2,09,800 /-. Further, none of the Non-executive Independent Directors, eligible under ESOP 2010 Scheme, has been granted any Options under the Employees Stock Option Scheme [ESOP 2010] of the Company.

6. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

Composition:

The Shareholders' / Investors' Grievance Committee consists of three Independent Non Executive Directors and one Promoter Director. During the year 2010-2011, the Board of Directors of the Company reconstituted the said Committee at their meeting held on 1st October, 2010 by appointing new member viz. Mr. Shekhar G. Patel, Managing Director of the Company.

This Committee is specifically responsible for the Redressal of shareholders' / Investors' grievances related to non-receipt of Annual reports, non-receipt of declared dividend, Transfer/ Transmission/ Demat of Shares/ Issue of Duplicate Share Certificates, etc. The Committee also oversees the performance of the Registrar & transfer agents of the Company relating to the investors' services and recommend measures for improvement.

The Terms of Reference:

The terms of reference of the Investors' Grievance Committee, inter alia, include the following:

- Investor relations and redressal of shareholders' grievances in general & relating to non-receipt of dividends, non- receipt of annual reports, etc. in particular.
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements by such a Committee.

Meetings:

The Committee held fifteen meetings during the Financial Year 2010-2011.

Attendance:

The committee whose terms of reference have been specified as per clause 49 of the Listing Agreement consists of:

Name	Designation	Meetings	
		Held	Attended
Mr. Arvindbhai Nanavati	Chairman of the Committee, Independent and Non-Executive Director.	15	15
Dr. Tarang M Desai	Member of the Committee, Independent and Non-Executive Director	15	13
Mr. Ashish H. Modi	Member of the Committee, Independent and Non-Executive Director	15	15
Mr. Shekhar G. Patel	Member of the Committee, Managing Director	15	7

The Composition, powers, role and terms of reference of the Committee are in accordance with the provisions of Clause 49 of the Listing Agreement(s).

Name and designation of Compliance Officer

Ms. Priti Jani, Deputy Manager (Secretarial) being qualified Company Secretary, is the Compliance Officer of the Company.

Details of complaints received and redressed:

Number of complaints outstanding as on 01/04/2010	-	Nil
Number of complaints received from the investor from 01/04/2010 to 31/03/2011	-	8
Number of complaints solved to the satisfaction of the Investors as on 31/03/2011	-	8
Number of complaints pending as on 31/03/2011	-	Nil

7. SHARE ALLOTMENT COMMITTEE**Composition:**

During the year under review, the Company implemented ESOP Scheme amongst the Employees and Non-executive Directors of the Company and its Subsidiaries, if any. Hence, in order to carry out effective implementation of ESOP Scheme the Board of Director at its meeting held on 1st October, 2011 constituted Share Allotment Committee for purpose of allotting Shares to employees / non-executive Directors on Conversion of Options into Shares. The said Committee is consisting of following Directors as the Members of the Committee:

Name	Designation
Mr. Dipakkumar G. Patel	Chairman of the Committee, Chairman & Whole-time Director of the Company.
Mr. Shekhar G. Patel	Member of the Committee, Managing Director of the Company.
Ms. Lalitaben G. Patel	Member of the Committee, Promoter & Non-executive Director of the Company.

Meetings:

No meeting was held during the year under review as the Options are yet unvested.

8. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings are as follows:

Year	Date	Time	Venue
2007-2008	September 27, 2008	3.00 p.m.	1 st Floor, "Samudra", Nr Klassic Gold Hotel, Off C G Road, Ellisbridge, Ahmedabad-380 006.
2008-2009	September 30, 2009	3.00 p.m.	1 st Floor, "Samudra", Nr Klassic Gold Hotel, Off C G Road, Ellisbridge, Ahmedabad-380 006.
2009-2010	September 30, 2010	3.00 p.m.	Ganesh Corporate House, 100 feet, Hebatpur-Thaltej Road, Nr. Sola Bridge, Off. S. G. Highway, Ahmedabad 380 054

SPECIAL RESOLUTIONS

Two Special Resolutions were put through in the last three years' Annual General Meetings.

One Extra Ordinary General Meeting was held during the year 2010-2011.

POSTAL BALLOTS

No ordinary or special resolutions were passed through a postal ballot during the year 2010-2011.

9. DISCLOSURE

(a) Material Related Party Transaction:

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes on Accounts - Schedule '19', forming part of the Annual Report.

The Company's major related party transactions are generally with its Subsidiaries and Associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates. All related party transactions are negotiated on arm length basis and are intended to further the interests of the Company.

The directors regularly make full disclosures to the Board of Directors regarding nature of their interest in the Companies in which they are directors or members. Full particulars of contract entered with the companies/ partnership firms in which the directors are directly or indirectly concerned or interested are entered in the Register of Contract maintained under Section 301 of the Companies Act, 1956 and the same is placed in every Board meeting for the noting of the directors.

(b) Compliances

There were neither any instances of non-compliance by the Company nor there were any penalties or strictures imposed on the Company by the Stock Exchange/(s) or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.

(c) Risk Management

Business risk evaluation and management is an ongoing process within the Company. During the year under review, the Management reviewed the risk management and minimization procedure adopted by the Company covering the business operations of the Company. The Company has taken insurance of all the projects including Corporate House of the Company.

(d) Proceeds from public issues, rights issues, preferential issues etc.

During the year under review, the Company has not raised any proceeds from public issue, right issue, preferential issues, etc.

(e) CEO/ CFO Certification

In terms of revised Clause 49 of Listing Agreement, the Certification by Chairman & Whole-time Director & Managing director has been obtained and the said certification has been placed before the Board Members of the Company for perusal.

10. MEANS OF COMMUNICATION

(a)	Half yearly report	Half yearly report is not sent to shareholders
(b)	Quarterly Results	Normally quarterly results of the Company are published in: Economic Times (English) and Economic Times (Gujarati)
(c)	Website where results are displayed	www.ganeshhousing.com
(d)	Whether it also displays official news, release and the presentation made to institutional investors to the analysts.	Yes
(e)	Whether Management Discussions & Analysis forms part of Annual Report.	Yes

11. GENERAL SHAREHOLDER INFORMATION**A Date, time and venue of 20th Annual General Meeting**

On Friday, September 30, 2011 at 3.00 p.m.

At: The Registered office of the company Ganesh Corporate House, 100ft Hebatpur Thaltej Road, Near Sola Bridge, Off S.G. Highway, Ahmedabad-380 054

B Financial Calendar:

(Tentative and subject to change for the financial year 2011-2012)

Quarter ending	Release of Results
June 30, 2011	Second week of August, 2011
September 30, 2011	Second week of November, 2011
December 31, 2011	Second week of February, 2012
March 31, 2012	End of May, 2012
Annual General Meeting for the year ending March 31, 2012	End of September, 2012

C. Date of Book Closure

16th September, 2011 (Friday) to 30th September, 2011 (Friday) (Both the days inclusive)

D Dividend Payment Date

The final dividend, if approved by the shareholders, shall be paid on or after October 04, 2011, within the statutory time limit.

E. Listing on Stock Exchanges :

BOMBAY STOCK EXCHANGE LTD 1ST FLOOR, NEW TRADING RING, ROTUNDA BUILDING, P J TOWERS, DALAL STREET FORT, MUMBAI – 400 001

NATIONAL STOCK EXCHANGE OF INDIA LTD. EXCHANGE PLAZA, PLOT NO. C/1, G BLOCK, BANDRA-KURLA COMPLEX, BANDRA, MUMBAI – 400 051

Listing fees for the financial year 2011-2012 have been paid to the aforesaid Stock Exchanges.

F. Stock Code / Symbol

(i)	Bombay Stock Exchange Ltd	-	526367
	Scrip ID	-	GANESHSG
	Scrip forms part of BSE Small Cap Index.		
(ii)	National Stock Exchange Of India Ltd		
	Company Symbol	-	GANESHHOUC
	ISIN No. Equity shares NSDL/CDSL	-	INE 460C01014

G. Market Price Data:

The Monthly high/low and the volume of the Company's shares traded on stock exchanges and the Monthly high /low of the said exchanges are as follows:

Month	Company			BSE	
	High (₹)	Low (₹)	Volume(Nos.)	BSESensex (High)	BSESensex (Low)
April 2010	197.95	171.00	1017988	18047.86	17276.80
May 2010	186.80	147.30	326951	17536.86	15960.15
June 2010	182.00	153.05	191459	17919.62	16318.39
July 2010	204.80	168.00	306810	18237.56	17395.58
August 2010	225.90	178.65	799048	18475.27	17819.99
September 2010	250.10	190.45	2411141	20267.98	18027.12
October 2010	279.90	238.25	1167873	20854.55	19768.96
November 2010	268.00	171.00	274553	21108.64	18954.82
December 2010	235.60	169.00	200768	20552.03	19074.57
January 2011	223.85	156.00	401779	20664.80	18038.48
February 2011	174.90	135.25	93223	18690.97	17295.62
March 2011	169.50	141.00	231797	19575.16	17792.17

Month	Company			BSE	
	High(₹)	Low(₹)	Volume(Nos.)	Nifty (High)	Nifty (Low)
April 2010	198.70	170.45	1152993	5399.65	5160.90
May 2010	184.50	147.25	423343	5278.70	4807.30
June 2010	180.00	153.00	284614	5366.75	4961.05
July 2010	205.00	171.00	402217	5477.50	5225.60
August 2010	225.00	178.75	1074210	5549.80	5348.90
September 2010	250.00	189.00	4005685	6073.50	5403.05
October 2010	290.70	236.25	2072920	6284.10	5937.10
November 2010	269.80	170.60	510208	6338.50	5690.35
December 2010	234.90	170.10	510245	6147.30	5721.15
January 2011	224.25	155.60	742224	6181.05	5416.65
February 2011	174.90	135.25	324595	5599.25	5177.70
March 2011	164.70	123.65	247532	5872.00	5348.20

H. Registrar and Transfer Agents:

M/s. MCS Limited, 101 Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009,
Tel. Nos. 079 - 26582878, 26581296, 26584027, Fax No. 079 – 30070678.

I. Share Transfer System

Transfers in physical form are lodged with the Company/ Transfer Agent. The Transfer Agent has complete computerized facility for processing the transfer. After verification of the transfers lodged in physical form, the transfer agent prepares a statement of transfers which is reviewed by the Shareholders/Investors Grievances Committee of Directors and if in order, the transfers are approved generally once in a fortnight. The share certificates duly transferred are then sent by the transfer agent to the transferees, which complete the transaction. In case of any complaint from shareholder for delay in transfer, the matter is actively followed up by the Company with the transfer agent and the same is resolved to the satisfaction of the shareholder.

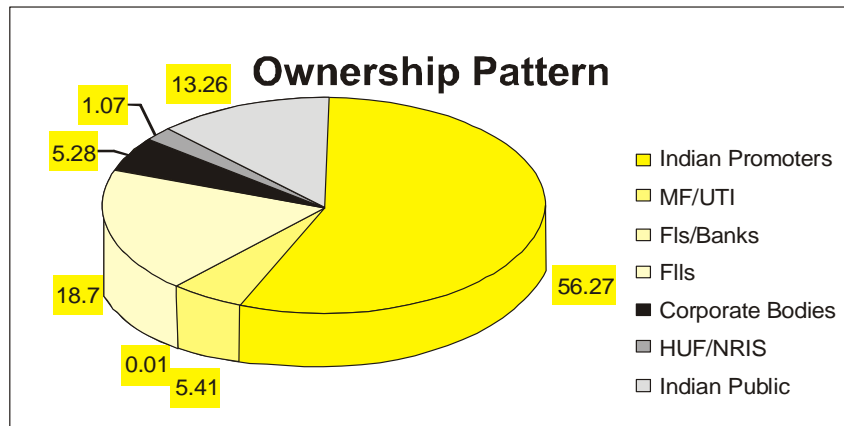
J. Distribution of shareholding (As on March 31, 2011)

(a) On the basis of Nominal value of each Share held

Shareholding of Nominal Value of ₹	No. of Share holders	Percentage to Share holders	No. of Shares held	Percentage to total Shares held
Upto 500	10422	92.38	766101	2.35
501-1000	373	3.31	291964	0.89
1001-2000	179	1.59	265638	0.81
2001-3000	87	0.77	219011	0.67
3001-4000	38	0.34	134314	0.41
4001-5000	27	0.24	124460	0.38
5001-10000	53	0.47	398580	1.22
10001 and Above	102	0.90	30455812	93.26
TOTAL	11281	100.00	32655880	100.00

(b) On the basis of Category

Category	No. of shares held	Percentage to total shares held
Indian Promoters	18374723	56.27
MF/UTI	1767923	5.41
FIs/Banks	1800	0.01
FII's	6107283	18.70
Corporate Bodies	1723923	5.28
HUF/NRIS	351041	1.07
Indian Public	4329187	13.26

**K. Dematerialization of Shares and Liquidity**

Electronic /Physical	No. of Shares	Percentage (%)
NSDL	29782248	91.20
CDSL	2472219	7.57
Physical	401413	1.23
TOTAL	32655880	100.00

32254467 equity shares were held in the demat form as on 31st March, 2011, constituting 98.77% of the total paid up share capital.

The shares are actively traded on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. For those shareholders who hold the shares in physical form may contact Depository Participant.

L. Outstanding GDRs/ ADRs/Warrants or any Convertible instruments conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants or any Convertible instruments till date. Hence, there are no outstanding GDRs/ ADRs/ Warrants or any Convertible instruments.

N. Plant Locations

The Company is engaged in Construction and infrastructure development business. The Company does not have any plant or factory.

O. Address for Correspondence

All enquiries, clarifications and Correspondence should be addressed to the Compliance Officer at the following address:

Ms. PRITI JANI

Deputy Manager (Secretarial) & Compliance Officer

Ganesh Housing Corporation Limited

Ganesh Corporate House

100 Feet Hebatpur – Thaltej Road

Near Sola Bridge, Off. S. G. Highway,

Ahmedabad - 380 054.

Tel. No. 079 6160 8888

Fax No. 079 6160 8889

P. Compliance Certificate of the Auditors

A Certificate from the Auditors of the Company M/s. J M Parikh & Associates, Chartered Accountants, Ahmedabad confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is annexed to the Directors' Report forming part of the Annual Report. The said certificate has also been forwarded to the Stock Exchanges in India where the securities i.e. equity shares of the Company are listed.

