
A large, colorful, abstract graphic on the left side of the page, featuring swirling shapes in blue, yellow, red, and green.A smaller, colorful, abstract graphic on the right side of the page, featuring a purple and blue shape.

Vibrant Ahmedabad

Ganesh Housing Corporation Limited
Annual Report 2011-12



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.

CONTENTS

02	VIBRANT AHMEDABAD	25	DIRECTORS' REPORT
04	VIBRANT CITY VIBRANT PROJECTS	29	MANAGEMENT DISCUSSION AND ANALYSIS
06	SPEEDY EXECUTION. VAST DEVELOPABLE LAND BANK.	33	CORPORATE GOVERNANCE REPORT
08	VIBRANT LEADERSHIP. VIBRANT INITIATIVES.	41	AUDITORS' REPORT
10	VIBRANT PROSPECTS. VIBRANT FUTURE.	44	BALANCE SHEET
12	CHAIRMAN'S MESSAGE	45	PROFIT AND LOSS ACCOUNT
14	FINANCIAL SNAPSHOT	46	CASH FLOW STATEMENTS
16	CORPORATE INFORMATION	47	NOTES FROMING PART FO ACOUNTS
17	NOTICE		
		63	CONSOLIDATED ACCOUNTS
		86	STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
			ATTENDANCE SLIP / PROXY

Fastest growing in India

HEART OF GUJARAT

- important centre for trade, commerce and industry

3rd in policy initiatives

7th Highest Market Value Potential among 784 cities of India

3rd Fastest growing city in the world (Forbes, 2010)

2nd largest industrial hub in India

Lowest Rate of crime in India among Tier 2 and Tier 3 cities (NCRB Report 2003)

2nd most important Real Estate market in India

Best City to live in (Research by IMRB)

4th in manpower resources

'Most market-oriented and business friendly'

Per Capita Income double than those of rest of India

Listed by Forbes as one of the 19 'Next-Decade Growth Cities'

DO WE NEED TO SAY MORE ?

Ahmedabad is city that is steeped in history and poised for the future.

At a time when the world is going through challenging times, the engine of growth in Ahmedabad continues to forge ahead at relentless pace. Ahmedabad showcases what heights of success can be achieved with the right mix of visionary leadership, a strong political will, an enterprising population and judicious policies.

Ahmedabad is the epicentre of enviable growth in Gujarat and India.

Ahmedabad is reverberating with limitless opportunities.

Ahmedabad is our home.



Vibrant Ahmedabad

Ahmedabad is a city on a fast-track, high-speed, non-stop expressway of growth and prosperity. Massive amounts of investments are pouring in. New infrastructure projects like Metro, BRTS, Riverfront, Delhi-Mumbai Industrial Corridor (DMIC), Special Investment Region (SIR) at Dholera and Changodar, Gujarat International Financial Tech (GIFT) City are all progressing at break-neck speed. Multinational companies across all industries are in a hurry to come to Ahmedabad. Maruti and Ford have already committed to invest Rs. 10,000 crores. Giants like Colgate Palmolive, Nestle in FMCG, Caterpillar (CAT) in engineering are already present. Majors like Hero Motors, Hyundai and Bajaj are coming, as are IT stars like Infosys. Ahmedabad is being developed as knowledge hub. Apart from renowned educational institutions like IIM, IIT, MICA,

NID, NIFT other institutions like NIRMA, Pandit Deendayal Petroleum University, Entrepreneurship Development Institute of India, The Centre for Environment Planning and Technology (CEPT) have gained popularity amongst the education fraternity. Prestigious academic and scientific institutions like Physical Research Laboratory (PRL) and Indian Space Research Organisation (ISRO) are functioning from Ahmedabad.

Such has been the fertile business environment of Ahmedabad that most big corporates have grown multi-fold in the last 4-5 years.

Ahmedabad is vibrant with growth and opportunities.

At Ganesh Housing Corporation Limited, we are passionate, proud and privileged to be in this vintage, vivid and vivacious city.





Vibrant City Vibrant Projects

At Ganesh Housing, we are one of the oldest real-estate developers in Ahmedabad. Even during the hey days of real-estate boom in the country, when all other players were aggressively expanding into a pan-India presence, at Ganesh Housing, we have always stood firm and focussed on Ahmedabad. We believed in our own convictions that real-estate is more than acquiring land and starting projects. One needs to be connected with the place; one needs to feel and understand the pulse of the city. The changing demographics, the evolving trends, the local laws, and most importantly, knowing the people is critical before we build homes or offices or malls for them.

And because we know Ahmedabad like very few do, all our projects are in Ahmedabad, and Ahmedabad only.

At Ganesh Housing, we have always matched the city's furious speed of development. We have launched, developed and delivered everything that a fast growing city and its people need : homes, offices, business centres, corporate parks and shopping places.

RESIDENTIAL FOCUS

Our focus has been on the residential development. Over the last 46 years, Ganesh Group has developed 17.3 million sq. ft. of residential projects. Another 1.5 million sq. ft. of residential projects are currently under development.

At Ganesh Housing, we continue to build quality homes at affordable rates.

A brief profile of residential projects :

MAPLE COUNTY : Located at Shilaj, the residential project comprising of 192 apartments covers 0.43 million sq. ft. The project is almost entirely booked and has a total realisable value of Rs. 114.00 crore.

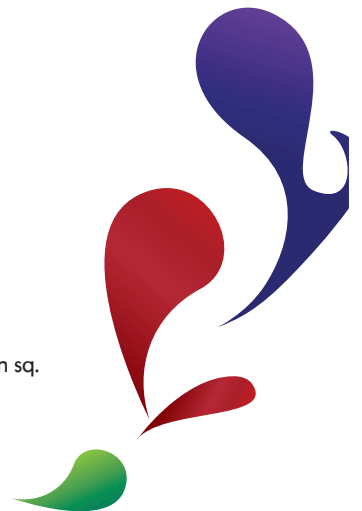
MAPLE COUNTY 2 : Located at Shilaj, the residential project comprising of 192 apartments covers 0.43 million sq. ft. The project is nearly fully booked and has a total sale value of Rs. 132.00 crore.

MADHUBAN HILLS : Located at Shrinathji, Rajasthan, the project comprises of 212 row houses with a total construction area of 0.35 million sq. ft. The total sale value of the project is expected to be around Rs. 91.00 crore.

SUNDARVAN EPITOME : Located at Satellite area, in the heart of Ahmedabad city, Sundarvan Epitome comprises of 46 apartments covering 0.23 million sq. ft. The total realisable value of Rs. 147.72 crore.

SUNDARVAN APOSTLE : Located at the Satellite area, the project comprises of 36 apartments covering 0.11 million sq. ft. and has a total sale value of Rs. 64.80 crore.

MALABAR COUNTY : Located at Village Chharodi, near S. G. Road. The Project comprises of 452 residential units with a total construction area of 0.72 million sq. ft. The total realisable value of this project is Rs. 195.00 crores.





COMMERCIAL PROJECTS

As the city of Ahmedabad evolved and became a world-class mega city, it also witnessed a dramatic shift in the demographic profile. While earlier the business landscape was dominated by the textile industry, modern Ahmedabad has attracted every industry - from telecommunications to pharmaceuticals and from automobiles to information technology. The current consumption boom led growth in modern retail has made Ahmedabad one of the highest spending cities in the country and a darling for global brands.

The commercial real estate sector in Ahmedabad has been witnessing steady growth over the past few years. At Ganesh Housing, we have ensured that we are part of this new fast growth segment of the real estate space.

GCP BUSINESS CENTRE and MAGNET CORPORATE PARK are our two landmark commercial projects in Ahmedabad.

GCP BUSINESS CENTER : Located in the prime Vijay Char Rasta area in Western Ahmedabad, the project consists of 0.11 million sq. ft. of saleable area. It is expected to have a total sale value is 53.12 crores.

SATVA COMMERCIAL : The project consists of 30,000 sq. ft. commercial saleable space. The total sale value of the project is expected to be around Rs. 21.00 crore.

MAGNET CORPORATE PARK : Located on the vibrant S.G. Road, the project is one of the top-notch commercial projects coming up in Ahmedabad. It comprises of 23 individual corporate houses with a total saleable area of 0.50 million sq. ft. The total sale value would be around Rs. 259 crores.

MEGA PROJECTS

At Ganesh, we are poised to launch one of the biggest real estate project in Ahmedabad.

We are developing a golf township strategically located at Godhavi, which is merely 7 kms. away from S.G. Highway, the commercial hub of Ahmedabad and only 4.5 kms. from Ahmedabad city limit, SMILE CITY. The total built up area of the entire project is 23.36 million sq. ft.

SMILE CITY 1 : spread across 106 acres of land.

SMILE CITY 2 : spread across 452 acres of land.

At Ganesh Housing, we have exciting developments in Ahmedabad. Our projects are as vibrant as the city we belong to.





Speedy Execution. Vast Developable Land Bank.

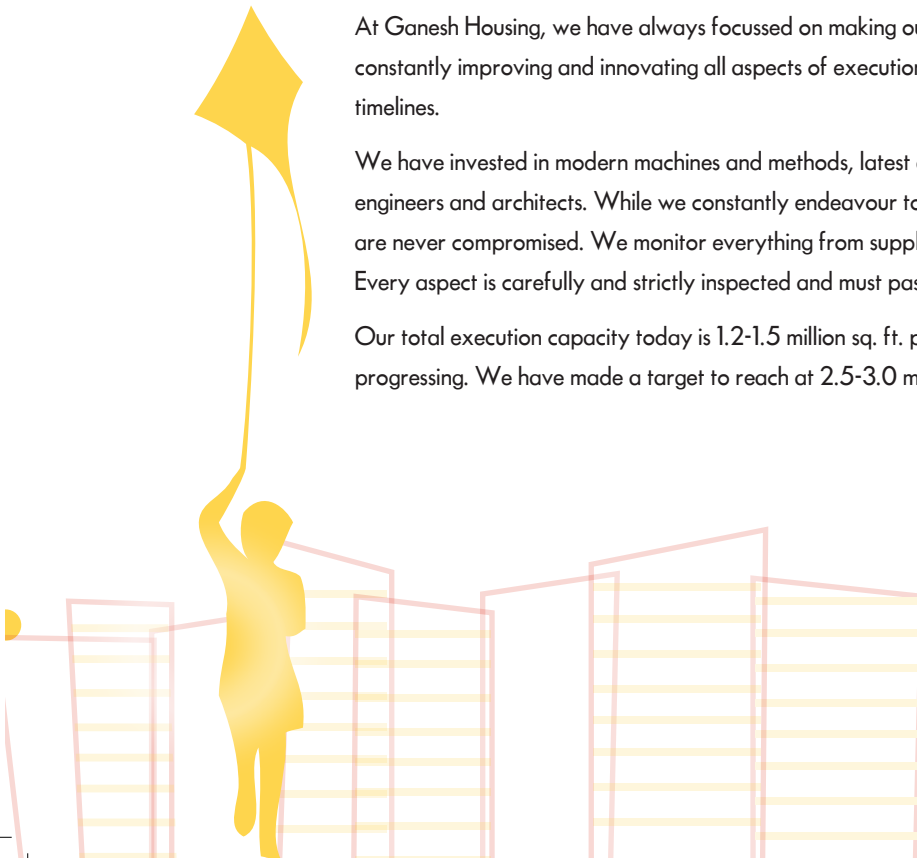
EXECUTION

In the real-estate business, execution is the key to success. The faster a project is executed and delivered, the lower is the cost of capital and quicker is the turnaround of assets deployed. Not to mention lesser risk of market fluctuation.