Auditors' Certificate on Corporate Governance

To
The Members
Ganesh Housing Corporation Limited,
Ahmedabad

We have examined the compliance of conditions of Corporate Governance by Ganesh Housing Corporation Limited for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with 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 and representations made by the Directors and management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the abovementioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrars and Share Transfer Agents of the company have maintained records to show the Investors Grievances against the Company and have certified that on 31st March, 2011 there were no investor grievances remaining unattended/pending for more than 30 days.

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

FOR J.M. PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD
DATE : 12/08/2011

KAUSHAL SHAH
PARTNER
MEMBERSHIP NO.:- 127379
FRN:- 118007W

Declaration by the Managing Director

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and the senior management personnel and the same is available on the Company's website.

I confirm that the Company has in respect of the financial year ended March 31, 2011, received from the senior management personnel of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

PLACE: AHMEDABAD
DATE : 12/08/2011

SHEKHAR G. PATEL
MANAGING DIRECTOR



Auditors' Report

TO THE MEMBERS OF:

GANESH HOUSING CORPORATION LIMITED,

1. We have audited the attached Balance Sheet of GANESH HOUSING CORPORATION LIMITED as at 31st March, 2011 and the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further, 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 such books.
 - c) The Balance Sheet the Profit and Loss Account and the Cash Flow statement referred to in this report are in agreement with the books of account.
 - d) In our opinion the Balance- Sheet, the Profit & Loss Account and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.

- e) On the basis of written representations received from the directors of the company and taken on record by the board of directors, we report that no director is disqualified as at March 31, 2011 from being appointed as director of the company under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India.
- i. in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011 and
 - ii. in so far as it relates to the Profit and Loss Account, of the profit for the year ended on that date.
 - iii. in the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

FOR, J.M.PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:- 118007W

PLACE:- AHMEDABAD
DATE :- 12/08/2011.

KAUSHAL SHAH
PARTNER
MEMBERSHIP NO.:- 127379

Annexure to The Auditors' Report

TO THE MEMBERS OF :

GANESH HOUSING CORPORATION LIMITED,

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The fixed assets disposed off during the year, do not constitute substantial part of the fixed assets of the company and such disposal in our opinion, has not affected the going concern status of the company.
- (ii) (a) The company is accounting various construction projects being built by it, as inventory. There is a continuous monitoring of the construction projects. Hence, the question of physical verification of the project does not arise. The question of frequency of verification being reasonable does not arise. In case of Inventory of Raw materials, the Company follows the policy that Raw materials received on the site are taken as consumed. Hence, the question of physical verification of inventory conducted at reasonable intervals does not arise. There is a closing stock of WIP at the end of the year.
- (b) The question of the procedures of physical verification of inventory followed by the management being reasonable and adequate in relation to the size of the company does not arise considering the nature of inventory.
- (c) The inventory shown in the accounts is in the nature of various construction projects. Hence, normal inventory records associated with manufacturing companies are not being kept. However, the company is maintaining the necessary records to our satisfaction. No discrepancies were noticed on verification between the physical stocks and book records.
- (iii) (a) The company has granted interest free business advance, secured or unsecured to 10(Ten) companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 6,56,69,15,173/- and the year end balance of business advances granted to such companies was ₹ 4,33,81,67,230/-.

The company has granted interest free unsecured loan to one other party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 7,66,361/- and loan to any firm covered in the registered maintained under section 301 of the Companies Act, 1956.

- (b) The company has granted unsecured interest free business advances, to companies covered in the register maintained under section 301 of the Companies Act, 1956. As the said advances are in the nature of business advances, the question regarding the rate of interest and other terms and conditions being prima facie prejudicial to the interest of the company does not arise.

The company has also granted unsecured interest free loan, to other party covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the rate of interest and other terms and conditions on which loan has been granted to a other party, listed in the register maintained under section 301 of the Companies Act, 1956 are, prima-facie, prejudicial to the interest of the Company, as they are interest free and unsecured.

- (c) The business advances and loan granted are interest free and repayable on demand. Hence, the question of regular repayment of principal amount and interest does not arise.
- (d) There is no overdue amount of business advances and loan granted by the company to companies & other party listed in the register maintained under Section 301 of the Companies Act, 1956, as the loans are repayable on demand.
- (e) The company had taken unsecured loans from 2(Two) Companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 1,04,27,898/- and the year end balance of loans taken from such Companies was ₹ Nil.

The company had not taken any loan from other party & firm covered in the register maintained under section 301 of the Companies Act, 1956.

- (f) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from Companies & other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima-facie, prejudicial to the interest of the Company as the said loans are interest free and unsecured.
- (g) There is no overdue amount in case of loans taken by the company as the loans are repayable on demand and interest free.

- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system.

- (v) (a) According to the information and explanations given to us, we are of the opinion that the contracts & arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us the transactions made in pursuance of such contracts/arrangement have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

Since the transactions were in the nature of loan given and taken the question of entering the transaction at the prevailing market price does not arise. However, the interest has not been charged for loan taken as well as given.

- (vi) Directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under, to the extent applicable, have been complied with.

We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

- (vii) In our opinion, the Company has an internal audit system, commensurate with the size of the company and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of subsection (1) of section 209 of the Companies Act, 1956 for any of the products of the company.
- (ix) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities have been generally regularly deposited.
- (b) According to the information and explanations given to us no other undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date of becoming payable other than the following:

Name of Statute	F.Y.	Amount ₹	Name of Authority
Stamp Duty	2001-2002	175402/-	Superintendent of stamps- Gandhinagar, Gujarat
Stamp Duty	2007-2008	Amount not determined. However, as per estimate by the company approximately ₹ 30000000/-	Superintendent of stamps- Gandhinagar, Gujarat

- (c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, which have not been deposited on account of any dispute other than the following:

Name of Statute	F.Y.	Amount ₹	From where dispute is pending
MAT	2007-2008	111543019/-	CIT (Appeal)

- (x) The company has no accumulated losses and has not incurred any cash losses during the current financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us at the end of the year the company has not defaulted in repayment of dues to a bank and financial institution. The company has not issued any debentures.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities. Accordingly, clause 4(xii) of the Companies (Auditor's Report) Order, 2003 is not applicable.
- (xiii) In our opinion, the Company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in Shares, Securities, Debentures and other Investments. All the investments are held by the Company in its own name. In case of Yash Organisor Pvt. Ltd. 10 no. of shares are not held in the name of the company. However, the company has completed the necessary formalities U/s. 187(c) of the Companies Act, 1956.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks and Financial Institutions. Accordingly, Clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

- (xvi) In our opinion the term loans have been applied for the purpose for which they were availed.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we report that the no funds raised on short term basis have been used for long term investment.
- (xviii) According to information and explanations given to us, during the year the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, Clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xix) The Company has not issued any Debentures. Accordingly, Clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xx) The Company has not raised any money by Public Issue during the year Accordingly, Clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, in course of our audit.

FOR, J.M.PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:- 118007W

PLACE:- AHMEDABAD

DATE :- 12/08/2011.

KAUSHAL SHAH
PARTNER
MEMBERSHIP NO.:- 127379

BALANCE SHEET AS AT 31-03-2011

PARTICULARS	SCHEDULES	AS AT	
		31-03-2011	31-03-2010
		₹	₹
SOURCES OF FUNDS			
Share Holders' Funds:			
Share Capital	1	326558800	326558800
Reserves & Surplus	2	5178690057	4685140802
			5505248857
Loan Funds :			
Secured	3	2623884379	906463150
Unsecured	4	131921344	136811179
			2755805723
T O T A L			8261054580
			6054973931
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5		
Less : Depreciation		660313193	488387837
Net Block		50063361	43713475
Add: Capital Work In Progress		610249832	444674362
		27328335	82509711
			637578167
Investments	6		1373000810
Deferred Tax Assets			7610010
Current Assets, Loans & Advances			
Inventories	7	186092325	264533046
Sundry Debtors	8	1266944045	1758162569
Cash and Bank Balances	9	940190483	54263922
Loans & Advances	10	4613211965	3811764502
		7006438818	5888724039
Less : Current Liabilities & Provisions			
Liabilities	11	506024957	635430839
Provisions	12	257548268	231378574
		763573225	866809413
Net Current Assets			6242865593
T O T A L			8261054580
			6054973931

Significant Accounting Policies & Notes Forming Part Of Accounts 19

Schedules Referred To Above Form Part Of This Balance Sheet

AS PER OUR REPORT OF EVEN DATE
FOR J.M PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
PARTNER

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	SCHEDULES	YEAR ENDED ON	
		31-03-2011	31-03-2010
		₹	₹
INCOME			
Sale Proceeds of Residential Projects		1612165765	896623155
Sale of Land		-	109147000
		1612165765	1005770155
Other Income	13	13927817	11592720
Stock of WIP transferred to Subsidiary		-	907993
Closing Stock of WIP		186092325	264533046
TOTAL		1812185907	1282803914
EXPENDITURE			
Opening Stock of WIP		264533046	159600781
Project expenses	14	426240039	325586902
Administrative & Other Exp.	15	83458694	41416072
Interest & Finance Exps.	16	251741255	139932084
Staff Cost	17	43181744	35088172
Marketing Expenses	18	10882790	21102708
Depreciation		10498211	14382508
TOTAL		1090535779	737109227
Profit before Tax		721650128	545694687
Provision for Income Tax		(145000000)	(93000000)
Provision for Wealth Tax		(337300)	(372000)
Deferred Tax		1063828	487479
Excess / short prov. of Income Tax of earlier years W/off.		(1411)	23195718
Excess / short prov. of Wealth Tax of earlier years W/off.		5518	(4003)
Excess / short prov. of Fringe Benefit Tax of earlier years W/off.		(56358)	(16390)
		(144325723)	(69709196)
Net Profit after taxation		577324405	475985491
Add: Balance of Profit brought forward from last year		1870439802	1538224656
Total Amount available for Appropriation		2447764207	2014210147
Appropriations :			
Transfer to General Reserve		60000000	75000000
Proposed/Interim Dividend on Equity Shares		71842936	58780584
Tax on Dividend		11932214	9989761
		143775150	143770345
Balance carried to Balance Sheet		2303989057	1870439802
Basic & Diluted Earning Per Share :-	19(18)		
• Before extra ordinary items		17.68	14.58
• After extra ordinary items		17.68	14.58

Significant Accounting Policies & Notes Forming Part Of Accounts 19
Schedules Referred To Above Form Part Of This Profit & Loss Account

AS PER OUR REPORT OF EVEN DATE
FOR J.M PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
PARTNER

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	2010-2011 AMOUNT ₹	2009-2010 AMOUNT ₹
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax And Previous Year 's Figures	721650128	545694687
LESS: Interim Dividend & Dividend Tax	83775150	68770345
T O T A L	637874978	476924342
ADD:- Provision For Previous Year Now Written Back	(52251)	23175325
ADD:- Deferred Tax	1063828	487479
	1011577	23662804
Net Profit After Tax	638886555	500587146
Add/less Adjustments For		
Depreciation	10498211	14382508
Provision For Taxation	(145000000)	(93000000)
Provision For Wealth Tax	(337300)	(372000)
Interest Expenses	251741255	139932084
Interest Income	(3324270)	(1442218)
	113577896	59500374
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	752464451	560087520
Add/less Adjustments For		
Trade And Other Receivables	491218524	(102540713)
Current Liabilities	(103236188)	171611478
Inventories	78440721	(104932265)
Loans And Advances	(801447463)	53054333
Increase In Deferred Tax Assets	(1063828)	(487479)
Cash Generated From Operations	(336088234)	16705354
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase Of Fixed Assets	(180753496)	(7284399)
Capital Work In Progress	55181376	(18716168)
Sale Of Fixed Assets	4679815	206316
Investments Made	(873671760)	(474224950)
Interest Received	3324270	1442218
Net Cash Used In Investing Activities	(991239795)	(498576983)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds From Long Term Borrowings	1731282855	46807760
Increase Of Unsecured Loans	(4889835)	63549965
Increase Of Secured Loans	(13861626)	(11383449)
Interest Paid	(251741255)	(139932084)
Net Cash Used In Financing Activities	1460790139	(40957808)
Net Increase In Cash And Cash Equivalents	885926561	37258083
Cash And Cash Equivalents As At 01-04-2010 (opening Balance)	54263922	17005839
Cash And Cash Equivalents As At 31-03-2011 (closing Balance)	940190483	54263922

AS PER OUR REPORT OF EVEN DATE
FOR J.M PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
PARTNER

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
SCHEDULE-1		
SHARE CAPITAL		
AUTHORISED		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of ₹ 10/- each	500000000	500000000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
3,26,55,880 (Previous year 3,26,55,880) Equity shares of ₹ 10/- each fully paid up	326558800	326558800
Of which 10,02,360 Equity shares of ₹ 10 each are allotted as fully paid up without payment being received in cash on account of amalgamation in 1997-98		
Of which 80,04,720 shares are allotted as fully paid up by way of bonus shares by capitalisation of profits in 2005-06.		
Of which 1,12,68,800 Equity shares of ₹ 10/- each are allotted as fully paid up without payment being received in cash on account of Amalgamation in 2006-07.		
TOTAL	326558800	326558800
SCHEDULE-2		
RESERVES & SURPLUS		
(a) SECURITY PREMIUM		
Balance As Per Last Balance Sheet	2450140000	2450140000
	2450140000	2450140000
(b) GENERAL RESERVE		
Balance As Per Last Balance Sheet	364561000	289561000
Add : Transfer from Profit & Loss A/c	60000000	75000000
	424561000	364561000
(c) PROFIT & LOSS		
Balance As Per Last Balance Sheet	1870439802	1538224656
Add : Transfer from Profit & Loss A/c	433549255	332215146
	2303989057	1870439802
(d) Employees' Stock Option outstanding		
Less: Deffered Employees Compansation	70566107	-
	70566107	-
	-	-
TOTAL	5178690057	4685140802
SCHEDULE-3		
SECURED LOANS:		
A) Term Loans:		
(I) From Banks:-		
(a) Tamilnad Mercantile Bank Ltd.	-	264291068
(b) From ICICI Bank Ltd.	-	362881800
(c) From JSC VTB Bank	140000000	-
(II) From Others:-		
(a) India Infoline Investment Services Pvt Ltd.	243408345	240000000
(b) Reliance Capital Ltd.	498037416	23672227