At Ganesh Housing, we have always focussed on making our execution more efficient. We are constantly improving and innovating all aspects of execution to significantly shorten our execution timelines.

We have invested in modern machines and methods, latest equipment and technology, and top class engineers and architects. While we constantly endeavour to build and deliver fast, quality and safety are never compromised. We monitor everything from supply to raw materials to finished properties. Every aspect is carefully and strictly inspected and must pass our rigorous quality assurance tests.

Our total execution capacity today is 1.2-1.5 million sq. ft. per year and every year we are progressing. We have made a target to reach at 2.5-3.0 million sq. ft. per annum by 2015.





LAND - READY TO DEVELOP

What complements our strong execution capabilities is our vast land bank. These lands are located in the prime pockets of Ahmedabad city limit. What differentiates our lands are its quality : all the lands that we own is approved and ready for construction. In the real-estate industry, merely being in possession of land has not much value or meaning, unless it is approved and ready for construction. Otherwise, projects can and do get inordinately delayed, severely affecting the cash-flows and operations.

At Ganesh Housing, we are extremely cautious and careful of every parcel of land that we acquire. And it is here that our second-to-none experience and expertise of Ahmedabad proves to be critical and gives us a unique competitive advantage. Because we know which areas are upcoming, because we track the demographic changes, because we study the development patterns of the city so acutely, we are able to successfully identify and locate land parcels better.

We have a vast and varied land bank of approximately 620 acres. All of this is ready for development. And all of this is PRIME.

Even with all our on-going projects that are under development, only 14 acres of land is used. Which means, we have another 606 acres of land free for more projects.

In other words, we have sufficient execution strength to develop and deliver our entire land over the next 10-12 years! With developed built up area of approximately 30 million sq. ft.





Vibrant Leadership. Vibrant Initiatives.



MISSION - 100% TRANSPARENCY

At Ganesh Housing, we have always believed in taking a leadership role in bringing about a positive change for the real estate industry. Always at the forefront of innovative thoughts and initiatives, we have set standards and shown directions in the Ahmedabad real-estate space. At the heart of these initiatives are our customers. Our customers deserve the best of our products and services. They also deserve to be fully informed about the real estates they are buying. Ganesh Housing is committed to be 100% TRANSPARENT.

At Ganesh Housing, we have started this initiative where our customers get full details like space, layout, common area, etc. This helps them in understanding their asset better and it also gives them confidence that what they see is what they get, and what they possess is what they were promised. There is no ambiguity or confusion about the built-up area, super-built up area and carpet area. At Ganesh Housing, all our projects are totally transparent. Every square foot of space is accounted for and shared with our customers.

At Ganesh Housing, we are the first real-estate developer to have taken transparency to a totally different level.

CREDAI REAL ESTATE AWARDS 2012

During the year, three projects of the Company were nominated for the annual CREDAI Real Estate Awards 2012. In the Individual Dwelling Units category, MAHALAYA-II won the award for the Row Houses category. SHANGRI-LA-I was nominated for Twin Bungalows. In the Commercial and Retail category, GCP BUSINESS CENTER was nominated for Office Complexes with a minimum 1 lac sq. ft. category.

MAHALAYA-II : MAHALAYA, or the The Great Abode, won the award in the Row House category. Located in the prestigious Sola area of Ahmedabad, beside the Sola Overbridge, MAHALAYA-II has 56 row bungalows of contemporary design with all modern amenities like RO water purification system, lush-green gardens with tree-lined roads, swimming pool, jogging track and health club. The project also has a solar water heater and is fully equipped with hi-tech security system and inverter for emergency power supply.

SHANGRI-LA - I : Shangri-La, the imaginary and illusive Paradise on Earth, has a solar-passive architecture with a natural management of sunlight and fresh-air to create an aesthetic, ergonomic and environment-friendly space. Situated just a kilometre off S.G. Road at Thaltej, SHANGRI-LA-I has 115 twin bungalows. The project features Avidvent Turbo Ventilator which reduces/ increased the inside temperature by upto five degrees. The project has all modern amenities.

GCP BUSINESS CENTER : is strategically located at Vijay Cross Road, the hub of Ahmedabad's professional and entrepreneurial ventures. GCP Business Center has a total of 31 units.



CSR INITIATIVES

We have always believed that success entails a larger responsibility toward our society, our community and the world. Success needs to be inclusive and shared, and true success is a result of making a difference in improving lives of people.

Ganesh Housing has always been a responsible corporate citizen. Organ donation and education are two areas where Ganesh Housing is making a significant difference.

SHATAYU FOUNDATION

Shatayu is a non profit organisation and a public service initiative of the Govindbhai C. Patel Foundation, supported by Ganesh Housing Corporation Limited.

Shatayu is inspired from the ancient Indian blessing - 'Live a Hundred Years'. By donating organs for use after death, one can give the ultimate gift of life. India still suffers from a lot of myths and misconceptions related to organ donation. Organs like lungs, liver, heart, kidneys, intestines and pancreas can all be harvested after death and transplanted. Even certain tissues like corneas, heart valves, bones, skin, ligaments/tendons and veins can be donated after death.

Shatayu endeavours toward increasing awareness of organ donation in India through activities aimed at broadening mind-sets of people about organ donation by offering every Indian the opportunity and right to receive direct information about organ donation and to instill in every Indian the willingness to gift a new lease of life to fellow beings.

Ganesh Housing is privileged to support Shatayu through donations, staff support as well as making its premises available for organ donation camps on a regular basis.

EDUCATION

We firmly believe that it is education that is instrumental for the evolution and alleviation of the society. It is education that is the key in bringing about a change from the grass-root level.

Ganesh Housing supports education and is actively involved with many schools. Ganesh Housing helps provide education to 3000 under privileged children at subsidised rates. The R.C. Patel School and the Shri Ganesh VidyaMandir run pre-schools, primary and secondary schools and Ganesh Housing has been associated with both these schools for many years.

Vibrant Prospects. Vibrant Future.



At Ganesh Housing, we believe it is time. We are today at inflection point, about to take the leap into the next orbit of growth. We have ready-to-develop land . We have execution capabilities to develop and deliver over 1.5 million sq. ft. of quality real-estate annually.

This year, we are launching projects across asset-classes : residential, commercial and townships. Our upcoming projects have a 23.6 million sq. ft. township and 0.83 million sq. ft. of residential development. These include :



SUNDERVAN EPITOME



MADHUBAN HILLS



Development on 80 acres of land at Chharodi, S.G. Road with a construction area of 10.85 million sq. ft., of this, a residential project named MALABAR COUNTY of 0.7 million sq. ft. will be launched in 2012-13.

MAHALAYA-II



We are ready to launch our most ambitious - SMILE CITY this year. SMILE CITY is an integrated township spread over 558 acres at Godhavi.



MAHALAYA-II won the CREDAI Award for Row House category for 2012

SMILE CITY



MAGNET CORPORATE PARK



MALABAR COUNTY



The total sales value of projects launched this year is expected to be between Rs. 600-650 crores. And we will keep building on this momentum. Going forward, we plan to launch projects worth Rs. 1,000-1,200 crores every year for next 7-10 years.

Our aim is to achieve a Rs. 1,000 crore top-line with market share of around 4-5% by 2015.



Chairman's Message

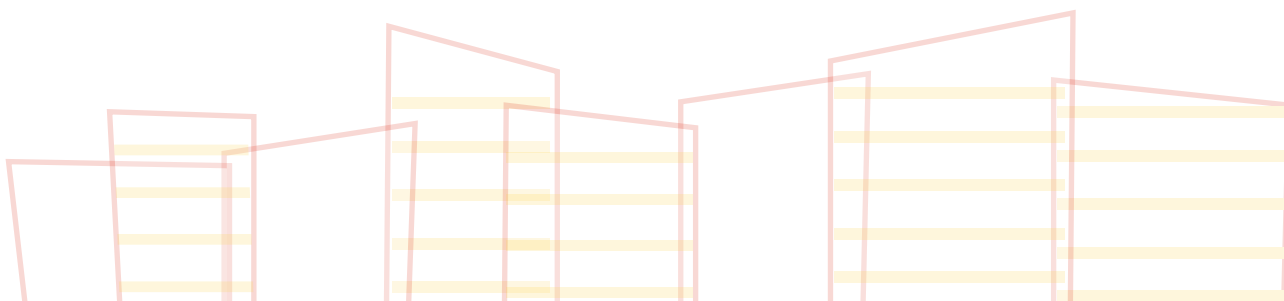
At Ganesh Housing, we are poised for the next big leap - to become a Rs. 1,000 crore company by 2015. With the speed at which growth is happening all around us in Ahmedabad, we are confident to reaching this destination.



Dear Shareholders,

While the rest of the world has been facing strong headwinds of global uncertainty and slowdown, there is one place that seems to be insulated and unaffected by the slowdown - Gujarat! Backed by a visionary leadership, conducive environment and encouraging policies, the state is fast marching ahead on a trail-blazing growth path.

At the heart of this growth phenomenon is Ahmedabad, the financial capital of the state and the heart of Gujarat. The city is fast transforming itself with projects like the Riverfront, the BRTS and the GIFT City. It has the 2nd most important real estate market in the country - with over 1.16 lac property documents registered and stamp duty of about Rs. 1,700 crores collected in 2011, making it a Rs. 20,000 crore market annually and growing at CAGR of 12-15%.





With unprecedented and uninterrupted growth prospects, all major real estate players are present in the city and have big plans.

At Ganesh Housing, we are synonymous with Ahmedabad. We have always been in Ahmedabad. We belong to Ahmedabad. We know Ahmedabad more than anybody else.

At Ganesh Housing, we had a satisfying year in terms of operational performance and financial results, considering the fact that we had to face immense pressures of all input costs going up due to inflationary pressure and rising interest rates. The latter also affected demand as home loan rates soared.

In spite of challenging market conditions, we achieved :

Sales and Operating Income increased from Rs. 1,688.83 million to Rs. 2,006.30 million, an increase of 18.80%.

Our EBITDA increased from Rs. 1,013.72 million to Rs. 1,086.32 million, an increase of 7.16%.

However, the rising input costs and finance charges affected the net profit for the year. Our Profit After Tax decreased from Rs. 597.71 million to Rs. 453.53 million, as did our EPS, which decreased from Rs. 18.30 per share to Rs. 13.89 per share.

We launched many new projects during the year. In the residential segment, we soft-launched SUNDARVAN EPITOME and MADHUBAN HILLS, Nathdwara, Rajasthan, and our commercial project MAGNET CORPORATE PARK.

We have ambitious plans for the future, in line with the immense growth prospects in Gujarat, particularly Ahmedabad. We are determined to launch our mega project SMILE CITY in the next few months, as well as more residential projects. We have sufficient developable land to keep building on growth for the next 10-12 years. Looking ahead, we are confident of launching projects worth Rs. 600-650 crores this year, and increase this to Rs. 1,000-1,200 crores in the years to come.

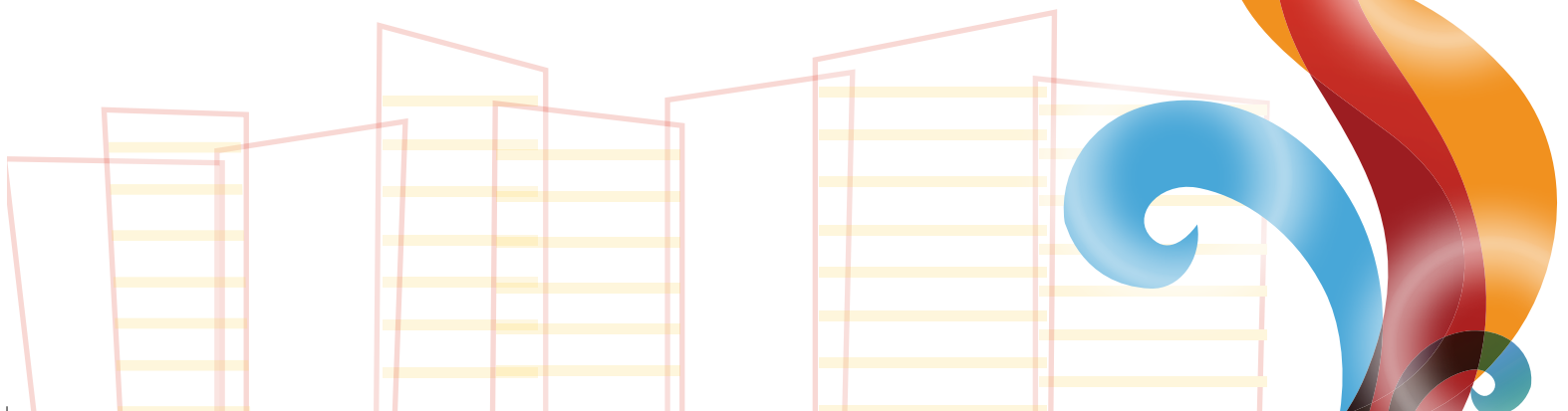
At Ganesh Housing, we are poised for the next big leap - to become a Rs. 1,000 crore company by 2015. With the speed at which growth is happening all around us in Ahmedabad, we are confident of reaching this goal.

I would like to take this opportunity to thank all our customers, our investors, our suppliers, our contractors and most importantly, our people at Ganesh Housing, for their trust and faith in Ganesh Housing, and in believing in it.

Thank you for your vibrant support!

Yours faithfully,

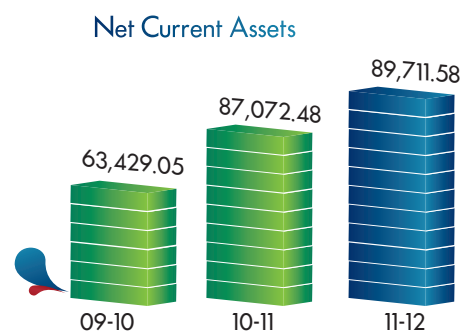
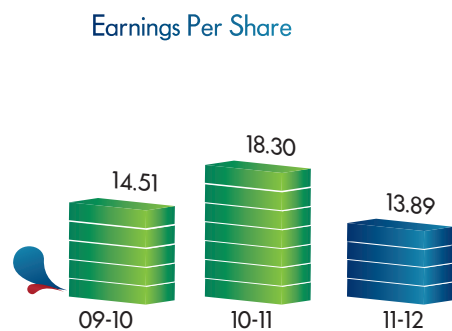
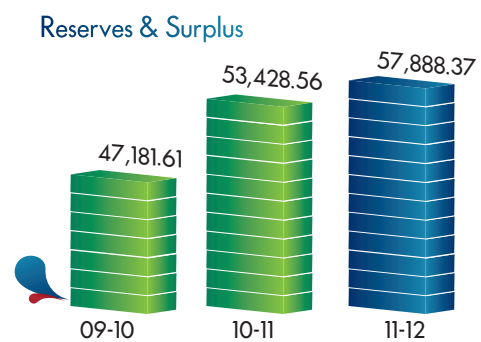
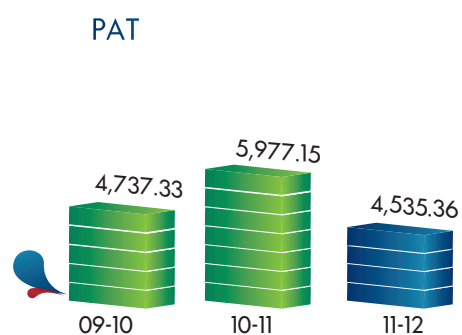
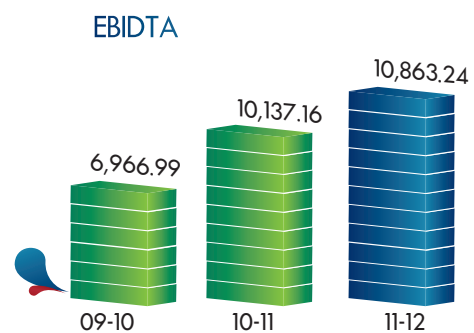
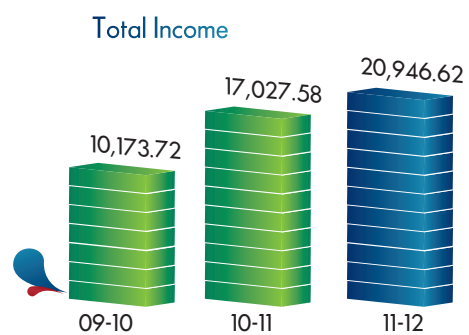
Dipakkumar G. Patel
Chairman



Financial Snapshot

Rs. in Lacs

Particulars	2011-12	2010-11	2009-10
Total Income	20,946.62	17,027.58	10,173.72
EBIDTA	10,863.24	10,137.16	6,966.99
Depreciation	253.02	104.98	143.82
Interest	4,734.25	2,517.45	1,402.08
Profit Before Tax	5,875.97	7,514.73	5,421.09
Profit After Tax	4,535.36	5,977.15	4,737.33
Gross Block	6,794.51	6,603.13	4,883.88
Net Block	6,218.52	6,102.50	4,446.74
Capital WIP	107.89	273.28	825.09
Investments	1.04	1.04	1.04
Net Current Assets	89,711.58	87,072.48	63,429.05
Cash & Bank Balance	186.97	9,461.55	752.92
Total Debts	26,144.28	27,558.05	10,432.82
Share Capital	3,265.59	3,265.59	3,265.59
Reserves & Surplus	57,888.37	53,428.56	47,181.61
Earnings Per Share (Basic)	13.89	18.30	14.51



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 H. MODI	DIRECTOR
MR. SANJAY M. KOTHARI	ADDITIONAL DIRECTOR
MR. SHEKHAR G. PATEL	MANAGING DIRECTOR

COMPANY SECRETARY

MS. PRITI JANI

STATUTORY AUDITORS

M/S. J. M. PARIKH & ASSOCIATES
CHARTERED ACCOUNTANTS
AHMEDABAD

INTERNAL AUDITORS

M/S. NIKUNJ SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS, AHMEDABAD

AUDIT COMMITTEE

MR. ARVINDBHAI R. NANAVATI	CHAIRMAN
DR. TARANG M. DESAI	MEMBER
MR. ASHISH H. MODI	MEMBER
MR. SHEKHAR G. PATEL	MEMBER

REMUNERATION AND COMPENSATION COMMITTEE

MR. ARVINDBHAI R. NANAVATI	CHAIRMAN
DR. TARANG M. DESAI	MEMBER
MR. ASHISH H. MODI	MEMBER
MS. LALITABEN G. PATEL	MEMBER

SHAREHOLDERS' / INVESTORS GRIEVANCE COMMITTEE

MR. ARVINDBHAI R. NANAVATI	CHAIRMAN
DR. TARANG M. DESAI	MEMBER
MR. ASHISH H. 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
HDFC BANK LIMITED
JSC VTB BANK

REGISTERED OFFICE

GANESH CORPORATE HOUSE,
100 FEET HEBATPUR-THALTEJ ROAD,
NR. SOLA BRIDGE, OFF. S. G. HIGHWAY,
AHMEDABAD - 380 054.

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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

E-MAIL: mcsahmd@gmail.com



NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of GANESH HOUSING CORPORATION LIMITED will be held on Saturday, 29th September, 2012 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, 2012, the Statement of Profit & Loss 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, 2012.
3. To appoint a Director in place of Mr. Arvind R. Nanavati, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Ms. Lalitaben G. Patel, who retires by rotation and being eligible offers herself for re-appointment.
5. To appoint M/s. J. M. Parikh & Associates, Chartered Accountants, (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.

Special Business:

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Sanjay M. Kothari, who was appointed as an additional director of the Company pursuant to section 260 of the Companies Act, 1956 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."
7. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311, read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or reenactments thereof, for the time being in force), subject to the limits specified in Schedule XIII to the said Act and all guidelines issued by the Central Government from time

to time, Members of the Company hereby approves the re-appointment of Mr. Dipakkumar G. Patel as a Whole-time Director of the Company for a period of five years with effect from 1st October, 2012 and payment of remuneration, perquisites and commission, upon the terms and conditions as mentioned in the Explanatory Statement attached hereto and more particularly set out in the draft Agreement to be entered into between the Company and Mr. Dipakkumar G. Patel, a copy whereof submitted to this meeting and for identification initialed by any one of the Director of the Company thereof, which agreement is hereby specifically approved with authority to the Board of Directors to alter and/or vary the terms and conditions of the said appointment and/or remuneration including commission and perquisites so as not to exceed the limits specified in Section 198, 309, 310 and Schedule XIII to the Companies Act, 1956 as may be agreed to between the Board of Directors and Mr. Dipakkumar G. Patel.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Dipakkumar G. Patel minimum remuneration by way of salary, perquisites and other allowances not exceeding ceiling limits laid down in Section II of part II of Schedule XIII of the Companies Act, 1956 and as may be amended from time to time.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter or vary the scope and quantum of remuneration and perquisites of Mr. Dipakkumar G. Patel as specified in the Explanatory Statement and in draft Agreement which shall be within the limits set out in the said Act including Schedule XIII to the said Act or any amendments thereof or any modifications or statutory re-enactment(s) thereof and/or any rules or regulations framed thereunder and the terms of the aforesaid Agreement between the Company and Mr. Dipakkumar G. Patel shall be suitably modified to give effect to such alteration or variation as the case may be."

Registered Office:
 Ganesh Corporate House
 100 Feet Hebatpur-Thaltej Road,
 Nr. Sola Bridge, Off. S. G. Highway
 Ahmedabad - 380 054

Date: 14th August, 2012
 Place: Ahmedabad

By order of the Board

Priti Jani
 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. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
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 Saturday, 15th September, 2012 to Saturday, 29th September, 2012 (Both days inclusive) for the purpose of payment of Dividend and Annual general meeting.
6. The Dividend for the year ended March 31, 2012, if declared at the meeting will be paid on or after October 03, 2012 to those members of the Company holding shares in physical form whose names appear on the Register of Members of the Company on September 14, 2012. In respect of shares held in electronic form, the dividend will be paid to the beneficial owners holding shares as on September 14, 2012 as per the details provided by the Depositories for this purpose.
7. The details of Directors seeking appointment/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. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a Certified True Copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting along with attendance slip.
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. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as principal amount of debentures and deposits pertaining to the Company, remaining unpaid or unclaimed for period of seven years from the date they became due for payment, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claims. Members who have not yet encashed their dividend warrant(s) for the financial years 2004-05 onwards, are requested to make their claims without any delay to the Company's Registrar and Transfer Agents, MCS Limited. Details of unpaid / unclaimed dividend are as under:

Sr. No.	Financial Year For which dividend declared	Date on which Dividend Declared	Last due date for claiming Unpaid Dividend	Proposed last date on which amount will be transferred to IEPF A/c
1	2004-05	09/09/2005	10/09/2012	09/10/2012
2	2005-06	10/05/2006	11/05/2013	09/06/2013
3	2006-07	04/05/2007	05/05/2014	03/06/2014
4	2007-08	27/09/2008	28/09/2015	27/10/2015
5	2008-09	30/09/2009	01/10/2016	30/10/2016
6	2009-10	30/09/2010	01/10/2017	30/10/2017

Explanatory Statement Pursuant To Section 173(2) Of The Companies Act, 1956

Item No. 6

The Board of Directors at their meeting held on 10th April, 2012, appointed Mr. Sanjay M. Kothari as Additional Director of the Company in accordance with Section 260 of the Companies Act, 1956. He holds office up to the date of the ensuing Annual General Meeting. The Company has received notice from a member of the Company proposing his candidature for the office of Director.