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
(c) Future Capital Holdings Ltd.	1000000000	-
(d) IFCI Ltd.	350000000	-
(e) Religare Finvest Ltd.	390682189	-
B) Vehicle Loans		
(I) <u>From Banks:-</u>		
(a) From HDFC Bank Ltd.	843954	9114898
(b) Tamilnad Mercantile Bank Ltd.	-	2326308
(II) <u>From Others:-</u>		
(a) Reliance Capital Ltd.-26187	-	2604999
(b) Tata Capital Ltd.	912475	1571850
[Refer note no. 8 for security details]		
T O T A L	2623884379	906463150
SCHEDULE-4		
UNSECURED LOANS:		
Loan from Companies	42154082	41195240
Loan from others	89767262	95615939
T O T A L	131921344	136811179

SCHEDULE-5**FIXED ASSETS**

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	AS AT	ADDITION	DEDUCTIONS	AS AT	AS AT	DEPRECIATION/ AMORTISATION	DEDUCTIONS	AS AT	AS AT	AS AT	
	01-04-2010	DURING YEAR	DURING YEAR	31-03-2011	01-04-2010	DURING THE YEAR	DURING YEAR	31-03-2011	31-03-2011	31-03-2010	
Land	394522266	241803	-	394764069	-	-	-	-	394764069	394522266	
Office Premises	9361880	123451605	-	132813485	3055992	315294	-	3371286	129442199	6305888	
Plant & Machinery	2603339	2545925	-	5149264	1541568	255600	-	1797168	3352096	1061771	
Furniture & Fixtures	8383649	23754480	-	32138129	6409812	357263	-	6767075	25371054	1973837	
Vehicles	65266007	4301345	8828140	60739212	28204604	8788888	4148325	32845167	27894045	37061403	
Office Equipments	5252917	20704505	-	25957422	2324730	410380	-	2735110	23222312	2928187	
Computer	2756138	4710153	-	7466291	1940126	368286	-	2308412	5157879	816012	
Software	241641	1043680	-	1285321	236643	2500	-	239143	1046178	4998	
T O T A L	488387837	180753496	8828140	660313193	43713475	10498211	4148325	50063361	610249832	444674362	
PREVIOUS YEAR	481884364	7284399	780926	488387837	29905577	14382508	574610	43713475	444674362		

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
SCHEDULE-6		
INVESTMENTS (AT COST)		
Unquoted & Fully paid up		
Long Term Investments in Subsidiary Companies		
10,000 Equity Shares (Previous year 10,000) of ₹ 10/- each in Yash Organiser Pvt Ltd.	25000000	25000000
69,21,778 Equity Shares (Previous year 24,41,410) of ₹ 10/- each in Gatil Properties Pvt Ltd.	1347896710	474224950
Trade Investments		
10 Equity Shares (Pre. Yr. 10) of ₹ 10/- each Starnet Software (India) Ltd.	100	100
40 Equity Shares(Pre. Yr. 40) of ₹ 100/- each Shrinidhi Office Owners'Association	4000	4000
10,000 Equity Shares (Previous year 10,000) of ₹ 10/- each in Ganesh Infrastructure (India) Pvt Ltd.	100000	100000
TOTAL	1373000810	499329050
SCHEDULE-7		
INVENTORIES		
Work-In-Process - (Construction Projects) (As taken Valued & Certified by Management)	186092325	264533046
TOTAL	186092325	264533046
SCHEDULE-8		
SUNDRY DEBTORS : (UNSECURED, CONSIDERED GOOD)		
Due for a period exceeding six months	585812997	1269307183
Others	681131048	488855386
TOTAL	1266944045	1758162569
SCHEDULE-9		
CASH & BANK BALANCES :		
Cash on hand	1347428	1914256
BALANCES WITH SCHEDULED BANKS :		
In Current Accounts	429623010	26055752
In Fixed Deposits with Scheduled Bank	502563591	21618072
In Unpaid Dividend Accounts	6656454	4675842
TOTAL	940190483	54263922
SCHEDULE-10		
LOANS & ADVANCES : (Unsecured, Considered Good)		
Business Advances to Co-Operative Societies	150826561	117750514
Business Advances to Non Trading Corporation	5225380	5225380
Advances for Purchase of land to Companies under the same management (Refer to note no. 9 of Schedule-19)	4175835000	2756331285
Business Advances to Companies under the same management (Refer to note no. 10 of Schedule-19)	3567000	7081898

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
Business Advances to Subsidiary Company (Refer to note no. 11 of Schedule 19)	158765230	139781940
Mobilisation deposit to a contractor company under the same management (Refer to note no. 10 of Schedule-19)	-	722550000
Loan given to Trust In which Directors of the company are interested (Refer to note no. 12 of Schedule-19)	766361	400000
Advance for purchase of Land	2100000	2100000
Other Advances	15000000	15000000
Advance to Supplier	19696307	5439618
Advance to Staff	500000	504000
Advances recoverable in cash or kind	15454372	9128163
Service Tax recoverable from members	17409922	-
Electricity, AUDA, Legal charges receivable for residential projects	46178456	28913474
Registration deposit	1491436	1162290
Office Maintenance Deposit	395940	395940
TOTAL	4613211965	3811764502
SCHEDULE-11		
CURRENT LIABILITIES :		
Sundry Creditors	392720177	495220433
Unpaid / Unclaimed Dividends	6655619	4675103
(Liability towards Investors Education and Protection Fund u/s 205C of the Companies Act, 1956 not due)		
Other Current Liabilities	23235916	32128386
Booking advance received from customers	78625694	101042720
Tax Deducted at Source Payable	4787551	2364197
TOTAL	506024957	635430839
SCHEDULE-12		
PROVISIONS :		
Provision for Gratuity	3105130	2743376
Proposed/ Interim Dividend	71842936	58780584
Provision for Fringe Benefit Tax	1120038	1593550
Provision for Wealth Tax	1020410	780597
Provision for Income Tax	370503724	223561271
	372644172	225935418
Less:- Advance payment of Income Tax, FBT,TDS & WT	190043970	56080804
	182600202	169854614
TOTAL	257548268	231378574

SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED ON 31-03-2011 AMOUNT(₹)	YEAR ENDED ON 31-03-2010 AMOUNT(₹)
SCHEDULE-13		
OTHER INCOME		
Interest from Banks (Including TDS ₹ 3,21,520/- Previous Year ₹ 25,817/-)	3208552	273200
Interest on FDR with SSNNL (Including TDS ₹ 10,762/- Previous Year ₹ 9,855/-)	107618	98549
Interest from Torrent Power Ltd on Security Deposit (Including TDS ₹ 810/- Previous Year ₹ Nil)	8100	-
Interest on IT Refund	-	1070469
Excess provision of Bonus W/off.	8558	66922
Sundry Balances written off	9605624	18644
Income from past Projects	0	9392022
Profit on sale of Fixed Assets	59449	1358
Home Loan commission (Including TDS ₹ 15,119/- Previous Year ₹ 7,912/-)	579916	81621
Previous year Income	-	134875
Sale of Scrap	350000	455060
TOTAL	13927817	11592720
SCHEDULE-14		
PROJECT EXPENSES		
Carting Exp.	4017453	698490
Electric Exp.	3421427	1905984
Future Project Exp.	1116100	-
Insurance Exp.	581033	-
Labour Exp.	122433308	53150093
Labourer Welfare Exp.	1156784	-
Land Purchase	-	105085500
Land Revenue	-	16027200
Machinery Rent	637534	571116
Material Testing Charges	65052	51431
Professional Charges	671877	-
Raw Material purchase	288118856	145152138
Repairs & Maintenance Exp.	146487	199446
Road Work	-	1447107
Site Exp.	356557	378046
Site Office Exp.	700687	659268
Site Security Exp.	2556224	103200
Survey Exp.	-	156893
Expenses of past projects	260660	990
TOTAL	426240039	325586902
SCHEDULE-15		
ADMINISTRATIVE AND OTHER EXPENSES		
Advertisement Exp.	8200	-
Annual Custody Fee	56487	110300
Annual Listing Fee	126570	126569

SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED	YEAR ENDED
	ON 31-03-2011	ON 31-03-2010
	AMOUNT(₹)	AMOUNT(₹)
Appeal Fee	1000	10000
Audit Fee	551500	551500
Books & Magazine Expenses	86856	12906
Carting Exp.	1831	975
Computer Consumable	167545	163363
Conveyance Expenses	272899	287163
Courier Charges	90731	120431
Depository & Share Transfer Agent Exp.	153197	-
Director's Travelling Exp.	667139	667551
Demat Charges	-	1111
Donation	14434411	7632566
Electric Expenses	2020309	1256452
Filing Fee	18582	11262
Garden Exp.	1525802	-
Government Supervision Charges	79798	-
Insurance Exp.	527224	84038
Internal Audit Fee	25000	50000
Internet Charges	251876	247950
Land Revenue	38178	-
Licence Fee	10025	-
Listing Application Fee	82725	-
Loss on sale of Fixed assets	1444264	55174
Miscellaneous Expenses	15842	19063
Mobile Phone Exp.	1522279	1065042
Motor-Car Exp.	2489976	2393814
Motor-Car Insurance	894588	672692
Municipal Tax	270154	278603
Newspaper Exp.	19687	14265
Office Exp.	1072927	329036
Office Maintenance Charges	743494	155760
Penalty	-	80787
Penalty on Provident Fund	-	24525
Penalty on Service Tax	2000	-
Penalty on VAT	4000	2200
Petrol Exp.	2000	-
Postage Exp.	134890	179341
Previous Year Exp.	5076478	744966
Professional Fee	29803862	14228007
Professional Tax	2400	2400
Registration Fee	8500	5000
Religious Exp.	1007331	894040
Rent exp	14175	-
Repair & Maintenance Exp.	336981	195800
Security Service Charges	3442283	1324522
Seminar fee	14600	2000
Service Tax	842569	223936
Site Exp.	106820	-

SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED ON 31-03-2011 AMOUNT(₹)	YEAR ENDED ON 31-03-2010 AMOUNT(₹)
Sitting Fees - Directors	209800	201000
Software Licence	-	345708
Staff Training fee	11700	2200
Stamp Exp.	26435	45668
Stationery & Printing Exp.	612097	509610
Sundry balances written off	1316431	42844
Survey Charges	55697	-
Tax Audit Fee	55150	55150
Tea Exp.	74396	121790
Telephone Exp.	171716	73445
Tractor Trolley Passing RTO Tax	62972	-
Trade Mark Registration	5000	-
Travelling Exp.	963515	987078
Typing & Xerox Exp.	882254	741361
VAT Exp.	8514590	4065108
Website charges	26956	-
TOTAL	83458694	41416072
SCHEDULE-16		
INTEREST & FINANCE EXPENSES :		
Bank Charges	146739	125343
Loan Insurance Premium	-	545596
Loan Prepayment Charges	1447479	-
Loan Processing Charges	58004963	5129392
Finance Charges	890485	2222752
Foreign Exchange Fluctuation	7329945	14600540
Interest to Bank	31826364	96267936
Interest on Gratuity	358	-
Interest on Dividend Tax	99898	-
Interest on Professional Tax	343	34
Interest on Service Tax	496589	-
Interest on T D S	78138	573420
Interest on VAT	137270	118475
Interest to Others	151282684	20079421
F.D. Commission	-	269175
TOTAL	251741255	139932084
SCHEDULE-17		
STAFF COST:		
Bonus Exp.	2159116	1340328
Conveyance Allowance	1304343	547758
Director's Medical Exp	273414	741629
Director's Remuneration	6000000	9350000
ESI Contribution	223501	127426
P.F.Contribution	306179	231946
Gratuity	838039	720589
M.D.Remuneration	6000000	5850000

SCHEDULES FORMING PART OF PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED	YEAR ENDED
	ON 31-03-2011	ON 31-03-2010
	AMOUNT(₹)	AMOUNT(₹)
Medical Expenses	42557	6288
Salary Exp.	25919768	16090388
Staff Uniform	-	32875
Staff Welfare	26900	3815
Vehicle Exp to Employee	87927	45130
T O T A L	43181744	35088172
SCHEDULE-18		
MARKETING EXPENSES		
Brochure Exp.	313825	1006317
Advertisement Expenses	3439224	13660501
Brokerage Exp.	54000	110000
Marketing Exp.	-	313352
Sales Promotion Exp	1565633	3066558
Sample House Furniture	1350	85921
Sponsorship Charges	5476000	2010000
Stall Rent	32758	832725
Website Charges	-	17334
T O T A L	10882790	21102708

Schedules Forming Part of Accounts for The Year Ended On 31-03-2011

SCHEDULE - 19

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES:

1. SYSTEM OF ACCOUNTING:

The company adopts the accrual concept in preparation of accounts.

2. RECOGNITION OF INCOME & EXPENDITURE

All Income & Expenditure are accounted for on accrual basis.

3. FIXED ASSETS & DEPRECIATION:

A. Fixed assets are stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

B. Depreciation on fixed assets:

Depreciation is provided at the rates and in the manner laid down in Schedule XIV to the Companies Act, 1956 on "Written down value" method in respect of all assets.

C. In accordance with Accounting Standard -26 issued by The Institute of Chartered Accountants of India, Software is being amortized over a period of three years.

4. BORROWING COST:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for their intended use or sale) are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

5. TAXES ON INCOME:

Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

6. DEFERRED TAX:

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

7. INCOME FROM REAL ESTATE DEVELOPMENT PROJECTS:

(a) The Company records revenue on all its Real Estate Development Projects based on Accounting Standard - 9. i.e. Revenue Recognition and also based on guidance note issued by the Institute of Chartered Accountants of India "Revenue Recognition for Real Estate Developers".

(b) The full revenue is recognized on sale of property when the Company has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.

(c) However, when the Company is obliged to perform any substantial acts after transfer of all significant risks & rewards of ownership on sale of property, the revenue is recognized on proportionate basis as the acts are performed i.e. by applying the percentage completion method.

8. LEASE OF LAND OF SEZ PROJECT:

Land given on perpetual lease is treated as actual sale of land.

9. RETIREMENT & OTHER EMPLOYEE BENEFITS:-

A. Defined Contribution Plans:-

The company's contribution paid / payable for the year to Provident Fund are recognized in the Profit & Loss Account. The company has no obligation other than the contribution payable to the Government.