Keeping in view the experience and qualification of Mr. Sanjay M. Kothari your Directors considers it to be in the interest of the company, to confirm his appointment as a Director.

Your Directors therefore recommend the said resolution as Ordinary Resolution for your approval.

Except the aforesaid Director none of the other directors are in any way concerned or interested in the said resolution.

Item No. 7

The Board of Director of the Company, at its meeting held on 14th August, 2012 has, subject to the approval of members, re-appointed Mr. Dipakkumar G. Patel, Whole-time Director of the Company, for a further period of 5 (five) years with effect from 1st October, 2012 on a remuneration determined by the Remuneration Committee of Board and approved by the Board.

In terms of provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1986, Mr. Dipakkumar G. Patel has been reappointed as Whole-time Director on the following terms and conditions:

1. Remuneration:

- i) Salary : ₹ 5,00,000/- p.m.
- ii) Perquisites : He shall be entitled to the perquisites listed in categories - A, B & C below.

CATEGORY-A:

- a) Housing: The expenditure by the Company on hiring furnished accommodation for the Whole-time Director will be subject to a ceiling of 60% of the salary over and above 10% payable by the Whole-time Director.

In case the accommodation is owned by the Company, 10% of the salary of the Whole-time Director shall be deducted by the Company.

In case no accommodation is provided by the Company, the Whole-time Director shall be entitled to House Rent Allowance subject to 60% of the salary.

Explanation: The Whole-time Director shall be entitled to reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, repairs; salaries to drivers, servants, gardeners, cook, security and property tax. Alternatively, the Company may pay directly all such expenses or allowances.

- b) Medical Reimbursement: Expenses incurred for the Whole-time Director and his family, in India and abroad.
- c) Leave Travel Concession: For the Whole-time Director and his family once in a year whether in India or abroad in accordance with the Rules specified by the Company.
- d) Club Fees: Fees of Clubs subject to a maximum of two clubs, excluding admission and life membership fees.
- e) Personal Accident Insurance: Premium not to exceed ₹ 4000/- per annum.

Explanation: For the purpose of Category - A, family means the spouse and dependent children of the Whole-time Director.

CATEGORY-B:

The Company's contribution to provident fund, superannuation or annuity fund, to the extent these singly or together are not taxable under the income tax law, gratuity payable shall not exceed half a month's salary for each completed year of service.

CATEGORY-C:

Provision of cars for use on Company's business, mobile expenses and expenses of telephone at residence will not be considered as perquisites.

The above perquisites and/or allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- iii) Commission

The Whole-time Director shall be entitled to a payment of commission at the rate of 1% subject, however, the total remuneration by way of salary, perquisites, other allowances and commission shall not exceed 5% of net profit for one such managerial person and if there is more than one such managerial person, 10% for all of them together computed in the manner laid down under section 198 and 309 of the Companies Act.

- 2. However, the Whole-time Director shall be entitled to accept salary, perquisites or commission less than the total amount as prescribed above and/or otherwise waive all or any of the above salary, perquisites or commission as he may deem fit.
- 3. However, the total remuneration by way of salary, perquisites, commission and other allowances shall not exceed 5% (where there is only one Managerial Personnel) and 10% (where there are more than one Managerial Personnel, for all of them together) of the net profits of the Company computed in the manner laid down under Section 349 and 350 of the Companies Act, 1956.
- 4. Minimum Remuneration:

Notwithstanding anything to the contrary contained herein, wherein any financial year during the currency of the tenure of the Whole-time Director, the Company has no profits

or its profits are inadequate, the Company will pay him a remuneration by way of salary, perquisites and allowances not exceeding the ceiling the limits set out in section II of part II of Schedule XIII to the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force).

5. The Company will reimburse to the Whole-time Director such expenses as he may incur on behalf of the Company.
6. The Whole-time Director shall be liable to retire by rotation.
7. The Whole-time Director shall not be entitled to receive any sitting fee for attending the meetings of Board of Directors or Committee thereof from the date of his appointment.
8. If at any time the Whole-time Director ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the Whole-time Director.
9. The agreement may be terminated by either party giving the other party six months notice or the Company paying six month's salary in lieu thereof.
10. Subject expressly to the provisions of Section 318 of the Companies Act, 1956, the Company shall pay compensation for loss of office, or as consideration for retirement from office or in connection with such loss or retirement. The amount of such compensation shall be strictly in accordance with the provisions of Sections 318(4) of the Companies Act, 1956.
11. The draft agreement to be entered into by the Company with Mr. Dipakkumar G Patel is available for inspection by the members at the Registered office of the Company

between 2.00 p.m. and 4.00 p.m. on all working days of the Company upto the date of the Annual General Meeting.

12. Abstract under section 302:

The above terms and conditions may be treated as an abstract of the draft Agreement proposed to be entered into between the Company and Mr. Dipakkumar G Patel, pursuant to Section 302 of the Companies Act, 1956.

The Board therefore recommends an Ordinary Resolution at Item No. 7 of the Notice for your approval.

14. Memorandum of Interest:

Mr. Dipakkumar G. Patel is interested in the resolution, Ms. Lalitaben G. Patel and Mr. Shekhar G. Patel, Directors of the Company, being related to Mr. Dipakkumar G. Patel may be deemed to be concerned or interested in the resolution. Save and except the above, none of the other Directors of the Company is, in any way, concerned or interested in the resolution.

Registered Office:
Ganesh Corporate House
100 Feet Hebatpur-Thaltej Road,
Nr. Sola Bridge, Off. S. G. Highway
Ahmedabad - 380 054

By order of the Board

Date: 14th August, 2012
Place: Ahmedabad

Priti Jani
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. Arvind R. Nanavati	Ms. Lalitaben G. Patel	Mr. Sanjay M. Kothari	Mr. Dipakkumar G. Patel
Category of Director	Independent Non-Executive Director	Non-Executive Promoter Director	Independent Non-Executive Director	Chairman and Whole Time Director (Promoter Director)
Director Identification Number	00005260	00005702	01429539	00004766
Date of Birth / Age	09/09/1933 78 Years	10/11/1945 66 Years	07/08/1963 49 Years	12/11/1967 44 Years
Expertise in specific functional areas	He is a retired Income Tax Officer and possesses more than 45 years of experience in administration.	She has rich experience in construction and real estate development business.	He has extensive knowledge of real estate property development and valuation. Proficient with finance, budgeting and investments concepts and procedures.	He possess wide experience of 21 years in construction, finance, real estate development, etc.
Directorships held in other Public Companies	Cosmic Information and Technology Limited	Ganesh Infotech Limited Starnet Software (I) Limited Shree Ganesh Fintrade Limited	Shri Chlochem Limited	Ganesh Plantations Limited Ganesh Infotech Limited Mihika Buildcon Limited Starnet Software (I) Limited Shree Ganesh Fintrade Limited
Committee Positions in GHCL	1. Audit Committee - Chairman 2. Shareholders' / Investors' Grievance Committee - Chairman 3. Remuneration and Compensation Committee - Chairman	1. Remuneration and Compensation Committee - Member 2. Share Allotment Committee - Member	Nil	Share Allotment Committee - Chairman
Committee Positions in other Public Companies	Nil	Nil	Nil	Nil
Relationships between Directors inter-se	Not Applicable	Related with Mr. Shekhar G. Patel, Managing Director and Mr. Dipakkumar G. Patel, Chairman and Whole-time Director of the Company	Not Applicable	Related with Mr. Shekhar G. Patel, Managing Director and Ms. Lalitaben G. Patel, Director of the Company
Number of Shares held in the Company	Nil	4553436 (13.94%)	Nil	6229117 (19.07%)

DIRECTORS' REPORT

**Dear Shareholders,
Ganesh Housing Corporation Limited,**

Your Directors have pleasure in presenting the Twenty First Annual Report and the Audited Accounts for the Financial Year ended 31st March, 2012.

Standalone Financial Results:

(₹ In Lacs)

Particulars	Year Ended 31-03-2012	Year Ended 31-03-2011
Net Sales / Revenue from operations	17117.55	16121.66
Other Income	894.21	139.28
Total Expenditure	9315.44	6422.04
Interest and Financial Charges	4730.16	2517.41
Gross Profit before dep. and taxation	3966.16	7321.49
Depreciation	253.02	104.98
Net Profit before tax	3713.14	7216.51
Less: Provision for taxation	725.00	1450.00
Less: Provision for Wealth Tax	2.20	3.37
(Add)/Less: Deferred Tax	24.14	(10.64)
: Short/(Excess) provision of income tax of earlier years w/off	0.00	0.01
: Short / (Excess) provision of Wealth Tax of earlier years w/off	(0.18)	(0.06)
: Short/(Excess) provision of Fringe Benefit Tax of earlier years w/off	0.00	0.56
Profit After Tax	2961.98	5773.27
Add: Extra ordinary items	0.00	0.00
Net Profit after Extra ordinary items	2961.98	5773.27
Profit and Loss Account:		
Opening Balance	23039.89	18704.40
Add: Transfer from Statement of Profit and Loss	2961.98	5773.27
Total Amount available for appropriation	26001.87	24477.64
Appropriations:		
(a) General Reserve	100.00	600.00
(b) Dividend on Equity shares	391.87	718.43
(c) Tax on Dividend	63.57	119.32
Balance carried to Balance Sheet	25446.43	23039.89

Review of Operations

Due to the increase in home loan interest rates and slow down in equity markets, the residential real estate market has remained stagnant. Further, inspite of the economic slowdown worldwide, the demand for commercial space in Ahmedabad remained reasonably good due to the absorption that is largely driven by small and medium enterprises and new industries like auto, FMCG, etc.

During the year, your Company received a Net Revenue from Operations of ₹ 17117.55 lacs and booked other income of ₹ 894.21 lacs. Total Expenditure (excluding interest & financial charges and depreciation) of the Company was ₹ 9315.44 lacs. After providing for interest and financial charges of ₹ 4730.16 lacs and depreciation of ₹ 253.02 lacs, the Profit Before Tax stood at ₹ 3713.14 lacs and Net Profit After (PAT) at ₹ 2961.98 lacs. Further, after providing appropriations of ₹ 555.44 lacs, the balance i.e. ₹ 25446.43 lacs was carried to Balance Sheet.