B. The company has defined benefits plans for Gratuity. The liability for which is determined on the basis of an actuarial valuation at the year end an incremental liability is provided for in the books. The gratuity scheme is administered by a trust. The payment for gratuity is made to LIC of India through the trust.

C. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.

10. IMPAIRMENT OF FIXED ASSETS:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

11. INVENTORY:

A. In case of inventory of raw materials, the raw materials received on the site are treated as consumed in the books of the Company.

B. The Closing stock of WIP has been valued at cost.

12. TRANSACTIONS IN FOREIGN CURRENCY

A. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.

B. Monetary items denominated in foreign currencies at the period end are restated at period end rates.

C. Non monetary foreign currency items are carried at cost.

D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the profit and loss account.

13. EMPLOYEES STOCK OPTION SCHEME

Accounting value of stock options is determined on the basis of "Intrinsic Value" representing the excess of the market price on the date of grant over the exercise price of the options granted under the "Employees Stock Option Scheme" of the company, and is being amortised as "Deferred Employee Compensation" on a straight line basis over the vesting period in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Guidance Note 18 "Share Based Payments" issued by the ICAI.

NOTES FORMING PART OF ACCOUNTS:

1. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.

2. CONTINGENT LIABILITIES:

A. The Company amalgamated with Ganesh Lea-Finvest Ltd with effect from 1st April, 1997 pursuant to the scheme of amalgamation approved by Hon'ble High Court of Gujarat. In September 2001 the office of Superintendent of Stamps, Gandhinagar has issued a notice under The Bombay Stamp Act, 1958 calling upon the Company to pay stamp duty of Rs.175402/- in view of amalgamation. Subsequently, the company had paid stamp duty on issue of bonus shares and preferential issue of shares and warrants. The said stamp duty amount was more than required. The company has made a representation to the department and requested them to adjust the amount. The response from the department is awaited.

- B. During the financial year 2007-08 the company received the order from the Honourable High Court of Gujarat approving the amalgamation of the company with five of its group companies. The stamp duty has to be paid on amalgamation of the companies. The company has referred the matter to the Superintendent of Stamps at Gandhinagar. They have not yet determined the amount of stamp duty. Hence no provision has been made in the accounts for the payment of stamp duty.
- C. For the Asst. Year 2008-2009 the Assessing office assessed the income of the company and raised a demand of ₹ 49.48 crores. Aggrieved by this order the company went in to Appeal with CIT (Appeal) – VIII. The decision of the CIT (Appeal) came in favour of the company. However, the company is required to pay MAT of ₹ 11.15 crores. Against this amount the company has already paid ₹ 6.56 crores and the company is required to pay the balance amount of ₹ 4.59 crores. The IT order has come recently and the company is yet to decide about going in to further Appeal. No provision has been made in the accounts for ₹ 11.15 crores.
3. The Company has carefully considered the impact of Accounting Standard – 28 pertaining to Impairment loss. As the recoverable amount of assets is higher than the WDV of its Fixed Assets no provision is made for impairment of Assets.
4. Balance of Secured Loans, Unsecured Loans, Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.
5. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business.
6. Payment to auditors:

SR.NO.	PARTICULARS	2010-2011 AMOUNT ₹	2009-2010 AMOUNT ₹
1	As Auditors	551500	551500
2	Tax Audit Fees	55150	55150
3	For Certification & other Work etc.	82723	145889
TOTAL		689373	752539

7. Managerial Remuneration: (₹ In Lacs)

PARTICULARS	2010-2011	2009-2010
Late Shri Govindbhai C. Patel- Chairman & Whole time Director - Salary	00.00	35.00
Shri Deepakkumar G. Patel - Chairman & Whole time Director – Salary	60.00	58.50
Shri Shekharbhai G. Patel –Managing Director - Salary	60.00	58.50
TOTAL	120.00	152.00

According to the Articles of Agreement entered into between the Company and the abovementioned directors, they were entitled to commission of 1% on the net profits of the Company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956. During the year the directors waived the commission payable to them. Hence, the calculation of the commission is not given.

8. The details of security offered for the secured loans taken are as follows:
- A. Loan from JSC VTB Bank:
Charge secured by equitable mortgage of Immovable Property and Corporate Guarantee of the Associate Company and personal guarantee of three promoter directors of the Company and pledge of shares of one of the promoter director of the Company.
- B. Loan from India Infoline Investments Services Pvt. Ltd.:
Charge secured by mortgage of Immovable Property and Corporate Guarantee of the Associate Companies and Co-operative society, Pledge of shares of Subsidiary, Associates Companies and Co-operative society, personal guarantee of three promoter directors of the Company.
- C. Loan from Reliance Capital Ltd.:
Charge secured by mortgage of Immovable Property of the Company and its Associate Company and personal guarantee of two promoter Directors of the Company.
- D. Loan from Future Capital Holdings Ltd.:
Charge secured by mortgage of Immovable Property and interest thereon and hypothecation of receivables, book debts, outstanding moneys and claims, escrow accounts, etc of the Company and its Subsidiary and Associate Companies, Pledge of shares of three promoters of the Company, personal guarantee of two promoter directors of the Company and corporate guarantee / security of Subsidiary and Associate Companies.
- E. Loan from IFCI Ltd.:
Pledge of Shares and Personal Guarantee of Promoter Directors of the Company.
- F. Loan from Religare Finvest Ltd.:
Charge secured by mortgage of Immovable Property of the Associate Company and hypothecation of receivables, escrow account, etc. of one of the project of the Company.
- G. Loans in respect of Vehicles are secured by the hypothecation of the vehicles financed through the loan agreement. viz. Motor Cars.
9. The details of advances for purchase of land given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows

NAME OF COMPANY	BALANCE AS ON 31/03/2011	BALANCE AS ON 31/03/2010
GANESH PLANTATIONS LTD (Maximum balance outstanding at any time during the year Rs 630956285/-. Previous year Rs 1287048000/-)	5160000	630956285
MAHESHWARI (THALTEJ) COMPLEX PVT LTD (Maximum balance outstanding at any time during the year Rs 4170675000/-. Previous year Rs 2125375000/-)	4170675000	2125375000

10. The details of business advances/mobilization deposit given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31/03/2011	BALANCE AS ON 31/03/2010
GANESH INFOTECH LTD. (Maximum balance outstanding at any time during the year Rs 2147000/-.Previous year Rs 2147000/-.)	-	2147000
MIHIKA BUILDCON LTD. (Maximum balance outstanding at any time during the year Rs 6137000/- .Previous year Rs 537000/-.)	1267000	537000
SANAT COMPLEX PVT. LTD. (Maximum balance outstanding at any time during the year Rs 2300000/-.Previous year Rs 2300000/-.)	2300000	2300000
STARNET SOFTWARE (INDIA) LTD. (Maximum balance outstanding at any time during the year Rs 1685000/- .Previous year Rs 1670000/-)	-	1670000
SUJAN DEVELOPERS PVT. LTD. (Maximum balance outstanding at any time during the year Rs 427898/-.Previous year Rs 427898/-.)	-	427898
Mobilisation deposit to a Contractor company:- SHRI GANESH CONSTRUCTION PVT. LTD. (Maximum balance outstanding at any time during the year Rs 722550000/- .Previous year Rs 722600000/-)	-	722550000

11. The details of business advances given to subsidiaries, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31/03/2011	BALANCE AS ON 31/03/2010
Business Advances to a Subsidiary company:- GATIL PROPERTIES PVT. LTD (Maximum balance outstanding at any time during the year Rs 881421841/-.Previous year Rs 668668005/-)	10150081	10046791
Business Advances to a Subsidiary company:- YASH ORGANISER PVT. LTD. (Maximum balance outstanding at any time during the year Rs 148615149/-.Previous year Rs 129735149/-)	148615149	129735149

12. The details of loan given to trust in which directors of the company are interested, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31/03/2011	BALANCE AS ON 31/03/2010
GOVINDBHAI C. PATEL FOUNDATION (Maximum balance outstanding at any time during the year Rs 766361/- .Previous year Rs 400000/-)	766361	400000

13. Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st 2011. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.
14. As this is a construction Company the information required as per paragraph 4C of part II of Schedule VI of the Companies Act, 1956, regarding Licensed Capacity, Installed Capacity and actual production are not given.
15. The information required as per paragraph 4D of Part II of Schedule VI of the Companies Act, 1956, regarding earning and amount spent in foreign currency is as follows:

Earning in Foreign Currency:

SR.NO.	PARTICULARS	2010-2011 AMOUNT ₹	2009-2010 AMOUNT ₹
1	Booking of Residential Property	7101613	7303753
TOTAL		7101613	7303753

Expenditure in Foreign Currency:

SR.NO.	PARTICULARS	2010-2011 AMOUNT ₹	2009-2010 AMOUNT ₹
1	Foreign Travelling Exp.	-	389782
2	Purchase of Fixed Assets	6932676	3419148
3	Bank loan repayment	180149281	-
TOTAL		187081957	3808930

16. The information required as per Paragraph 3 of Part II of Schedule VI of the Companies Act, 1956, regarding quantitative information about the Purchases made, the Opening and Closing Stocks are as follows.

RESIDENTIAL PROJECTS

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
I) OPENING STOCK				
LAND (SQ YARDS)	78729	244715249	86874	152228827
WIP	-	19817797	-	7371954
TOTAL	78729	264533046	86874	159600781

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
II) PURCHASE				
a) LAND (SQ YARDS)	-	-	19025	105085500
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	6834400	19353870	2394400	5542233
Cement (Bags)	116421	22838088	48990	9571100
Steel (Kgs)	2134395	76216886	1952622	60127744
Other materials	-	169710012	-	69911061
TOTAL	-	288118856	-	250237638
III) CONSUMPTION				
a) LAND (SQ YARDS)	-	-	-	-
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	6834400	19353870	2394400	5542233
Cement (Bags)	116421	22838088	48990	9571100
Steel (Kgs)	2134395	76216886	1952622	60127744
Other materials	-	169710012	-	69911061
TOTAL	-	288118856	-	145152138
IV) CLOSING STOCK				
LAND (SQ YARDS)	58459	150294739	78729	244715249
W.I.P.	-	35781911	-	19817797
TOTAL	58459	186076650	78729	264533046
V) SALES				
LAND (SQ.YARDS) & CONSTRUCTED UNITS	20270	1612165765	27170	1005770155
TOTAL	-	1612165765	-	1005770155

VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED

PARTICULARS	%	2010-2011 AMOUNT ₹	%	2009-2010 AMOUNT ₹
Imported	-	-	-	-
Indigenous	100	288118856	100	145152138
TOTAL	100	288118856	100	145152138

17. The Company has given business advances to various companies, co-operative societies and Non-Trading Corporations amongst others. No interest is chargeable on such loans. As the said advances are in the nature of business advance, the Company is of the view that there is no violation of the provision of Section 372A.

18. Basic Earnings per share:-

SR. NO. PARTICULARS		2010-2011	2009-2010
A	Calculation of Weighted Average number of Equity Shares of Rs.10/- each.		
	Number of shares at the beginning of the year	32655880	32655880
	Total number of shares at the end of the year	32655880	32655880
	Weighted average number of shares outstanding during the year	32655880	32655880
B	Net profit after tax available for equity share holders	577324405	475985491
C	Basic Earnings per share		
	— Before extra ordinary items	17.68	14.58
	— After extra ordinary items	17.68	14.58

19. Segment Reporting:-

- A. The Company has considered business segment as the primary segment for disclosure. Therefore, in the opinion of the company, there are no different primary segments.
- B. All the projects of the Company are being implemented in and around Ahmedabad city only. Therefore, in the opinion of the company, there are no different geographical segments.

20. The break up of net deferred tax Assets as at 31-03-2011 is as under:

PARTICULARS	DEFERRED TAX	
	AMOUNT 2010-2011	DEFERRED TAX AMOUNT 2009-2010
Deferred Tax Assets		
Timing Difference :-		
Expenses disallowed U/s. 40A(7)	1055434	932474
Expenses disallowed U/s. 35DD	172757	368406
Expenses disallowed U/s. 43B	733883	455577
Difference in Net Block Fixed Assets as per books and I.T. Return	5647936	4789725
TOTAL → A	7610010	6546182
Deferred Tax Liabilities		
Timing Difference:-		
Difference in Net Block Fixed Assets as per books and I.T. Return	-	-
Total → B	-	-
TOTAL → A-B = Net Deferred Tax Assets	7610010	6546182

21. Related party disclosures:-

1. Parties where control exists:

Shangrila Funworld Pvt Ltd, Ganesh Plantations Ltd, Ganesh Infotech Ltd, Shri Ganesh Construction Pvt Ltd, Siddhivinayak Securities Pvt Ltd, Shaligram Investments Pvt Ltd, Starnet Software (I) Ltd., Madhurkamal (Thaltej) Complex Private Limited, Madhav (Thaltej) Complex Private Limited, Mandar (Thaltej) Complex Private Limited, Maheshwari (Thaltej) Complex Private Limited, Mitul (Thaltej) Complex Private Limited, Vinat Complex Private Limited, Sanat Complex Private Limited, Shadval Complex Private Limited, Vishad Complex Private Limited, Tarang Realty Private Limited, Shahil Infrastruture Private Limited, Gamit Builders Private Limited, Vyom Realty Private Limited, Unmesh Complex Private Limited, Shushna Complex Private Limited, Tathya Complex Private Limited, Viraj Complex Private Limited, Milind Complex Private Limited, Gavendu Land Developers Private Limited, Shaily Infrastructure Private Limited, Sadhan Buildcon Private Limited, Nilay Realty Private Limited, Sanmukh Developers Private Limited, Nihal Estate Private Limited, Mukur Real Estate Private Limited, Vimoh Land Developers Private Limited, Gaven Construction Private Limited, Mihika Buildcon Limited, Shakil Buildwell Private Limited, Vardhan Land Developers Private Limited, Vibhor Realty Private Limited, Ganesh Infrastructure (India) Pvt. Ltd., Ganeshsagar Infrastructure Private Limited, Martand Estate Private Limited, Matang Properties Private Limited, Maitrik Buildcon Private Limited, Medhbhuti Complex Private Limited, Madhuj Realty Private Limited, Madhumati Realty Private Limited, Tirth Developers Private Limited, Malvika Estate Private Limited, Mahavir (Thaltej) Complex Private Limited, Shreekala Infrastructure Private Limited, Sulabh Realty Private Limited, Rajratna Infrastructure Private Limited, Shardul Buildcon Private Limited, Rajnigandha Developers Private Limited, Tirth Realty Private Limited, Rohini Realty Private Limited, Gagan Infrastructure Private Limited, Gitanjali Infrastructure Private Limited, Sujan Developers Private Limited, Shree Ganesh Fintrade Ltd., Govindbhai C. Patel Foundation, Ganesh Housing Corporation.