Future Outlook

The global and domestic macro economic factors are likely to remain the key drivers for growth. India is struggling with issues related to policies, inflation, weak domestic currency and fiscal deficit to drive positive sentiments. On the sectoral front, liberalizing the FDI in sectors like retail, appointment of a regulator for the sector, industry status for real estate are some of the factors if implemented sincerely that will boost confidence and drive fresh investments.

On the other hand the Gujarat Government envisages Ahmedabad as a world class city. In public-private partnership, it is looking to upgrade the city to make it, clean, viable and self-sustaining. Despite the steep rise in property prices and rising interest rates, the real estate sector of the city is still remained very attractive for national and international investors, proving that the city is unaffected by the momentary road blocks. Thus, the Company will continue to focus on its development in and around the City of Ahmedabad.

Your Company will undertake certain new projects in near future. On residential front the Company would execute 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 and another project under the name and style "Malabar County" located at village: Chharodi, Nr. S. G. Road. On commercial line, Satva Commercial has been launched. Moreover, projects viz. Madhuban Hill under the new concept of Pilgrimage Homes and Magnet Corporate Park, a top notch commercial project are under the process of execution through Subsidiaries of the Company viz. Shaily Infrastructure Private Limited and Maheshwari (Thaltej) Complex Private Limited.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 1.20/- (Previous year ₹ 2.20/-) per equity share of Rs 10/- each for the year ended March 31, 2012. This will absorb ₹ 391.87 Lacs. The Company will pay dividend distribution tax amounting to ₹ 63.57 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, 2012, 98.80% of the Company's total paid up capital representing 32263197 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, 2012 and were not claimed by the depositors on that date.

Subsidiaries

The Company has four Subsidiaries viz. Gatil Properties Private Limited, Yash Organiser Private Limited, Shaily Infrastructure Private Limited and Maheshwari (Thaltej) 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 completed Commercial Project in a posh locality called Memnagar under the name and style of 'GCP Business Centre'. The said Company is in the process of selling few units remaining in the Scheme. Shaily Infrastructure Private Limited is constructing 212 bungalows at Nathdwara - Rajasthan to cater to the needs of Pilgrims visiting the city. Maheshwari (Thaltej) Complex Private Limited has launched a scheme called Magnet Corporate Park on S. G. Road, Ahmedabad. The said Company will construct 23 units for which all requisite approval has been received.

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 this 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

The Company implemented 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"). Further, the terms of references with regard to administration and monitoring of the ESOP 2010 had been allocated to Remuneration and Compensation Committee

As required by Clause 12 of SEBI Guidelines, information with respect to active stock Options as at 31st March, 2012 is given below:

a.	Total grant authorized by Members	:	15,00,000 options
b.	Total Options Granted	:	9,98,815
c.	Exercise Price or Pricing Formula	:	Discount up to a maximum of 30% to the Market price i.e. ₹ 244/-. Hence, Exercise Price per option stands at ₹ 171/-
d.	Options Vested	:	1,44,990
e.	Options Exercised	:	Nil
f.	The total number of shares arising as a result of exercise of Options	:	Nil
g.	Options Lapsed	:	2,73,874
h.	Variation in terms of Options	:	Not Applicable
i.	Money realized by exercise of Options	:	Not Application. Options vested not exercised.
j.	Total number of Options in force:	:	7,24,941 [(b) - (e) - (g)]

k.	Employee wise details of options granted to-	:	
	(i). Senior managerial personnel:	:	Rajendra M. Patel - 35,000 Vijay R. Lalaji - 35,000 Bhavin H. Mehta - 35,000 Bhavesh Vyas - 21,875
	(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:	:	Not Applicable
	(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.	:	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. Options have not been exercised.
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 of this difference on profits and on EPS of the company shall also be disclosed.	:	Not Application. Options have not been exercised.
n.	Weighted average exercise price of Options whose (i). Exercise price equals market price (Rupees) (ii). Exercise price is greater than market price (Rupees) (iii). Exercise price is less than market price (Rupees) Weighted average fair value of options whose (i). Exercise price equals market price (Rupees) (ii). Exercise price is greater than market price (Rupees) (iii). Exercise price is less than market price (Rupees)	:	No such Grants No such Grants ₹ 171 No such Grants No such Grants ₹ 141.54
o.	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: (i) risk-free interest rate (ii) expected life (iii) expected volatility (iv) expected dividends, and (v) the price of the underlying share in market at the time of option grant.	:	Note: The Company has granted Nil options during the F.Y. 2011-2012 (previous year 9,98,815). The Company had calculated fair value of options for options granted on 30-10-2010 using the Black Scholes method as option-pricing model. 7.50% to 7.98% 2.50 to 6.50 65.02% to 64.71% 1.97% ₹ 243.85

The Company has received a Certificate dated 1st August, 2012 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. Arvindbhai R. Nanavati and Ms. Lalitaben G Patel retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Further, the Board, at its meeting held on 10th April, 2012, appointed Mr. Sanjay M. Kothari, as an Additional Director and he holds office upto the date of ensuing Annual General Meeting of the Company. The Company has received notice from a Member of the Company under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Sanjay M. Kothari as a Director

Moreover, as the tenure of Mr. Dipakkumar G. Patel as Chairman and Whole-time Director of the Company would be completed on 30th September, 2012, it is proposed to re-appoint him for the further period of five years w.e.f. 1st October, 2012 as Chairman and Whole-time Director who will be liable to retire by rotation.

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, 2012 and of the profit of the Company for the year ended 31st March, 2012.
- (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. The observations of the Auditors are self-explanatory and do not call for further clarifications.

Acknowledgments

Your directors express a deep sense of gratitude for assistance and cooperation received from customers, vendors and shareholders and banks viz. Tamilnad Mercantile Bank Limited, HDFC Bank Ltd and JSC VTB Bank, and various NBFC Lenders, 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 supports of all the employees at all the levels of the Company.

For & on behalf of Board of Directors

Date : 14th August, 2012
Place : Ahmedabad

Dipakkumar G. Patel
Chairman

ANNEXURE A

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, 2012.

A Employed throughout the year and in receipt of remuneration aggregating not less than ₹ 60.00 lacs per annum.									
Directors									
					Particulars of Present Employment			Particulars of Last Employment	
Sr No	Name	Age in Years	Qualification	Years of experience	Date of Commencement	Designation / Nature of Duties	Remuneration received (₹ in Lacs)	Employer	Designation
1	Mr. Dipakkumar G. Patel	44	Undergraduate	21	01/10/2002	Chairman & Whole-time Director	62.23	NA	NA
2	Mr. Shekharbhai G. Patel	41	Diploma-Civil Engineering	17	01/07/1994	Managing Director	61.92	NA	NA
B Employed for the part of year and in receipt of remuneration aggregating ₹ 5.00 lacs or more per month									
Directors / Others									
					Particulars of Present Employment			Particulars of Last Employment	
Sr No	Name	Age in Years	Qualification	Years of experience	Date of Commencement	Designation / Nature of Duties	Remuneration received (₹ in Lacs)	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. However, during the year under review both the managerial personnel waived the commission payable to them.
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).
4. The Perquisites given to the directors are valued as per incometax tax rules.

Annexure B

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 the same is not covered under the Schedule hence disclosure under Form A is not annexed. Further, the operations of Company involve less energy consumption and the Company takes appropriate steps as and when required for conserving energy by installing energy efficient devices at considerable low cost.

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	Nil
2.	Benefits derived as a result of the above R & D	-
3.	Future Plan of action	-
4.	Expenditure on R & D:	Nil

Technology, absorption, adaptation and innovation:

1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	<ul style="list-style-type: none"> a. Company has completed making of one green building. b. Double glazed energy efficient UPVC windows are used. c. Making buildings more energy efficient by using LED lights. d. Rain water harvesting has been carried out. e. The Company continues use of machine mixed plasticized mortar with constant water cement ratio for much better exterior plastering. f. Using VRF (Variable Refrigeration Flow) in our air-conditioning plants with linkage to central building management system making more energy efficient apartments / buildings. AMF panels are used in DG sets making operations very efficient. g. Company has carried out various experiments and increase flexural values of concrete by 20%.
2.	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	<ul style="list-style-type: none"> a. Buildings are becoming more energy efficient. b. Improved earthquake resistant as flexural strength of concrete improved as reducing porosity has worked as waterproofing.
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)	<ul style="list-style-type: none"> 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.

C. Foreign Exchange Earnings and Outgo

As regards foreign exchange earnings and outgo, members are requested to refer to Note no. 35 and 36 in notes forming part of accounts for the year ended 31st March, 2012.

For & on behalf of Board of Directors

Date : 14th August, 2012
Place : Ahmedabad

Dipakkumar G. Patel
Chairman

Annexure C

MANAGEMENT DISCUSSION AND ANALYSIS

Economy Overview

Despite the string of problems encumbering India's growth, there has always been the power of domestic consumption story led by the population of over 1.2 billion in the country. The consumption needs of India's billion plus people would continue to drive the nation's growth both in the short term as well as the long term.

International Monetary Fund data shows that India's gross domestic product (GDP) in terms of purchasing power parity (PPP) stood at USD 4.46 trillion in 2011, edging past Japan to become the third-largest economy in terms of PPP. India is also now Asia's third largest economy.

While several developed economies are facing huge challenges, in India the debate is whether growth will be at 7 percent or not. It is incredibly positive if you look at the rest of the world which is struggling to arrest more bad news, forget growth. India's growth story has shown significant maturity amidst the global economic scenario which is still showing signs of uncertainty and slowdown.

In March 2012, Ipsos, a global research firm, conducted a survey in which India emerged second, ahead of China, in the list of world's most confident people about their economy. This is the second consecutive time that India has stood second in the list.

It is true that the economy of India is not decoupled from the global markets. During the financial year 2011-12, the GDP grew by 6.5 percent compared to 8.4 percent in 2010-11 led by a major slowdown in the agriculture and industry specific sectors. The services sector, which includes the real estate sector, grew by 8.9 percent during the year under review compared to 9.3 percent growth in 2010-11.

During the financial year 2011-12, the fiscal deficit was 5.9 percent of GDP, amounting to ₹ 5.2 trillion. The fiscal deficit estimate was revised northwards during the March 2012 budget.

Infrastructure, the pulse of growth, will be a key to tapping the underlying opportunity in both urban and rural India. Thereby, investments need to be made in improving the infrastructure development. The faster it gets sorted, the better for the country.

The policy decisions and the political scenario at centre have led to a belief that the bottom line will be impacted. It remains true that the high interest rates and weak domestic currency have led to increase in cost of capital for the corporates at large. These are need-gaps which have to be filled for the development to be witnessed in full throttle.

Sector Overview

Real Estate

The real estate sector in India will remain attractive owing to the growing economy which will keep the demand momentum ticking for residential, commercial and retail space. The sector is bound to benefit from the growing requirements for space from sectors such as education, information technology and healthcare.

According to Foreign Direct Investment (FDI) Factsheet, the inflows of FDI in the real estate sector stood at ₹ 3443 crore (USD 731

million) during the year. During 2011, private equity players invested a sum of USD 1700 million in this sector.

Due to the high interest rates, the buyers were hesitant to buy new property. Also, new project announcements were very few since the developers were also affected by the high interest rates.

The data released by Reserve Bank of India shows that the growth in housing loan slowed to 12.1 percent in 2011-12 from 16 percent in the previous year. Demand has fallen down and the number of transactions is falling.

However, it is surprising to note that prices did not show any signs of coming down. While the sales volume in the top 10 cities of the country declined by 10 percent, the property prices have continued to remain constant. For the quarter ended March 2012, the property prices in National Capital Region, Mumbai and Bangalore surged by 33 percent, 17 percent and 8 percent respectively.