2. Subsidiary

- A. Yash Organiser Pvt Ltd
B. Gatil Properties Pvt. Ltd.

3. Key Management Personnel

Shri Shekhar G.Patel , Shri Dipak G.Patel, Smt. Lalitaben G. Patel

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2011:-

Nature of Transaction	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Advances by GHCL	NIL	158765230	4180168361	NIL	NIL	4338933591
	(NIL)	(139781940)	(3486363183)	(NIL)	(NIL)	(3626145123)
Unsecured loans taken by GHCL	NIL	NIL	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(427898)	(NIL)	(NIL)	(427898)
Investment in equity of other group companies by GHCL	NIL	1372896710	100100	NIL	NIL	1372996810
	(NIL)	(499224950)	(100100)	(NIL)	(NIL)	(499325050)

Nature of Transaction	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Debtors of the Company	NIL	NIL	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)	(4289334)	(NIL)	(4289334)
Reimbursement of Exp. by GHCL	NIL	189177	NIL	NIL	NIL	189177
	(NIL)	(NIL)	(47776)	(226875)	(666)	(275317)
Creditors of the Company	NIL	NIL	442350	NIL	NIL	442350
	(NIL)	(NIL)	(3300500)	(27829406)	(34583)	(31164489)
Other Current Liability of the Company	NIL	NIL	2030	20967	NIL	22997
	(NIL)	(NIL)	(2030)	(24583)	(NIL)	(26613)
Remuneration to Directors by GHCL	NIL	NIL	NIL	12000000	NIL	12000000
	(NIL)	(NIL)	(NIL)	(15200000)	(NIL)	(15200000)
Purchases by GHCL	NIL	NIL	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)	(36991770)	(20000)	(37011770)

* Figures in brackets shown previous year figures.

22. Employees Stock Option Scheme:

During the year under review, the company introduced the Employees Stock Option Scheme ("ESOP 2010") in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, at their meeting held on 30/10/2010. The scheme is announced for all permanent employees and non-executive directors, including independent directors of the company and its subsidiary company / companies, in the grade as decided by the Board. Total grant approved by the Remuneration and Compensation Committee of the company is 1500000 options which are earmarked and to be granted under the scheme over a period of five years. Under the scheme 998815 equity shares have been granted which shall vest to the employees over a period of five years and 20% of the above shall vest to the employees as on 01/11/2011.

As per the scheme the Remuneration and Compensation Committee has granted options as per detail below:

Details of Options Granted and Lapsed:

PARTICULARS	NO. OF OPTION GRANTED 2010-2011	NO. OF OPTION GRANTED 2009-2010
Option Granted and Outstanding at the beginning of the year	-	-
Add: Option Granted During the Year	998815	-
Less: Option lapsed during the year	32156	-
Option Granted and Outstanding at the end of the year	966659	-

23. Donation includes ₹ 10000000/- contributed during the year to a Gujarat Cancer Society U/s. 35 (1) (ii) of the income Tax Act, 1961.

24. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE-VI TO THE COMPANIES ACT, 1956
Balance Sheet Abstract and Company's General Business Profile

I	Registration details Registration No. State Code Balance Sheet date	L45200GJ1991PLC015817 04 31-03-2011
II	Capital Raised during the year (Amt. in ₹ Thousand) Public Issue Rights Issue Bonus Issue Private Placement	NIL NIL NIL NIL
III	Position of mobilisation and deployment of funds (Amt. in ₹ Thousand) Total Liabilities Total Assets Source of Funds: Paid up capital Reserve & surplus Secured Loans Unsecured Loans Application of funds: Fixed Assets Investments Deferred Tax Assets Net Current Assets	8261054 8261054 326559 5178690 2623884 131921 637578 1373001 7610 6242865
IV	Performance of Company (Amount in ₹ Thousand) Sale and other income Total Expenditure Profit before tax Profit after tax Basic & Diluted Earnings per share Dividend @ %	1812186 1090536 721650 577324 17.68 22%
V	Generic Names of three principal products/services of Company Item Code No. Product description Item Code No. Product description	N.A. Builder & Developer N.A. Interest Income

SIGNATURES TO SCHEDULE '1' TO '19 FORMING PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE
 FOR J.M PARIKH & ASSOCIATES
 CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
 PARTNER

DIPAKKUMAR G. PATEL
 CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
 MANAGING DIRECTOR

PLACE : AHMEDABAD
 DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
 PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
 DATED : 12TH AUGUST, 2011

Auditors' Report on Consolidated Financial Statements

TO THE BOARD OF DIRECTORS OF : GANESH HOUSING CORPORATION LIMITED,

1. We have audited the attached consolidated Balance Sheet of GANESH HOUSING CORPORATION LIMITED as at 31st March, 2011 and also the consolidated Profit and Loss Account and consolidated Cash Flow Statement of the Company for the year ended on that date. These financial statements are the responsibility of GANESH HOUSING CORPORATION LIMITED's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the management of GANESH HOUSING CORPORATION LIMITED in accordance the requirements of AS-21 on consolidated financial statements issued by the Institute of Chartered Accountants of India, as notified under the Companies (Accounting Standards) Rules 2006.
4. In our opinion and to the best of our information and according to the explanations given to us, and based on the report of other auditor, we state that the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i. in so far as it relates to the consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. in so far as it relates to the consolidated Profit and Loss Account, of the profit for the year ended on that date and
 - iii. in the case of the consolidated Cash Flow Statement, of the cash flow for the year ended on that date.

FOR, J.M.PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:- 118007W

PLACE:- AHMEDABAD
DATE :- 12/08/2011.

KAUSHAL SHAH
PARTNER
MEMBERSHIP NO.:- 127379

CONSOLIDATED BALANCE SHEET AS AT 31-03-2011

PARTICULARS	SCHEDULES	₹	AS AT	AS AT
			31-03-2011	31-03-2010
		₹	₹	₹
SOURCES OF FUNDS				
Share Holders' Funds:				
Share Capital	1	326558800		326558800
Share Application Money		250000075		550968625
Reserves & Surplus	2	5342855810		4718160988
			5919414685	5595688413
Minority Interest			678608148	238427138
Loan Funds :				
Secured	3	2623884379		906463150
Unsecured	4	131921344		136818679
			2755805723	1043281829
TOTAL			9353828556	6877397380
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	5			
Less : Depreciation		660313193		488387837
Net Block		50063361		43713475
Net Block		610249832		444674362
Add: Capital Work In Progress		27328335		82509711
			637578167	527184073
Investments	6		104100	104100
Deferred Tax Assets			8898393	7204157
Current Assets, Loans & Advances				
Inventories	7	1426541354		1232299146
Sundry Debtors	8	1315576125		1758162569
Cash and Bank Balances	9	946154711		75292430
Loans & Advances	10	5829602365		4176028869
		9517874555		7241783014
Less : Current Liabilities & Provisions				
Liabilities	11	542978391		667499390
Provisions	12	267648268		231378574
		810626659		898877964
Net Current Assets			8707247896	6342905050
TOTAL			9353828556	6877397380

Significant Accounting Policies & Notes Forming Part of Accounts 19
Schedules Referred To Above Form Part of This Balance Sheet

AS PER OUR REPORT OF EVEN DATE
FOR J.M PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
PARTNER

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	SCHEDULES	YEAR ENDED ON 31-03-2011 ₹	YEAR ENDED ON 31-03-2010 ₹
INCOME			
Sale Proceeds of Residential Projects	1673834965		896623155
Sale of Land	14993575		109147000
		1688828540	1005770155
Other Income	13	13929346	11601787
Closing Stock of WIP		1426541354	1232299146
TOTAL		3129299240	2249671088
EXPENDITURE			
Opening Stock of WIP		1232299146	792537228
Project expenses	14	742940032	659508562
Administrative & Other Exp.	15	84635684	44220665
Interest & Finance Exps.	16	251819682	140208367
Staff Cost	17	43378319	35088172
Marketing Expenses	18	12255119	21616517
Depreciation		10498211	14382508
TOTAL		2377826193	1707562019
Profit before Tax		751473047	542109069
Provision for Income Tax	(155100000)		(93000000)
Provision for Wealth Tax	(337300)		(372000)
Deferred Tax	1694236		895435
Excess / short prov. of Income Tax of earlier years W/off.	3289		23195718
Excess / short prov. of Wealth Tax of earlier years W/off.	5518		(4003)
Excess / short prov. of Fringe Benefit Tax of earlier years W/off.	(56358)		(18352)
		(153790615)	(69303202)
Net Profit after taxation		597682432	472805867
Add: Current Yr. Share of Loss transferred to Minority Interest		32847	927026
Net Profit after taxation (After adjusting Minority interest)		597715279	473732893
Less/Add:-Adjustment related to subsidiary		(20390874)	2252598
Net Profit after taxation (After adjustment related to subsidiary)		577324405	475985491
Add: Balance of Profit brought forward from last year		1870439802	1537521729
Add:-Adjustment related to subsidiary		-	702927
Total Amount available for Appropriation		2447764207	2014210147
Appropriations :			
Transfer to General Reserve	60000000		75000000
Proposed/Interim Dividend on Equity Shares	71842936		58780584
Tax on Dividend	11932214		9989761
		143775150	143770345
Balance carried to Balance Sheet		2303989057	1870439802
Earning Per Share :-	19(18)		
Basic - Before & after extra ordinary items		18.30	14.51
Diluted - Before & after extra ordinary items		18.18	11.55

Significant Accounting Policies & Notes Forming Part of Accounts 19
Schedules Referred To Above Form Part of This Profit & Loss Account

AS PER OUR REPORT OF EVEN DATE
FOR J.M PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
PARTNER

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	2010-2011 AMOUNT(₹)	2009-2010 AMOUNT(₹)
A Cash Flow From Operating Activities:		
Net Profit Before Tax And Previous Year 's Figures	751473047	542109069
Less: Interim Dividend & Dividend Tax	83775150	68770345
Total	667697897	473338724
Add:- Provision For Previous Year Now Written Back	(47551)	23173363
Add:- Deferred Tax	1694236	895435
	1646685	24068798
Net Profit After Tax	669344582	497407522
Add/less Adjustments For		
Depreciation	10498211	14382508
Preliminary Expenses	0	5800
Provision For Taxation	(155100000)	(93000000)
Provision For Wealth Tax	(337300)	(372000)
Interest Expenses	251819682	140208367
Interest Income	(3324270)	(1442218)
	103556323	59782457
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	772900905	557189979
Add/less Adjustments For		
Trade And Other Receivables	442586444	(102540713)
Current Liabilities	(88251305)	171172116
Inventories	(194242208)	(439761918)
Loans And Advances	(1653573496)	(911043648)
Increase In Deferred Tax Assets	(1694236)	(895435)
Cash Generated From Operations	(1495174801)	(1283069598)
B Cash Flow From Investing Activities :		
Purchase Of Fixed Assets	(180753496)	(7284399)
Capital Work In Progress	55181376	(18716168)
Sale Of Fixed Assets	4679815	206316
Investments Made	0	-
Interest Received	3324270	1442218
Net Cash Used In Investing Activities	(117568035)	(24352033)
C Cash Flow From Financing Activities :		
Proceeds From Long Term Borrowings	1731282855	46807760
Increase Of Unsecured Loans	(4897335)	63472965
Increase Of Secured Loans	(13861626)	(11383449)
Increase Of Share Applicatio Money	(300968550)	550968625
Increase Of Security Premium	0	24900000
Interest Paid	(251819682)	(140208367)
Increase Due To Subsidiary	440213856	239206542
Increase Of Capital Reserve	110754694	36023333
Net Cash Used In Financing Activities	1710704212	809787409
Net Increase In Cash And Cash Equivalents	870862281	59555757
Cash And Cash Equivalents As At 01-04-2010 (opening Balance)	75292430	15736673
Cash And Cash Equivalents As At 31-03-2011 (closing Balance)	946154711	75292430

AS PER OUR REPORT OF EVEN DATE
FOR J.M PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
PARTNER

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
SCHEDULE-1		
SHARE CAPITAL		
AUTHORISED		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of ₹ 10/- each	500000000	500000000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
3,26,55,880 (Previous year 3,26,55,880) Equity shares of ₹ 10/- each fully paid up	326558800	326558800
Of which 10,02,360 Equity shares of ₹ 10 each are allotted as fully paid up without payment being received in cash on account of amalgamation in 1997-98		
Of which 80,04,720 shares are allotted as fully paid up by way of bonus shares by capitalisation of profits in 2005-06.		
Of which 1,12,68,800 Equity shares of ₹ 10/- each are allotted as fully paid up without payment being received in cash on account of Amalgamation in 2006-07.		
TOTAL	326558800	326558800
SCHEDULE-2		
RESERVES & SURPLUS		
(a) SECURITY PREMIUM		
Balance As Per Last Balance Sheet	2450140000	2450140000
	2450140000	2450140000
(b) GENERAL RESERVE		
Balance As Per Last Balance Sheet	364561000	289561000
Add : Transfer from Profit & Loss A/c	60000000	75000000
	424561000	364561000
(c) PROFIT & LOSS		
Balance As Per Last Balance Sheet	1870439802	1537521729
Add : Transfer from Profit & Loss A/c	433549255	332918073
	2303989057	1870439802
(d) CAPITAL RESERVE		
Balance As Per Last Balance Sheet	33020186	-
Add : Adjustment due to Subsidiary	131145567	33020186
	164165753	33020186
(d) Employees' Stock Option outstanding		
Less: Deffered Employees Compansation	70566107	-
	70566107	-
	-	-
TOTAL	5342855810	4718160988
SCHEDULE-3		
SECURED LOANS:		
A) Term Loans:		
(i) From Banks:-		
(a) Tamilnad Mercantile Bank Ltd.	-	264291068
(b) From ICICI Bank Ltd.	-	362881800
(c) From JSC VTB Bank	140000000	-