Ahmedabad Real Estate

Ahmedabad accounts for nearly 40 percent of realty market share in Gujarat, hence making it a hot spot for residential and commercial projects. Ahmedabad is one of the most infrastructure rich areas in Gujarat.

The Gujarat Government envisages Ahmedabad as a world class city. In public-private partnership, it is looking to upgrade the city to make it, clean, viable and self-sustaining.

Despite the steep rise in property prices and rising interest rates, the real estate sector of the city is still remained very attractive for national and international investors, proving that the city is unaffected by the momentary road blocks.

Since the downturn in 2008, the prices have surged by almost 35 percent in the city and the prices are unlikely to saturate even in the distant future due to its ever increasing value as a major commercial and industrial hub and contributor to the Indian economy. Ahmedabad stood fifth in attracting the FDI equity inflows during the year under review.

Residential

Owing to the increase in home loan interest rates and slow down in equity markets, the residential real estate market has remained stagnant in the near term. However, the property prices are expected to rise many times over the next few years due to inherent demand and pace of growth of infrastructural developments in the city.

The demand-supply mismatch also indicates the potential opportunity in the city. While a total of 1,30,000 houses that are needed for Ahmedabad residents every year, only about 35,000 are being built.

Commercial

In spite of the economic slowdown worldwide, the demand for commercial space in Ahmedabad remained reasonably good due to the absorption that is largely driven by small and medium enterprises and new industries like auto, FMCG, etc.

The lack of new supply in the commercial space along with demand for quality space across the city has resulted in improved vacancy levels. In the coming year, the city is expected to see an addition of 1.5 million sq. ft.

Retail

No new malls are expected to come up in Ahmedabad in 2012-13. Hence, the occupancy is likely to improve in line with the northward trend in demand. The mall rentals have increased by 7 - 11 percent in line with the decrease in mall supply across all micro markets.

The demand for main street locations continued to remain stable due to limited quality supply. The rentals are expected to remain stable in the forthcoming quarters to keep it sustainable for retailers to occupy the space.

Since the beginning of the year 2012, Ahmedabad realty market has seen an improvement in enquiries that has stimulated city's organised retail market.

Company Overview

Ganesh Housing Corporation Limited (GHCL) is one of the prominent players engaged in the business of real estate development and infrastructure development in Ahmedabad, Gujarat. The company came with a public issue in 1993. Currently, shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The company has a strategy to serve its customers by entering into vertical line which includes SEZ, integrated township, residential, commercial and retail spaces.

Ganesh Group has one of the largest developable land bank with nearly 620 acres in and around Ahmedabad. Since inception, the company has done successful execution of 17.3 million sq. ft. development in Ahmedabad. The Company has developed around 0.86 million sq. ft. of residential project and 0.14 million sq. ft. of commercial project.

The Company has one of the biggest township projects in Ahmedabad and is currently in progress of developing 23.36 million sq. ft. township.

A brief profile of various residential, commercial and mega projects is stated as under:

Projects

Residential

- 1) **Maple County:** Located at Shilaj, the residential project comprising of 192 apartments covers 0.43 million sq. ft. The project has total sales of ₹ 114.00 crore.
- 2) **Maple County - 2:** Located at Shilaj, the residential project comprising of 192 apartments covers 0.43 million sq. ft. and

it has a total sale value of ₹ 132.00 crore.

- 3) **Madhuban Hills:** Located at Shrinathji, Rajasthan; the project comprises of 212 row houses with a total construction area of 0.35 million sq. ft. The total sale value of the project is expected to be around ₹ 91.00 crore.
- 4) **Sundarvan Epitome:** Located at Satellite area, in the heart of Ahmedabad city, Sundarvan Epitome comprises of 46 apartments covering 0.23 million sq. ft. The Project has a total sale value of ₹ 147.72 crore.
- 5) **Sundarvan Apostle:** Located at the Satellite area, the project comprises of 36 apartments covering 0.11 million sq. ft. and has a total sale value of ₹ 64.8 crore.
- 6) **Malabar County:** Located at Village: Chharodi, Nr. S. G. Road. The Project comprises of 452 residential units with a total construction area of 0.72 million sq. Ft. The total sales value is ₹ 195 crores.

Commercial

- 1) **GCP Business Center:** Located in the prime Vijay Char Rasta area in Western Ahmedabad, the project consists of 0.11 million sq. ft. of saleable area. and its total sale value is ₹ 53.12 crores.
- 2) **Satva Commercial:** The project consists of 0.03 million sq. ft. commercial saleable space. The total sale value of the project is expected to be around ₹ 21.00 crore.
- 3) **Magnet Corporate Park:** Located on the vibrant S.G. Road, the project is one of the top notch commercial projects coming up in Ahmedabad. It comprises of 23 individual corporate houses with a total saleable area of 0.50 million sq. ft. The total sale value would be around ₹ 259 crores.

Mega Project

Mega Project to be undertaken by the Company is a golf township strategically located at Godhavi, which is merely 7 kms away from S.G. Highway, the commercial hub of Ahmedabad. A detail of Project is as under:

- 1) **Smile City 1:** It is spread across 106 acres of land.
- 2) **Smile City 2:** It is spread across 452 acres of land.

The total built up area shall be 23.36 million sq. ft.

Opportunities and Challenges

Opportunities

- According to the vision document BIG2020, the government of Gujarat has envisaged an investment to the extent of ₹ 11,80,912 crore across 19 infrastructure sectors for the period upto 2010. The Gujarat government has an excellent

track record in creating an enabling environment for investments to happen.

- According to Economic Intelligence Unit, Ahmedabad is ranked 19th financially strongest city in the world. The report says that the vibrant city is witnessing double-digit economic growth and possesses the potential to grow even faster.
- Ahmedabad is brilliantly connected to places like Baroda, Surat, Mehsana and Rajkot through its efficiently linked roads and highways. As per Budget in March 2012, ₹ 500 crore has been earmarked towards the Metro rail project in Ahmedabad in 2012-13. The project will cover 45 km in the first phase and will improve the public transportation.
- Ahmedabad has emerged as one of the fastest growing commercial hubs in India and stands to benefit significantly from the ongoing industrial boom in Gujarat. The company's integrated development approach and proven execution track record has given it a distinctive edge over competition.

Challenges

While the management of the company continues to leverage the opportunities provided by the geography it is present in, it also foresees the following challenges:

- Inflationary pressures which would increase input costs and labour cost
- Availability of skilled resources, acquisition and retention of talented workforce which would ensure quality execution
- Amendments in regulations which makes it difficult to plan and execute
- Due increase in interest rates by Banks, customers are reluctant to buy properties.

Company Strengths

The company continues to capitalize on the market opportunities by leveraging its key strengths. These include:

1. **Reputation:** With experience of over 45 years and 17.30 million sq. Ft. of development, GHCL may be regarded as being the pioneers of developments of smart homes and earthquake resistant homes in Ahmedabad, the company enjoys higher recall which is a key influencer of buying decision of the customer; resulting in higher realisations.
2. **Transparency:** The Company follows a strong culture of corporate governance and ensures high levels of business ethics at all levels.
3. **Qualified execution team:** Employs experienced, capable and qualified design and project management teams to oversee and execute different projects.

Outlook

For the financial year 2012-13, the global and domestic macro economic factors are likely to remain the key drivers for growth. India is struggling with issues related to policies, inflation, weak domestic currency and fiscal deficit to drive positive sentiments.

On the sectoral front, liberalizing the FDI in sectors like retail, appointment of a regulator for the sector, industry status for real estate are some of the factors that will boost confidence and drive fresh investments.

The company will continue to focus on financial health and discipline which will help it remain resilient in adverse developments. The company has continued to adapt to the evolving market realities and deliver best-in-class developments to the customers on time.

Risk Management

Macro Economic Risk

The slowdown in economy and weaker than expected GDP growth could impact the sentiment of buyers negatively, leading to decline in demand. Any further tightening measures by the government to curb inflationary pressures could adversely affect the sentiment of home buyers, thereby affecting the profitability and cash flows of the company.

The company has a reputation of delivering projects with best-in-class quality and value to its customers. The demand for the projects continues to remain reasonably good.

Market Risk

The performance of the company may be affected by the sales and rental prices of its projects. The prices are driven by prevailing market and economic conditions, the nature and location of its projects, and other factors such as brand and reputation and the design of the projects. Your company follows a prudent business model that ensures firm control over the inventory and a steady stream of cash flows.

Geographic Concentration Risk

With the majority of the company's land bank and projects concentrated in Ahmedabad, there is a risk associated with its focus on a single geography.

Rapid development in the state and supportive government has made Ahmedabad as amongst the favoured corporate destinations, which in turn has resulted in fast growing demand for real estate in the City.

Sales Volume Risk

The volume of bookings depends on the ability to design projects that will meet customer preferences, general market factors, project launch and customer trust in entering into sale agreements well in advance till receiving possession of the projects. The company markets and sells its projects in phases from the time it launches the project, until the time it completes the project, depending on market conditions.

Execution Risk

Execution depends on several uncontrollable external factors which include labour availability, raw material availability, receipt of regulatory clearances, access to utilities such as electricity and water, weather conditions and the absence of contingencies such as litigation. The company manages the execution risk through meticulous planning and by engaging established and reputed consultants.

Financing Risk

The real estate development activity requires substantial capital on a regular basis and high interest costs may impact regular business and operations. The company has built sufficient reserves resulting out of steady stream of cash flows to fund its projects and land acquisitions while maintaining a low cost of capital.

Input Costs Risk

The company has a successful track record on delivering over 17.30 million sq. ft. of saleable area. The company has completed all its projects on time with being adversely affected by the change in input costs. Being in the sector for over 45 years, the company has built strong relationships with its stakeholders including suppliers of raw materials and contractors. With a support of efficient in-house team of professionals and specialists, the company has built processes to deliver quality projects to its customers by demonstrating strong resilience to any upward changes in input costs.

Human Resources

The total employee strength as on 31st March 2012 was 114. The company takes immense pride in having one of the lowest attrition rates in the sector. The team includes consultants with diverse skill sets and specialists from numerous fields of construction as well as design with proficiency in respective areas of work. As part of the continuous learning and development process, the employees of the company are exposed to important behavioural and technical training to help them upgrade their skills.

The Company has introduced Employees Stock Option Scheme 2010 [ESOP 2010] amongst the non-executive directors and 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.

Internal Controls and Systems

The company has always believed in being committed to quality and has continued to keep focus on processes and controls. The accounts team continues to streamline the process and manage risk and comprises of top-notch professionals such as Chartered Accountants, , Company Secretaries, MBAs and Lawyers. The internal audit of the company is conducted by reputed auditors who directly reports to the Board/Audit Committee. The statutory audit of the company is conducted by J.M. Parikh & Associates Chartered Accountants, who submit their report to the Board / Audit Committee.

The company believes in leveraging the power of Information Technology to the full extent and also implemented new Enterprise Resource Planning System during the financial year 2010-11.

Financial Overview

INCOME: The total income of the company increased by 23.02 percent from ₹ 170.28 crore in 2010-11 to ₹ 209.46 crore in 2011-12.

EBITDA: The EBITDA of the company increased by 7.15 percent from ₹ 101.38 crore in 2010-11 to ₹ 108.63 crore in 2011-12.