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
(I) From Others:-		
(a) India Infoline Investment Services Pvt Ltd.	243408345	240000000
(b) Reliance Capital Ltd.	498037416	23672227
(c) Future Capital Holdings Ltd.	1000000000	-
(d) IFCI Ltd.	350000000	-
(e) Religare Finvest Ltd.	390682189	-
B) Vehicle Loans		
(I) From Banks:-		
(a) From HDFC Bank Ltd.	843954	9114898
(b) Tamilnad Mercantile Bank Ltd.	-	2326308
(II) From Others:-		
(a) Reliance Capital Ltd.-26187	-	2604999
(b) Tata Capital Ltd.	912475	1571850
[Refer note no. 8 for security details]		
TOTAL	2623884379	906463150

SCHEDULE-4

UNSECURED LOANS:

Loan from Companies	42154082	41195240
Loan from others	89767262	95615939
Loan from a Director	-	7500
TOTAL	131921344	136818679

SCHEDULE-5

FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS AT 01-04-2010	ADDITION DURING YEAR	DEDUCTIONS DURING YEAR	DEPRECIATION / AMORTISATION		DEDUCTIONS		AS AT 31-03-2011	AS AT 31-03-2011	AS AT 31-03-2010
				AS AT 31-03-2011	AS AT 01-04-2010	DURING THE YEAR	DURING YEAR			
Land	394522266	241803	-	394764069	-	-	-	-	394764069	394522266
Office Premises	9361880	123451605	-	132813485	3055992	315294	-	3371286	129442199	6305888
Plant & Machinery	2603339	2545925	-	5149264	1541568	255600	-	1797168	3352096	1061771
Furniture & Fixtures	8383649	23754480	-	32138129	6409812	357263	-	6767075	25371054	1973837
Vehicles	65266007	4301345	8828140	60739212	28204604	8788888	4148325	32845167	27894045	37061403
Office Equipments	5252917	20704505	-	25957422	2324730	410380	-	2735110	23222312	2928187
Computer	2756138	4710153	-	7466291	1940126	368286	-	2308412	5157879	816012
Software	241641	1043680	-	1285321	236643	2500	-	239143	1046178	4998
TOTAL	488387837	180753496	8828140	660313193	43713475	10498211	4148325	50063361	610249832	444674362
PREVIOUS YEAR	481884364	7284399	780926	488387837	29905577	14382508	574610	43713475	444674362	

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
SCHEDULE-6		
INVESTMENTS (AT COST)		
Unquoted & Fully paid up		
Trade Investments		
10 Equity Shares (Pre. Yr. 10) of ₹ 10/- each Starnet Software (India) Ltd.	100	100
40 Equity Shares(Pre. Yr. 40) of ₹ 100/- each Shrinidhi Office Owners'Association	4000	4000
10,000 Equity Shares (Previous year 10,000) of ₹ 10/- each in Ganesh Infrastructure (India) Pvt Ltd.	100000	100000
TOTAL	104100	104100
SCHEDULE-7		
INVENTORIES		
Work-In-Process - (Construction Projects) (As taken Valued & Certified by Management)	1426541354	1232299146
TOTAL	1426541354	1232299146
SCHEDULE-8		
SUNDRY DEBTORS : (UNSECURED, CONSIDERED GOOD)		
Due for a period exceeding six months	585812997	1269307183
Others	729763128	488855386
TOTAL	1315576125	1758162569
SCHEDULE-9		
CASH & BANK BALANCES :		
Cash on hand	1584119	1951840
BALANCES WITH SCHEDULED BANKS :		
In Current Accounts	435350547	47046676
In Fixed Deposits with Scheduled Bank	502563591	21618072
In Unpaid Dividend Accounts	6656454	4675842
TOTAL	946154711	75292430
SCHEDULE-10		
LOANS & ADVANCES : (Unsecured, Considered Good)		
Business Advances to Co-Operative Societies	150826561	117750514
Business Advances to Non Trading Corporation	5225380	5225380
Advances for Purchase of land to Companies under the same management (Refer to note no. 9 of Schedule-19)	5370353287	3235709572
Business Advances to Companies under the same management (Refer to note no. 10 of Schedule-19)	3567000	7081898
Mobilisation deposit to a contractor company under the same management (Refer to note no. 10 of Schedule-19)	-	722550000
Loan Given to Directors & relatives of directors (Refer to note no. 11 of Schedule-19)	6299242	-
Loan given to Trust In which Directors of the company are interested (Refer to note no. 12 of Schedule-19)	766361	400000
Advance for purchase of Land	160974088	9471960
Other Advances	15007500	29843054

SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31-03-2011

PARTICULARS	AS AT 31-03-2011 AMOUNT(₹)	AS AT 31-03-2010 AMOUNT(₹)
Advance to Supplier	22602008	5441378
Advance to Staff	500000	504000
Advances recoverable in cash or kind	15338515	9128163
Service Tax recoverable from members	17672456	-
Electricity, AUDA, Legal charges receivable for residential projects	58582591	31364720
Registration deposit	1491436	1162290
Office Maintenance Deposit	395940	395940
TOTAL	5829602365	4176028869
SCHEDULE-11		
CURRENT LIABILITIES :		
Sundry Creditors	429215907	527057521
Unpaid / Unclaimed Dividends (Liability towards Investors Education and Protection Fund u/s 205C of the Companies Act, 1956 not due)	6655619	4675103
Other Current Liabilities	23575651	32328386
Booking advance received from customers	78625694	101042720
Tax Deducted at Source Payable	4905520	2395660
TOTAL	542978391	667499390
SCHEDULE-12		
PROVISIONS :		
Provision for Gratuity	3105130	2743376
Proposed/ Interim Dividend	71842936	58780584
Provision for Fringe Benefit Tax	1120038	1593550
Provision for Wealth Tax	1020410	780597
Provision for Income Tax	380603724	223629651
	382744172	226003798
Less:- Advance payment of Income Tax, FBT,TDS & WT	190043970	56149184
	192700202	169854614
TOTAL	267648268	231378574

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED ON 31-03-2011 AMOUNT(₹)	YEAR ENDED ON 31-03-2010 AMOUNT(₹)
SCHEDULE-13		
OTHER INCOME		
Interest from Banks (Including TDS ₹ 3,21,520/- Previous Year ₹ 25,817/-)	3208552	273200
Interest on FDR with SSNNL (Including TDS ₹ 10,762/- Previous Year ₹ 9,855/-)	107618	98549
Interest from Torrent Power Ltd on Security Deposit (Including TDS ₹ 810/- Previous Year ₹ Nil)	8100	-
Interest on IT Refund	-	1070469
Excess provision of Bonus W/off.	8558	66922
Sundry Balances written off	9607153	27711
Income from past Projects	-	9392022
Profit on sale of Fixed Assets	59449	1358
Home Loan commission (Including TDS ₹ 15,119/- Previous Year ₹ 7,912/-)	579916	81621
Previous year Income	-	134875
Sale of Scrap	350000	455060
TOTAL	13929346	11601787
SCHEDULE-14		
PROJECT EXPENSES		
Carting Exp	4017453	698490
Electric Exp.	3421427	1905984
Future Project Exp.	1116100	-
Insurance Exp.	581033	-
Labour Exp.	122433308	53150093
Labourer Welfare Exp.	1156784	-
Land Purchase	290588386	436028079
Land Revenue	-	16027200
Machinery Rent	684559	571116
Material Testing Charges	65052	51431
Professional Charges	671877	-
Raw Material purchase	288118856	145152138
Repairs & Maintenance Exp.	146487	199446
Road Work	-	1447107
Site Exp.	356557	378046
Site Office Exp.	700687	659268
Site Security Exp.	2556224	103200
Survey Exp.	-	156893
Expenses of past projects	260660	990
Expenses of Construction of Mall	26064582	2979081
TOTAL	742940032	659508562

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED ON 31-03-2011 AMOUNT(₹)	YEAR ENDED ON 31-03-2010 AMOUNT(₹)
SCHEDULE-15		
ADMINISTRATIVE AND OTHER EXPENSES		
Advertisement Exp.	8200	-
Annual Custody Fee	56487	110300
Annual Listing Fee	126570	126569
Appeal Fee	1000	10000
Audit Fee	568942	572457
Books & Magazine Expenses	86856	12906
Carting Exp.	1831	975
Computer Consumable	168490	163363
Conveyance Expenses	273659	287163
Courier Charges	90731	120431
Depository & Share Transfer Agent Exp.	153197	-
Director's Travelling Exp.	667139	667551
Demat Charges	-	1111
Donation	14434411	7632566
Electric Expenses	2020309	1256452
Filing Fee	35346	17750
Garden Exp.	1525802	-
Government Supervision Charges	79798	-
Insurance Exp.	627184	84038
Internal Audit Fee	25000	50000
Internet Charges	255926	250650
Land Revenue	38178	-
Licence Fee	10025	-
Listing Application Fee	82725	-
Loss on sale of Fixed assets	1444264	55174
Miscellaneous Expenses	15842	19063
Mobile Phone Exp.	1522279	1065042
Motor-Car Exp.	2489976	2393814
Motor-Car Insurance	894588	672692
Municipal Tax	270154	278603
Newspaper Exp.	19687	14265
Office Exp.	1073017	329066
Office Maintenance Charges	743494	155760
Penalty	-	80787
Penalty on Provident Fund	-	24525
Penalty on Service Tax	2000	0
Penalty on VAT	4000	2200
Petrol Exp.	2000	0
Postage Exp.	134890	179341
Preliminary exp.	582654	1107900
Previous Year Exp.	5079870	744966
Professional Fee	30239780	15837245
Professional Tax	2400	2400
Registration Fee	8500	5000
Religious Exp.	1007331	894040
Rent exp	14175	-

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED	YEAR ENDED
	ON 31-03-2011	ON 31-03-2010
	AMOUNT(₹)	AMOUNT(₹)
Repair & Maintenance Exp.	336981	195800
Security Service Charges	3442283	1324522
Seminar fee	14600	2000
Service Tax	846598	223936
Site Exp.	106820	-
Sitting Fees - Directors	209800	201000
Software Licence	-	345708
Staff Training fee	11700	2200
Stamp Exp.	26435	80908
Stationery & Printing Exp.	622702	511840
Sundry balances written off	1316431	62654
Survey Charges	55697	-
Tax Audit Fee	55150	55150
Tea Exp.	74396	121790
Telephone Exp.	171716	73445
Tractor Trolley Passing RTO Tax	62972	-
Trade Mark Registration	5000	-
Travelling Exp.	963515	987078
Typing & Xerox Exp.	882635	741361
VAT Exp.	8514590	4065108
Website charges	26956	-
TOTAL	84635684	44220665
SCHEDULE-16		
INTEREST & FINANCE EXPENSES :		
Bank Charges	149862	403057
Loan Insurance Premium	-	545596
Loan Prepayment Charges	1447479	-
Loan Processing Charges	58079963	5129392
Finance Charges	890485	2222752
Foreign Exchange Fluctuation	7329945	14596515
Interest to Bank	31826364	96267936
Interest on Gratuity	358	-
Interest on Dividend Tax	99898	-
Interest on Professional Tax	343	34
Interest on Service Tax	496589	-
Interest on T D S	78442	576014
Interest on VAT	137270	118475
Interest to Others	151282684	20079421
F.D. Commission	-	269175
TOTAL	251819682	140208367
SCHEDULE-17		
STAFF COST:		
Bonus Exp.	2169116	1340328
Conveyance Allowance	1304343	547758
Director's Medical Exp	273414	741629

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31-03-2011

PARTICULARS	YEAR ENDED	YEAR ENDED
	ON 31-03-2011	ON 31-03-2010
	AMOUNT(₹)	AMOUNT(₹)
Director's Remuneration	6000000	9350000
ESI Contribution	223501	127426
P.F.Contribution	306179	231946
Gratuity	838039	720589
M.D.Remuneration	6000000	5850000
Medical Expenses	42557	6288
Salary Exp.	26097763	16090388
Staff Uniform	-	32875
Staff Welfare	26900	3815
Vehicle Exp to Employee	96507	45130
TOTAL	43378319	35088172
SCHEDULE-18		
MARKETING EXPENSES		
Brochure Exp.	313825	1302417
Advertisement Expenses	4718307	13878210
Brokerage Exp.	54000	110000
Marketing Exp.	-	313352
Sales Promotion Exp	1658879	3066558
Sample House Furniture	1350	85921
Sponsorship Charges	5476000	2010000
Stall Rent	32758	832725
Website Charges	-	17334
TOTAL	12255119	21616517

Schedules Forming Part of Consolidated Accounts for The Year Ended On 31-03-2011

SCHEDULE-19

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES:

1. NATURE OF OPERATION:-

The parent company is engaged in the business of construction of Residential, commercial and infrastructure projects.

2. BASIS OF PREPARATION:-

The consolidated financial statements relate to Ganesh Housing Corporation limited, and its fully owned subsidiaries namely Gatil Properties Pvt. Ltd. and Yash Organiser Pvt Ltd. The accounting policies have been consistently applied by the company and except for the changes made in accounting policy discussed below, are consistent with those used in the previous year. Comparative figures of Gatil Properties Pvt. Ltd. for the previous year are provided in consolidated financial statements as holding-subsidary relationship came into existence during the year.

3. PRINCIPLES OF CONSOLIDATION:-

The Consolidated Financial Statements have been prepared on the following basis:

The financial statements of the Parent Company & its Subsidiary Companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income & expenses after fully eliminating intra group balances & intra group transactions resulting in unrealized profits or losses, if any, as per Accounting Standard – 21, Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India.

A. The financial statements of the subsidiary companies are drawn for the same period as that of the Parent Company i.e. year ended March 31, 2011. These statements have been prepared to meet the requirement of Clause 32 of the listing agreement with the stock exchange.

B. The amount invested by the company in second subsidiary company is less than the proportionate value of Share Capital and Reserves & Surplus of the said company. The difference is recognized as Capital Reserve.

The goodwill of one subsidiary company and capital reserve of another subsidiary company are netted off and the balance amount is shown as Capital Reserve under the head Reserves & Surplus in the Balance Sheet.

C. List of the Domestic Subsidiaries considered for consolidation.

Sr No	Name Of Company	Nature of Relationship	Country of Incorporation	Extent of Holding/Voting Power (%) as on March 31,2011
1.	Yash Organiser Pvt Ltd	Subsidiary	India	100 %
2.	Gatil Properties Pvt. Ltd.	Subsidiary	India	69.10%

D. As far as possible, the Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions & other events in similar circumstances & are presented to the extent possible, in the same manner as the Parent Company's separate financial statements. Differences, if any, in the accounting policies have been disclosed separately.

4. SYSTEM OF ACCOUNTING:

The company adopts the accrual concept in preparation of accounts.

5. RECOGNITION OF INCOME & EXPENDITURE

All Income & Expenditure are accounted for on accrual basis.

6. FIXED ASSETS & DEPRECIATION:

- A. Fixed assets are stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.
- B. Depreciation on fixed assets:
Depreciation is provided at the rates and in the manner laid down in Schedule XIV to the Companies Act, 1956 on "Written down value" method in respect of all assets.
- C. In accordance with Accounting Standard –26 issued by The Institute of Chartered Accountants of India, Software is being amortized over a period of three years.

7. BORROWING COST:

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for their intended use or sale) are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

8. TAXES ON INCOME:

Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

9. DEFERRED TAX:

Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

10. INCOME FROM REAL ESTATE DEVELOPMENT PROJECTS:

- (a) The Company records revenue on all its Real Estate Development Projects based on Accounting Standard – 9. i.e. Revenue Recognition and also based on guidance note issued by the Institute of Chartered Accountants of India "Revenue Recognition for Real Estate Developers".
- (b) The full revenue is recognized on sale of property when the Company has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.
- (c) However, when the Company is obliged to perform any substantial acts after transfer of all significant risks & rewards of ownership on sale of property, the revenue is recognized on proportionate basis as the acts are performed i.e. by applying the percentage completion method.

11. LEASE OF LAND OF SEZ PROJECT:

Land given on perpetual lease is treated as actual sale of land.

12. RETIREMENT & OTHER EMPLOYEE BENEFITS:-

A. Defined Contribution Plans:-

The company's contribution paid / payable for the year to Provident Fund are recognized in the Profit & Loss Account. The company has no obligation other than the contribution payable to the Government.

- B. The company has defined benefits plans for Gratuity. The liability for which is determined on the basis of an actuarial valuation at the year end an incremental liability is provided for in the books. The gratuity scheme is administered by a trust. The payment for gratuity is made to LIC of India through the trust.

- C. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.

13. IMPAIRMENT OF FIXED ASSETS:

Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

14. INVENTORY:

- A. In case of inventory of raw materials, the raw materials received on the site are treated as consumed in the books of the Company.
- B. The Closing stock of WIP has been valued at cost.

15. TRANSACTIONS IN FOREIGN CURRENCY

- A. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- B. Monetary items denominated in foreign currencies at the period end are restated at period end rates.
- C. Non monetary foreign currency items are carried at cost.
- D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the profit and loss account.

16. EMPLOYEES STOCK OPTION SCHEME

Accounting value of stock options is determined on the basis of "Intrinsic Value" representing the excess of the market price on the date of grant over the exercise price of the options granted under the "Employees Stock Option Scheme" of the company, and is being amortised as "Deferred Employee Compensation" on a straight line basis over the vesting period in accordance with the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Guidance Note 18 " Share Based Payments" issued by the ICAI.

NOTES FORMING PART OF ACCOUNTS:

1. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.
2. CONTINGENT LIABILITIES:
 - A. The Company amalgamated with Ganesh Lea-Finvest Ltd with effect from 1st April, 1997 pursuant to the scheme of amalgamation approved by Hon'ble High Court of Gujarat. In September 2001 the office of Superintendent of Stamps, Gandhinagar has issued a notice under The Bombay Stamp Act, 1958 calling upon the Company to pay stamp duty of Rs.175402/- in view of amalgamation. Subsequently, the company had paid stamp duty on issue of bonus shares and preferential issue of shares and warrants. The said stamp duty amount was more than required. The company has made a representation to the department and requested them to adjust the amount. The response from the department is awaited.
 - B. During the financial year 2007-08 the company received the order from the Honourable High Court of Gujarat approving the amalgamation of the company with five of its group companies. The stamp duty has to be paid on amalgamation of the companies. The company has referred the matter to the Superintendent of Stamps at Gandhinagar. They have not yet determined the amount of stamp duty. Hence no provision has been made in the accounts for the payment of stamp duty.
 - C. For the Asst. Year 2008-2009 the Assessing office assessed the income of the company and raised a demand of ₹ 49.48 crores. Aggrieved by this order the company went in to Appeal with CIT (Appeal) – VIII. The decision of the CIT (Appeal) came in favour

of the company. However, the company is required to pay amount of ₹ 11.15 crores. Against this amount the company has already paid ₹ 6.56 crores and the company is required to pay the balance amount of ₹ 4.59 crores. The IT order has come recently and the company is yet to decide about going in to further Appeal. No provision has been made in the accounts for ₹ 11.15 crores.

3. The Company has carefully considered the impact of Accounting Standard – 28 pertaining to Impairment loss. As the recoverable amount of assets is higher than the WDV of its Fixed Assets no provision is made for impairment of Assets.
4. Balance of Secured Loans, Unsecured Loans, Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.
5. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business.
6. Payment to auditors:

SR.NO.	PARTICULARS	2010-2011 AMOUNT ₹	2009-2010 AMOUNT ₹
1	As Auditors	568942	572457
2	Tax Audit Fees	63974	55150
3	For Certification & other Work etc.	86032	158022
TOTAL		718948	785629

7. Managerial Remuneration: (₹ In Lacs)

PARTICULARS	2010-2011	2009-2010
Late Shri Govindbhai C. Patel- Chairman & Whole time Director - Salary	00.00	35.00
Shri Deepakkumar G. Patel - Chairman & Whole time Director – Salary	60.00	58.50
Shri Shekharbhai G. Patel –Managing Director - Salary	60.00	58.50
TOTAL	120.00	152.00

According to the Articles of Agreement entered into between the Company and the abovementioned directors, they were entitled to commission of 1% on the net profits of the Company calculated as per the provisions of Section 349 and 350 of the Companies Act, 1956. During the year the directors waived the commission payable to them. Hence, the calculation of the commission is not given.

8. The details of security offered for the secured loans taken from banks are as follows:

A. Loan from JSC VTB Bank:

Charge secured by equitable mortgage of Immovable Property and Corporate Guarantee of the Associate Company and personal guarantee of three promoter directors of the Company and pledge of shares of one of the promoter director of the Company.

B. Loan from India Infoline Investments Services Pvt. Ltd.:

Charge secured by mortgage of Immovable Property and Corporate Guarantee of the Associate Companies and Co-operative society, Pledge of shares of Subsidiary, Associates Companies and Co-operative society, personal guarantee of three promoter directors of the Company.

C. Loan from Reliance Capital Ltd.:

Charge secured by mortgage of Immovable Property of the Company and its Associate Company and personal guarantee of two promoter Directors of the Company.

D. Loan from Future Capital Holdings Ltd.:

Charge secured by mortgage of Immovable Property and interest thereon and hypothecation of receivables, book debts, outstanding moneys and claims, escrow accounts, etc of the Company and its Subsidiary and Associate Companies, Pledge of shares of three promoters of the Company, personal guarantee of two promoter directors of the Company and corporate guarantee / security of Subsidiary and Associate Companies.

E. Loan from IFCI Ltd.:

Pledge of Shares and Personal Guarantee of Promoter Directors of the Company.

F. Loan from Religare Finvest Ltd.:

Charge secured by mortgage of Immovable Property of the Associate Company and hypothecation of receivables, escrow account, etc. of one of the project of the Company.

G. Loans in respect of Vehicles are secured by the hypothecation of the vehicles financed through the loan agreement. viz. Motor Cars.

9. The details of advances for purchase of land given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows

NAME OF COMPANY	BALANCE AS ON 31-03-2011	BALANCE AS ON 31-03-2010
GANESH PLANTATIONS LTD (Maximum balance outstanding at any time during the year Rs 1998324572/-. Previous year ₹ 2083121500/-)	1199678287	1110334572
MAHESHWARI (THALTEJ) COMPLEX PVT LTD (Maximum balance outstanding at any time during the year Rs 4170675000/-. Previous year Rs 2125375000/-)	4170675000	2125375000

10. The details of business advances/mobilization deposit given to companies under the same management, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31-03-2011	BALANCE AS ON 31-03-2010
GANESH INFOTECH LTD. (Maximum balance outstanding at any time during the year Rs 2147000/- .Previous year Rs 2147000/-)	0	2147000
MIHIKA BUILDCON LTD. (Maximum balance outstanding at any time during the year Rs 6137000/- .Previous year Rs 537000/-)	1267000	537000

NAME OF COMPANY	BALANCE AS ON 31-03-2011	BALANCE AS ON 31-03-2010
SANAT COMPLEX PVT. LTD. (Maximum balance outstanding at any time during the year Rs 2300000/- .Previous year Rs 2300000/-.)	2300000	2300000
STARNET SOFTWARE (INDIA) LTD. (Maximum balance outstanding at any time during the year Rs 1685000/- .Previous year Rs 1670000/-.)	-	1670000
SUJAN DEVELOPERS PVT. LTD. (Maximum balance outstanding at any time during the year Rs 427898/- .Previous year Rs 427898/-.)	-	427898
Mobilisation deposit to a Contractor company:- SHRI GANESH CONSTRUCTION PVT. LTD. (Maximum balance outstanding at any time during the year Rs 722550000/- .Previous year Rs 722600000/-.)	-	722550000

11. The details of loan given to directors and relatives of directors, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31-03-2011	BALANCE AS ON 31-03-2010
Loan given to directors:- DIPAKKUMAR G. PATEL (Maximum balance outstanding at any time during the year Rs 1965025/- .Previous year Rs NIL.)	1501670	-
SHEKHAR G. PATEL (Maximum balance outstanding at any time during the year Rs 4281075/- .Previous year Rs NIL.)	2161075	-
Loan given to relatives of directors:- LALITABEN G. PATEL (Maximum balance outstanding at any time during the year Rs 2471385/- .Previous year Rs NIL.)	592385	-
ARCHNABEN S. PATEL (Maximum balance outstanding at any time during the year Rs 2819112/- .Previous year Rs NIL.)	2044112	-

12. The details of loan given to trust in which directors of the company are interested, the maximum balance outstanding during the current year and previous year are as follows:-

NAME OF COMPANY	BALANCE AS ON 31-03-2011	BALANCE AS ON 31-03-2010
GOVINDBHAI C. PATEL FOUNDATION (Maximum balance outstanding at any time during the year Rs 766361/- .Previous year Rs 400000/-.)	766361	400000

13. Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st 2011. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.
14. As this is a construction Company the information required as per paragraph 4C of part II of Schedule VI of the Companies Act, 1956, regarding Licensed Capacity, Installed Capacity and actual production are not given.
15. The information required as per paragraph 4D of Part II of Schedule VI of the Companies Act, 1956, regarding earning and amount spent in foreign currency is as follows:

Earning in Foreign Currency:

S.R.NO.	PARTICULARS	2010-2011	AMOUNT ₹	2009-2010	AMOUNT ₹
1	Booking of Residential Property		7101613		7303753
2	Share Application Money		250000000		851198500
	TOTAL		257101613		858502253

Expenditure in Foreign Currency:

S.R.NO.	PARTICULARS	2010-2011	AMOUNT ₹	2009-2010	AMOUNT ₹
1	Foreign Travelling Exp.		-		389782
2	Purchase of Fixed Assets		6932676		3419148
3	Bank loan repayment		180149281		-
	TOTAL		187081957		3808930

16. The information required as per Paragraph 3 of Part II of Schedule VI of the Companies Act, 1956, regarding quantitative information about the Purchases made, the Opening and Closing Stocks are as follows.

RESIDENTIAL PROJECTS

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
I) OPENING STOCK				
LAND (SQ YARDS)	78729	244715249	86874	152228827
WIP	-	19817797	-	7371954
TOTAL	78729	264533046	86874	159600781
II) PURCHASE				
a) LAND (SQ YARDS)	-	-	19025	105085500
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	6834400	19353870	2394400	5542233
Cement (Bags)	116421	22838088	48990	9571100
Steel (Kgs)	2134395	76216886	1952622	60127744
Other materials	-	169710012	-	69911061
TOTAL	-	288118856	-	250237638

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
III) CONSUMPTION				
a) LAND (SQ YARDS)	-	-	-	-
b) CONSTRUCTION MATERIALS				
Bricks (Nos)	6834400	19353870	2394400	5542233
Cement (Bags)	116421	22838088	48990	9571100
Steel (Kgs)	2134395	76216886	1952622	60127744
Other materials	-	169710012	-	69911061
TOTAL	-	288118856	-	145152138
IV) CLOSING STOCK				
LAND (SQ YARDS)	58459	150294739	78729	244715249
W.I.P.	-	35781911	-	19817797
TOTAL	58459	186076650	78729	264533046
V) SALES				
LAND (SQ.YARDS) & CONSTRUCTED UNITS	20270	1612165765	27170	1005770155
TOTAL	-	1612165765	-	1005770155

VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED

PARTICULARS	2010-2011		2009-2010	
	%	AMOUNT ₹	%	AMOUNT ₹
Imported	NIL	NIL	NIL	NIL
Indigenous	100	288118856	100	145152138
TOTAL	100	288118856	100	145152138

COMMERCIAL PROJECT

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
I) OPENING STOCK				
WIP	-	126242747	-	123263666
TOTAL	-	126242747	-	123263666
II) PURCHASE				
CONSTRUCTION MATERIALS				
Bricks (Nos)	-	-	-	-
Cement (Bags)	6680	1379322	-	-
Steel (Kgs)	8670	296768	-	-
Other materials	-	14348512	-	2979081
TOTAL	-	16024602	-	2979081
III) CONSUMPTION				
CONSTRUCTION MATERIALS				

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
Bricks (Nos)	-	-	-	-
Cement (Bags)	6680	1379322	-	-
Steel (Kgs)	8670	296768	-	-
Other materials	-	14348512	-	-
TOTAL	-	16024602	-	-
IV) CLOSING STOCK				
W.I.P.	-	123007902	-	126242747
TOTAL	-	123007902	-	126242747
V) SALES				
LAND (SQ.YARDS) & CONSTRUCTED UNITS	-	61669200	-	-
TOTAL	-	61669200	-	-

VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED

PARTICULARS	2010-2011		2009-2010	
	%	AMOUNT ₹	%	AMOUNT ₹
Imported	NIL	-	NIL	-
Indigenous	100	16024602	-	-
TOTAL	100	16024602	-	-