PAT: The profit after tax of the company declined by 24.11 percent from ₹ 59.77 crore in 2010-11 to ₹ 45.36 crore in 2011-12.

Cautionary Statement

This management discussion and analysis contains forward looking statements that reflects our current views with respect to future events and financial performance. Our actual results may differ materially from those anticipated in the forward looking statements as a result of many factors.

Annexure D

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 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 Of Directors

Composition and Category:

The Board of Directors of the Company have an optimum combination of Executive and Non-executive Directors and is in conformity with the provisions of Clause 49 of the listing agreement(s) entered with the Stock Exchange(s) by the Company. It comprises of following Directors:

- (a) Two (2) Executive Promoter Directors which includes One Chairman and Whole Time Director and One Managing Director (i.e. 25% of total strength).
- (b) One (1) Non-Executive Promoter Director (i.e. 12.50% of total strength).
- (c) Five (5) Non-Executive Independent Directors (i.e. 62.50% of total strength).

Further, on basis of declaration received from Directors as on 31st March, 2012, none of the Directors on the Board are Members of more than ten (10) Committees or Chairman of more than five (5) Committees across all the public companies in which they are Directors.

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	Attendance Particulars		No. of Directorships in other Public Companies	Committee Memberships/ Chairmanships of other Companies	
	Board Meeting	Last AGM		Member	Chairman
Chairman & Whole-time Director					
Mr. Dipakkumar G. Patel	8 of 8	No	5	Nil	Nil
Managing Director					
Mr. Shekhar G. Patel	8 of 8	Yes	5	Nil	Nil
Promoter and Non-Executive					
Ms. Lalitaben G. Patel	8 of 8	No	3	Nil	Nil
Non-Executive and Independent					
Dr Bharat J. Patel	8 of 8	No	3	1*	Nil
Dr Tarang M. Desai	7 of 8	Yes	Nil	Nil	Nil
Mr. Arvindbhai R. Nanavati	8 of 8	Yes	1	Nil	Nil
Mr. Ashish H. Modi	8 of 8	Yes	Nil	Nil	Nil
Mr. Sanjay M. Kothari**	NA	NA	1	Nil	Nil

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

** Mr. Sanjay M. Kothari was appointed as an Additional Director of the Company on 10th April, 2012.

Board Meetings:

During the year under review, total eight (8) Board Meetings were held on following dates:

23rd April, 2011, 14th May, 2011, 20th June, 2011, 12th August, 2011, 28th September, 2011, 14th November, 2011, 11th February, 2011 and 23rd March, 2012.

The procedures with respect to Board Meetings and the Meetings of the Committees thereof are in 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 has adopted the Code of Conduct for the Board of Directors and senior management personnel of the Company. 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.

3. 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:

- (a) To investigate any activity within its terms of reference.
- (b) To seek information from any employee.
- (c) To obtain outside legal or professional advice.
- (d) 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 judgment 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:

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

Composition of Committee, Meeting and Attendance of each Member at Meetings:

During the Year under review, Four (4) Audit Committee meetings were held viz. 14th May, 2011; 12th August, 2011; 14th November, 2011 and 11th February, 2012. The time gap between any two meetings was less than four months.

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	Category	Position	Meetings	
			Held	Attended
Mr. Arvindbhai Nanavati	Independent and Non-Executive Director	Chairman	4	4
Dr. Tarang M Desai	Independent and Non-Executive Director	Member	4	4
Mr. Ashish H. Modi	Independent and Non-Executive Director	Member	4	4
Mr. Shekhar G. Patel	Managing Director	Member	4	4

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 held the office of Company Secretary upto 14th May, 2012 and acted as a Secretary to the committee. Thereafter, Ms. Priti Jani, was appointed as Company Secretary.

4. Subsidiary Companies:

The Company has four (4) Subsidiary Companies out of which none is listed on any stock exchange or is covered under the criteria of material non-listed Indian Subsidiary Company. Further, the financial statements of said 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.

5. Remuneration And Compensation Committee:

Remuneration Committee was formed with the objective 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.

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.

Additional terms of reference as per Para 5 of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in order to formulate detailed terms and conditions of the ESOS 2010 including:

- 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:
 - 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.
 - For this purpose global best practices in this area including the procedures followed by the derivative markets.
 - 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.

Composition of Committee, Meeting and Attendance of each Member at Meetings:

During the Year under review, Four (4) Remuneration and Compensation Committee meetings were held viz. 2nd May, 2011; 23th July, 2011; 5th November, 2011 and 31st March, 2012

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

Name	Category	Position	Meetings	
			Held	Attended
Mr. Arvindbhai R. Nanavati	Independent and Non-Executive Director	Chairman	4	4
Dr. Tarang M. Desai	Independent and Non-Executive Director	Member	4	4
Mr. Ashish H. Modi	Independent and Non-Executive Director	Member	4	4
Ms. Lalitaben G. Patel	Promoter and Non-Executive Director	Member	4	4

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 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.

During the financial year 2011-2012 remuneration of ₹ 62.23 lacs was paid to Mr. Dipakkumar G. Patel, Chairman and Whole-time Director of the Company and ₹ 61.92 lacs to Mr. Shekhar G. Patel, Managing Director and. 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 have waived the commission payable to them.

The Non-executive Directors are paid Sitting Fees within the limits as stipulated at Rule 10-B of the Companies (Central Government's) General Rules & Forms, 1956 that should be paid without the approval of the Central Government, for attending Board/ Committee Meetings. During the year under review, non-executive directors were paid Sitting Fees of ₹ 1.62 lacs.

None of the Directors have been granted Stock Option under Employee Stock Option Scheme (ESOP 2010). Details of number of shares held by Non-executive Directors of the Company as on 31st March, 2012 are as under:

Name of Non-Executive Director	Number of Shares held
Mrs. Lalitaben G. Patel	4553436
Mr. Arvindbhai R Nanavati	Nil
Dr. Tarang M Desai	Nil
Mr. Ashish H. Modi	Nil
Dr. Bharat J. Patel	Nil

6. Shareholders'/Investors' Grievance Committee:

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.

Terms of Reference:

The terms of reference of the Investors' Grievance Committee as specified under Clause 49 IV (G), inter alia, includes the following:

- Investor relations and redressal of shareholdings' 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.

Composition of Committee, Meetings and Attendance of each Member at Meetings:

During the Year under review the Committee held twelve meetings. The committee whose terms of reference have been specified as per clause 49 of the Listing Agreement consists of:

Name	Category	Position	Meetings	
			Held	Attended
Mr. Arvindbhai Nanavati	Independent and Non-Executive Director	Chairman	12	12
Dr. Tarang M Desai	Independent and Non-Executive Director	Member	12	12
Mr. Ashish H. Modi	Independent and Non-Executive Director	Member	12	12
Mr. Shekhar G. Patel	Managing Director	Member	12	12

Name and designation of Compliance Officer

Ms. Priti Jani acts as the Compliance Officer.

Details of complaints received and redressed:

Number of complaints outstanding as on 01/04/2011	-	Nil
Number of complaints received from the investor from 01/04/2011 to 31/03/2012	-	1
Number of complaints solved to the satisfaction of the Investors as on 31/03/2012	-	1
Number of complaints pending as on 31/03/2011	-	Nil

7. Share Allotment Committee:

Terms of Reference:

Allotment of Shares on Conversion of Options to Employees/ Non-executive Directors under Employee Stock Option Scheme (ESOP 2010) adopted by the Company on exercise of options granted and vested on Employees/ Non-executive Directors.

Composition of Committee, Meeting and Attendance of each Member at Meetings:

During the year under review, no meeting of Committee was held as none of the Employees/ Non-executive Directors have exercised their right to convert options into shares.

Name	Category	Position	Meetings	
			Held	Attended
Mr. Dipak kumar G. Patel	Chairman & Whole-time Director	Chairman	-	-
Mr. Shekhar G. Patel	Managing Director	Member	-	-
Ms. Lalitaben G. Patel	Promoter & Non-executive Director	Member	-	-

SPECIAL RESOLUTIONS

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

No Extra Ordinary General Meeting was held during the year 2011-2012.

8. General Body Meetings:

Details of last three Annual General Meetings are as follows:

Year	Date	Time	Venue
2008-2009	September 30, 2009	3.00 p.m.	1st 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
2010-2011	September 30, 2011	3.00 p.m.	Ganesh Corporate House, 100 feet, Hebatpur-Thaltej Road, Nr. Sola Bridge, Off. S. G. Highway, Ahmedabad 380 054

POSTAL BALLOTS

No ordinary or special resolutions were passed through a postal ballot during the year 2011-2012.

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 to Accounts - Note No. 41, 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.

(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 Clause 49 of Listing Agreement, the Certification by 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 21st Annual General Meeting

On Saturday, September 29, 2012 at 3.00 p.m.

At:

the Registered Office of the Company

Ganesh Corporate House

100 Feet 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 2012-2013)

Quarter ending	Release of Results
June 30, 2012	Second week of August, 2012
September 30, 2012	Second week of November, 2012
December 31, 2012	Second week of February, 2013
March 31, 2013	End of May, 2013
Annual General Meeting for the year ending March 31, 2013	End of September, 2013

C Date of Book Closure

15th September, 2012 (Saturday) to 29th September, 2012 (Saturday) (Both the days inclusive)

D Dividend Payment Date

The final dividend, if approved by the shareholders, shall be paid on or after October 03, 2012, within the statutory time limit.

E Listing on Stock Exchanges :

BOMBAY STOCK EXCHANGE LTD
25th Floor, 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 2012-2013 have been paid to the aforesaid Stock Exchanges.

F Stock Code / Symbol

- (i) Bombay Stock Exchange Ltd
Scrip Code - 526367
Scrip ID - GANESHSG

Scrip forms part of BSE Small Cap Index.

- (ii) National Stock Exchange Of India Ltd

Company Symbol - GANESHHOUC

- (iii) ISIN Equity shares NSDL/CDSL - INE 460 C 01014

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 Small Cap	
	High (₹)	Low (₹)	Volume (Nos.)	BSE Smallcap (High)	BSE Smallcap (Low)
April 2011	173.80	140.00	3258	8976.17	8175.89
May 2011	146.40	119.00	5137	8744.52	7999.23
June 2011	138.50	111.00	2026	8381.73	7753
July 2011	169.80	132.10	4668	8536.87	8159.30
August 2011	143.25	108.10	4581	8377.62	6892.98
September 2011	142.70	117.10	3244	7421.17	6873.20
October 2011	130.00	117.00	2461	6997.39	6638.86
November 2011	122.40	99.05	3005	7007.29	5914.55
December 2011	115.00	81.15	4491	6248.81	5460.31
January 2012	123.95	88.05	1889	6504.14	5540.30
February 2012	139.85	108.00	1324	7263.11	6464.29
March 2012	131.75	100.00	870	6914.90	6434.17

Month	Company			NSE	
	High (₹)	Low (₹)	Volume (Nos.)	Nifty (High)	Nifty (Low)
April 2011	169.80	140.45	254494	5944.45	5923.85
May 2011	147.50	115.75	878702	5775.25	5766.90
June 2011	139.80	110.00	257569	5657.90	5614.50
July 2011	166.00	132.35	453584	5740.40	5734.65
August 2011	147.95	110.10	180739	5551.90	5527.50
September 2011	147.00	112.10	96678	5169.25	5161.30
October 2011	129.00	116.50	70565	5399.70	5358.90
November 2011	132.95	98.95	323930	5326.45	5325.40
December 2011	112.00	84.00	98253	5099.25	5050.10
January 2012	124.00	87.50	53903	5217.00	5216.75
February 2012	138.95	107.10	82801	5629.95	5609.75
March 2012	128.00	99.00	73290	5499.40	5490.55

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 - 3007 0678. E-mail: mcsahmd@gmail.com.