TOWNSHIP PROJECT

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
I) OPENING STOCK				
LAND (SQ MTRS.)	1005154	840615360	657130	509672781
WIP	-	907993	-	-
TOTAL	1005154	841523353	657130	509672781
II) PURCHASE				
a) LAND (SQ MTRS.)	147995	290588386	348027	330942579
b) Other Materials – WIP Transfer from Parent Co.	-	-	-	907993
TOTAL	147995	290588386	348027	331850572
III) CONSUMPTION				
LAND (SQ MTRS.)	-	-	-	-
TOTAL	-	-	-	-
IV) CLOSING STOCK				
LAND (SQ MTRS.)	1137771	1116533134	1005154	840615360
W.I.P.	-	907993	-	907993
TOTAL	1137771	1117441127	1005154	841523353

PARTICULARS	2010-2011		2009-2010	
	QTY	AMOUNT ₹	QTY	AMOUNT ₹
V) SALES				
LAND (SQ.MTRS.)	15378	14993575	-	-
TOTAL	15378	14993575	-	-
Imported	-	-	-	-
Indigenous	-	-	-	-
TOTAL	-	-	-	-

Note:

The subsidiary company Gatil Properties Pvt. Ltd. was handed over during the financial year 2009-10, land admeasuring 1,51,014 sq. meter. Since, the possession of the land was given to the company and payment for the said land was also made by the company, the said land shown as purchases in that year. In the financial year 2010-11, conveyance deeds of land admeasuring 1,23,090 sq. meter were executed. Since this land was already shown as purchased in financial year 2009-10, it is not shown as purchased in financial year 2010-11. Now land admeasuring 27,924 sq. meter is still shown in accounts as purchased but for which conveyance deeds are yet to be executed

17. The Company has given business advances to various companies, co-operative societies and Non-Trading Corporations amongst others. No interest is chargeable on such loans. As the said advances are in the nature of business advance, the Company is of the view that there is no violation of the provision of Section 372A.
18. Basic Earnings per share:-

SR. NO.	PARTICULARS	2010-2011	2009-2010
A	Calculation of Weighted Average number of Equity Shares of Rs.10/- each.		
	Number of shares at the beginning of the year	32655880	32655880
	Total number of shares at the end of the year	32655880	32655880
	Weighted average number of shares outstanding during the year - For Basic Earnings	32655880	32655880
	Weighted average number of shares outstanding during the year - For Diluted Earnings	32883153	41027826
B	Net profit after tax available for equity share holders	597715279	473732893
C	Basic Earnings per share - Before & after extra ordinary items	18.30	14.51
D	Diluted Earnings per share - Before & after extra ordinary items	18.18	11.55

19. Segment Reporting:

- A. The Company has considered business segment as the primary segment for disclosure. Therefore, in the opinion of the company, there are no different primary segments.
- B. All the projects of the Company are being implemented in and around Ahmedabad city only. Therefore, in the opinion of the company, there are no different geographical segments.

20. The break up of net deferred tax Assets as at 31-03-2011 is as under:

Particulars	Deferred Tax AMOUNT 2010-2011	Deferred Tax AMOUNT 2009-2010
Timing Difference :-		
Unabsorbed Long term Business Loss	922018	657975
Expenses disallowed U/s. 40A(7)	1055434	932474
Expenses disallowed U/s. 35DD & 35D	539122	368406
Expenses disallowed U/s. 43B	733883	455577
Difference in Net Block Fixed Assets as per books and I.T. Return	5647936	4789725
TOTAL → A	8898393	7204157
Deferred Tax Liabilities		
Timing Difference:-		
Difference in Net Block Fixed Assets as per books and I.T. Return	-	-
Total → B	-	-
TOTAL → A-B = Net Deferred Tax Assets	8898393	7204157

21. Related party disclosures:-

1. Parties where control exists:

Shangrila Funworld Pvt Ltd, Ganesh Plantations Ltd, Ganesh Infotech Ltd, Shri Ganesh Construction Pvt Ltd, Siddhivinayak Securities Pvt Ltd, Shaligram Investments Pvt Ltd, Starnet Software (I) Ltd., Madhurkamal (Thaltej) Complex Private Limited, Madhav (Thaltej) Complex Private Limited, Mandar (Thaltej) Complex Private Limited, Maheshwari (Thaltej) Complex Private Limited, Mitul (Thaltej) Complex Private Limited, Vinat Complex Private Limited, Sanat Complex Private Limited, Shadval Complex Private Limited, Vishad Complex Private Limited, Tarang Realty Private Limited, Shahil Infrastruture Private Limited, Gamit Builders Private Limited, Vyom Realty Private Limited, Unmesh Complex Private Limited, Shushna Complex Private Limited, Tathya Complex Private Limited, Viraj Complex Private Limited, Milind Complex Private Limited, Gavendu Land Developers Private Limited, Shaily Infrastructure Private Limited, Sadhan Buildcon Private Limited, Nilay Realty Private Limited, Sanmukh Developers Private Limited, Nihal Estate Private Limited, Mukur Real Estate Private Limited, Vimoh Land Developers Private Limited, Gaven Construction Private Limited, Mihika Buildcon Limited, Shakil Buildwell Private Limited, Vardhan Land Developers Private Limited, Vibhor Realty Private Limited, Ganesh Infrastructure (India) Pvt. Ltd., Ganeshsagar Infrastructure Private Limited, Martand Estate Private Limited, Matang Properties Private Limited, Maitrik Buildcon Private Limited, Medhbhuti Complex Private Limited, Madhuj Realty Private Limited, Madhumati Realty Private Limited, Tirth Developers Private Limited, Malvika Estate Private Limited, Mahavir (Thaltej) Complex Private Limited, Shreekala Infrastructure Private Limited, Sulabh Realty Private Limited, Rajratna Infrastructure Private Limited, Shardul Buildcon Private Limited, Rajnigandha Developers Private Limited, Tirth Realty Private Limited, Rohini Realty Private Limited, Gagan Infrastructure Private Limited, Gitanjali Infrastructure Private Limited, Sujan Developers Private Limited, Shree Ganesh Fintrade Ltd., Govindbhai C. Patel Foundation, Ganesh Housing Corporation.

2. Subsidiary

- A. Yash Organiser Pvt Ltd
B. Gatil Properties Pvt. Ltd.

3. Key Management Personnel

Shri Shekhar G.Patel , Shri Dipakkumar G.Patel, Lalitaben G. Patel

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2011:-

Nature of Transaction	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Advances by Company	NIL	158765230	5374686648	4255130	2044112	5539751120
	(NIL)	(139781940)	(3965741470)	(NIL)	(NIL)	(4105523410)
Unsecured loans taken by company	NIL	NIL	2350000	NIL	NIL	2350000
	(NIL)	(NIL)	(427898)	(NIL)	(NIL)	(427898)
Investment in equity of other group companies by company	NIL	1372896710	100100	NIL	NIL	1372996810
	(NIL)	(499224950)	(100100)	(NIL)	(NIL)	(499325050)
Debtors of the Company	NIL	NIL	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)	(4289334)	(NIL)	(4289334)
Reimbursement of Exp. by Company	NIL	189177	NIL	NIL	NIL	189177
	(NIL)	(NIL)	(47776)	(226875)	(666)	(275317)
Creditors of the Company	NIL	NIL	23064237	NIL	NIL	23064237
	(NIL)	(NIL)	(25922387)	(27829406)	(34583)	(53786376)
Other Current Liability of the Company	NIL	NIL	2030	20967	NIL	22997
	(NIL)	(NIL)	(2030)	(24583)	(NIL)	(26613)
Remuneration to Directors by company	NIL	NIL	NIL	12000000	NIL	12000000
	(NIL)	(NIL)	(NIL)	(15200000)	(NIL)	(15200000)
Purchases by company	NIL	NIL	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(35874900)	(124352673)	(123284000)	(283511573)

* Figures in brackets shown previous year figures.

22. Employees Stock Option Scheme:

During the year under review, the company introduced the Employees Stock Option Scheme ("ESOP 2010") in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, at their meeting held on 30/10/2010. The scheme is announced for all permanent employees and non-executive directors, including independent directors of the company and its subsidiary company / companies, in the grade as decided by the Board. Total grant approved by the Remuneration and Compensation Committee of the company is 1500000 options which are earmarked and to be granted under the scheme over a period of five years. Under the scheme 998815 equity shares have been granted which shall vest to the employees over a period of five years and 20% of the above shall vest to the employees as on 01/11/2011.

As per the scheme the Remuneration and Compensation Committee has granted Options as per detail below:

Details of Options Granted and Lapsed:

PARTICULARS	NO. OF OPTION GRANTED 2010-2011	NO. OF OPTION GRANTED 2009-2010
Option Granted and Outstanding at the beginning of the year	-	-
Add: Option Granted During the Year	998815	-
Less: Option lapsed during the year	32156	-
Option Granted and Outstanding at the end of the year	966659	-

23. Donation includes ₹ 10000000/- contributed during the year to a Gujarat Cancer Society U/s. 35 (1) (ii) of the income Tax Act, 1961.
24. ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV SCHEDULE-VI TO THE COMPANIES ACT, 1956

Balance Sheet Abstract and Company's General Business Profile

I	Registration details Registration No. State Code Balance Sheet date	L45200GJ1991PLC015817 04 31/03/2011
II	Capital Raised during the year (Amt. in ₹ Thousand) Public Issue Rights Issue Bonus Issue Private Placement	NIL NIL NIL NIL
III	Position of mobilisation and deployment of funds (Amt. in ₹ Thousand) Total Liabilities Total Assets Source of Funds: Paid up capital Share Application Money Reserve & surplus Minority Interest Secured Loans Unsecured Loans Application of funds: Fixed Assets Investments Deferred Tax Assets Net Current Assets	9353828 9353828 326559 250000 5342856 678608 2623884 131921 637578 104 8898 8707248
IV	Performance of Company (Amount in ₹ Thousand) Sale and other income Total Expenditure Profit before tax Profit after tax Basic & Diluted Earnings per share Dividend @ %	3129299 2377826 751473 597715 18.30 22%
V	Generic Names of three principal products/services of Company Item Code No. Product description Item Code No. Product description	N.A. Builder & Developer N.A. Interest Income

SIGNATURES TO SCHEDULE '1' TO '19 FORMING PART OF ACCOUNTS

AS PER OUR REPORT OF EVEN DATE
FOR J.M PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KAUSHAL SHAH
PARTNER

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

Statement Pursuant To Section 212 of The Companies Act,1956 Relating To Subsidiary Companies

1	Name of the Subsidiary Company	Gatil Properties Pvt.Ltd.	Yash Organiser Pvt.Ltd.
2	Financial Year of the Subsidiary Company ended on	31-Mar-2011	31-Mar-2011
3	Share of the subsidiary held on the above date		
	a) Number of Equity Shares	6921778	10000
	b) Face Value	Rs10/-	Rs10/-
	c) Extent of Holding	69.10%	100%
4	Net aggregate amount of the profits of the subsidiary company so far as it concerns the members of the company	NIL	NIL
a)	Dealt with in the Company's Accounts		
	i) for the financial year of the subsidiary	NIL	NIL
	ii) for the previous financial years of the subsidiary since it became the subsidiary of the company	NIL	NIL
b)	Not Dealt with in the Company's Accounts		
	i) for the financial year of the subsidiary	(106302)	20464329
	ii) for the previous financial years of the subsidiary since it became the subsidiary of the company	(2845966)	(1036585)
5	Material changes between the end of the subsidiary's financial year and 31st March, 2011		
	i) Fixed Assets	NIL	NIL
	ii) Investments made	NIL	NIL
	iii) Money lent by the Subsidiary	NIL	NIL
	iv) Money borrowed by the subsidiary company other than for meeting current liabilities	NIL	NIL
	v) Investment disposal	NIL	NIL
	vi) Share capital	NIL	NIL

DIPAKKUMAR G. PATEL
CHAIRMAN & WHOLE-TIME DIRECTOR

SHEKHAR G. PATEL
MANAGING DIRECTOR

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

VIJAY R. LALAJI
PRESIDENT (LEGAL) & COMPANY SECRETARY

PLACE : AHMEDABAD
DATED : 12TH AUGUST, 2011

**THIS PAGE HAS BEEN
INTENTIONALLY LEFT BLANK**

PROXY FORM

I/We _____ of _____ being a member/ members/ beneficial owners of GANESH HOUSING CORPORATION LIMITED hereby appoint Shri/ Smt. _____ of _____ or failing him Shri/ Smt. _____ of _____ as my/our proxy to vote for me/ us at the 20th Annual General Meeting of the Company to be held on Friday, 30th September, 2011 at 3.00 p.m. at the Registered Office of the Company at: Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road, Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054 and at any adjournment thereof.

Address : _____

Folio No./ CL ID _____

DP ID NO. _____

No. of shares held _____

**I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Accounts, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. Re-appointment of the following Directors retiring by rotation: a) Mr. Ashish Modi b) Dr. Bharat J. Patel		
4. Appointment of Auditors		

Signed this _____ day of _____ 2011

Revenue

Signature: _____

15 Paise
Revenue
Stamp

N.B. 1. The proxy need not be a member

2. The Proxy Form duly signed and stamped should reach the Company's Registered Office at least 48 hours before the time of Meeting.

**3. This is only optional. Please put (tick) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she thins appropriate. Should you so desire, you may also appoint the Chairman or the Company Secretary of the Company as your Proxy, who shall carry out your mandate as indicated above in the event of a poll being demanded at the meeting.

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE

Joint Shareholders may obtain additional slip at the venue of the meeting

I/We hereby record my/our presence at the 20th Annual General Meeting of GANESH HOUSING CORPORATION LIMITED held at the Registered Office of the Company at: Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road, Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054 on Friday, 30th September, 2011 at 3.00 p.m.

Name of the Shareholder : _____

Ledger Folio No./ CL ID _____

DP ID NO. _____

Number of shares held _____

Name of the proxy/ Representative, if any _____

Signature of the Member/ Proxy _____

Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



GANESH HOUSING CORPORATION LIMITED
Ganesh Corporate House, 100 Ft. Hebatpur-Thaltej Road,
Nr. Sola Bridge, Off S. G. Highway, Ahmedabad - 380 054.
(O) 079- 6160 8888, Fax 079 - 6160 8899