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, 2012)

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

Shareholding of Nominal Value of ₹	No. of Sharehold- ers	Percentage to total Sharehold- ers	No. of shares held	Percentage to total shares held
Upto 500	10086	92.61	745943	2.28
501-1000	366	3.36	285138	0.87
1001-2000	165	1.52	243470	0.75
2001-3000	76	0.69	193579	0.59
3001-4000	36	0.33	128558	0.39
4001-5000	21	0.19	96651	0.30
5001-10000	53	0.49	404402	1.24
10001 - 50000	45	0.41	1070271	3.28
50001 - 100000	15	0.14	1182114	3.62
100001 - Above	28	0.26	28305754	86.68
TOTAL	10891	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	1902779	5.83
Fls/Banks	2300	0.01
FIs	5806129	17.78
Corporate Bodies	2415405	7.40
HUF	182250	0.56
NRIS	172928	0.53
Indian Public	3799366	11.63
TOTAL	32655880	100.00

K. Dematerialization of Shares and Liquidity

Electronic /Physical	No. of Shares	Percentage (%)
NSDL	30062589	92.06
CDSL	2200608	6.74
Physical	392683	1.20
Total	32655880	100.00

32263197 equity shares were held in the demat form as on 31st March, 2012, constituting 98.80% 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 Real Estate 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

Company Secretary
Ganesh Housing Corporation Limited
Ganesh Corporate House
100 Feet Hebatpur - Thaltej Road
Near Sola Bridge, Off. S. G. Highway,
Ahmedabad - 380 054.
Tel. No. +91 - 79 - 6160 8888
Fax No. +91 - 79 - 6160 8899
E-mail: investors@ganeshhousing.com

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, 2012 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, 2012 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
FRN:- 118007W

Place: Ahmedabad

Date : 14/08/2012

Kaushal Shah
Partner
Membership No.:- 127379

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, 2012, 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 : 14/08/2012

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, 2012 and the Statement of Profit and Loss 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 Statement of Profit and Loss 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 Statement of Profit & Loss 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, 2012 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, 2012 and
- ii. in so far as it relates to the Statement of Profit and Loss, 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 :- 14/08/2012

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 unsecured business advance to 6(Six) companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 52670.52 lacs and the year end balance of business advances granted to such companies was ₹ 48690.04 lacs.
The company has granted unsecured loan to two other parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 814.46 lacs and the year end balance of loan granted to such other parties was ₹ 813.06 lacs. The company has not granted any loan to any firm covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) The company has granted unsecured 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 parties 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 parties, 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 interest free loan granted are repayable on demand. Hence, the question of regular repayment of principal amount does not arise. The Interest amount, wherever, applicable is being paid regularly.
- (d) There is no overdue amount of business advances and loan granted by the company to companies & other parties listed in the register maintained under Section 301 of the Companies Act, 1956, as the business advances and loans are repayable on demand.
- (e) The company had taken interest free unsecured loans from 1(one) Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 2128.50 lacs and the year end balance of loans taken from such Company was ₹ 2126.50 lacs.
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 some of 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) We are broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(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, 2012 for a period of more than six months from the date of becoming payable other than the following:

Name of Statute	F.Y.	Amt. ₹ In Lacs	Name of Authority
Stamp Duty	2001-2002	1.75	Superintendent of stamps- Gandhinagar, Gujarat
Stamp Duty	2007-2008	307.88	Superintendent of stamps- Gandhinagar, Gujarat
TDS Payable	2011-2012	41.89	TDS Department -Income Tax Authority
Tax on Dividend	2010-2011	119.32	Income Tax Authority
Service Tax Payable	2011-2012	0.28	Service Tax Authority

However, Tax deducted at source, Tax on dividend & Service Tax have since been paid by the company.

- (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.	Amt. ₹ In Lacs	From where dispute is pending
Income Tax	2006-2007	1273.44	CIT (Appeal) - Income Tax Authority
Income Tax	2008-2009	441.76	CIT (Appeal) - Income Tax Authority

- (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 Private Limited & Maheshwari

(Thaltej) Complex Private Limited in each case 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 on the date of Balance Sheet. 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 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 :- 14/08/2012

Kaushal Shah
Partner
Membership No.:- 127379

BALANCE SHEET AS AT 31ST MARCH 2012

[₹ In Lacs]

Particulars	Note	As At The End Of Current Reporting Period 31/03/2012	As At The End Of Previous Reporting Period 31/03/2011
I EQUITY & LIABILITIES			
1 SHAREHOLDERS' FUNDS:-			
Share Capital	2	3265.59	3265.59
Reserve & Surplus	3	54496.66	51786.90
		57762.25	55052.49
2 NON CURRENT LIABILITIES:-			
Long Term Borrowings	4	10563.97	20498.59
Other Long Term Liabilities	5	2464.52	3288.40
Long Term Provisions	6	24.89	31.05
		13053.38	23818.04
3 CURRENT LIABILITIES:-			
Short Term Borrowings	7	3712.96	1319.21
Trade Payables	8	1734.66	638.80
Other Current Liabilities	9	14944.60	6873.30
Short Term Provisions	10	391.87	2544.43
		20784.09	11375.75
TOTAL		91599.72	90246.28
II ASSETS			
1 NON CURRENT ASSETS:			
Fixed Assets			
-Tangible Assets	11	6196.96	6092.04
-Intangible Assets	11	21.56	10.46
-Capital Work-in-Progress	11	107.89	273.28
Non Current Investments	12	13731.52	13730.01
Deferred Tax Assets (Net)	13	156.61	76.10
Long Term Loans & Advances	14	2002.67	1731.52
		22217.20	21913.41
2 CURRENT ASSETS:			
Inventories	15	510.53	1860.92
Trade Receivables	16	19027.40	12669.44
Cash & Cash Equivalents	17	177.53	9401.90
Short Term Loans & Advances	18	48918.04	43548.88
Other Current Assets	19	749.02	851.72
		69382.52	68332.87
TOTAL		91599.72	90246.28
III Significant Accounting Policies & Notes Forming Part of Accounts	1 to 44		

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2012

[₹ In Lacs]

Particulars	Note	For The Current Reporting Period 2011-2012	For The Previous Reporting Period 2010-2011
I INCOME:-			
Revenue from Operations	20	17117.55	16121.66
Other Income	21	894.23	139.28
TOTAL		18011.78	16260.94
II EXPENSES :-			
Project Expenses	22	6291.56	4263.47
Changes in Inventories	23	1350.39	784.41
Employee Benefit Expenses	24	654.31	431.93
Finance Cost	25	4730.16	2517.41
Depreciation		253.02	104.98
Other Expenses	26	1026.46	942.23
TOTAL		14305.90	9044.43
III Profit Before Tax		3705.87	7216.50
IV Tax Expenses:			
Current Tax:			
Income Tax		(725.00)	(1450.00)
Wealth Tax		(2.20)	(3.37)
Deferred Tax		80.51	10.64
Excess / (short) prov. of Income Tax of earlier years W/off.		0.00	(0.01)
Excess / (short) prov. of Wealth Tax of earlier years W/off.		0.18	0.06
Excess / (short) prov. of Fringe Benefit Tax of earlier years W/off.		0.00	(0.56)
		(646.51)	(1443.26)
V Profit After Tax		3059.36	5773.24
VI Basic & Diluted Earning Per share [In ₹]	39		
-Before extra ordinary items		9.37	17.68
-After extra ordinary items		9.37	17.68
VII Significant Accounting Policies & Notes Forming Part of Accounts	1 to 44		

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

CASH FLOW STATEMENT FOR YEAR ENDED ON 31ST MARCH 2012

₹ In Lacs]

Particulars	2011-2012	2010-2011
A Cash Flow From Operating Activities:		
Net Profit Before Tax And Previous Year's Figures	3705.87	7216.50
Less: Interim Dividend & Dividend Tax	455.44	837.75
Total	3250.43	6378.75
Add: - Provision For Previous Year Now Written Back	0.18	(0.52)
Add: - Deferred Tax	80.51	10.64
	80.69	10.12
Net Profit After Tax	3331.12	6388.87
Add/Less Adjustments For		
Depreciation	253.02	104.98
Provision For Taxation	(725.00)	(1450.00)
Provision For Wealth Tax	(2.20)	(3.37)
Interest Expenses	4730.16	2517.41
Employees Compensation Expenses	105.84	0.00
Interest Income	(827.59)	(33.24)
	3534.24	1135.78
Operating Profit Before Working Capital Changes	6865.36	7524.64
Add/Less Adjustments For		
Inventories	1350.39	784.41
Trade And Other Receivables	(6357.96)	4912.19
Other Current Assets	102.70	(492.61)
Trade Payables	1095.86	46.60
Other Current Liabilities	8071.30	(269.06)
Short Term Provisions	(2152.56)	258.08
Other Long Term Liabilities	(823.88)	(1071.60)
Long Term Provisions	(6.16)	3.62
Increase In Deferred Tax Assets	(80.51)	(10.64)
Cash Generated From Operations	1199.18	4160.98
B Cash Flow From Investing Activities :		
Purchase Of Fixed Assets	(483.02)	(1807.53)
Capital Work In Progress	165.40	551.81
Sale Of Fixed Assets	113.98	46.80
Investments Made	(1.51)	(8736.72)
Movement In Loans & Advances	(5640.31)	(7521.87)
Interest Received	827.59	33.24
Net Cash Used In Investing Activities	(5017.88)	(17434.27)
C Cash Flow From Financing Activities :		
Proceeds From Long Term Borrowings	(9934.62)	1717.42
Proceeds From Short Term Borrowings	2393.75	(48.90)
Interest Paid	(4730.16)	(2517.41)
Net Cash Used In Financing Activities	(12271.03)	14607.90
Net Increase In Cash And Cash Equivalents	(9224.38)	8859.27
Cash And Cash Equivalents As At 01-04-2011 (Opening Balance)	9401.90	542.64
Cash And Cash Equivalents As At 31-03-2012 (Closing Balance)	177.53	9401.90

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

NOTES FORMING PART OF ACCOUNTS

Note - 1. 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.

NOTES FORMING PART OF ACCOUNTS

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.

D. In respect of employees' stock options, the excess of fair price on the date of grant over the exercise price is recognized as deferred compensation cost amortised over the vesting period.

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 year 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

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 2		
Share Capital :		
AUTHORISED:- 5,00,00,000 (Previous year 5,00,00,000) Equity Shares of ₹.10/- each	5000.00	5000.00
	<u>5000.00</u>	<u>5000.00</u>
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:- 3,26,55,880 (Previous year 3,26,55,880) Equity shares of ₹.10/- each fully paid up	3265.59	3265.59
	<u>3265.59</u>	<u>3265.59</u>
Total		

Note :

1. Out of above paid up Equity Shares, 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 2006-2007.
2. The reconciliation of number of shares at the beginning of the year and at the close of the year is not given as there is no change in the paid up capital.
3. The Statement of Shareholders Holding More Than 5% Equity Shares of The Company:-

Particulars	As At 31/03/2012		As At 31/03/2011	
	No. Of Shares	% Of Holding	No. Of Shares	% Of Holding
Dipakkumar G. Patel	6229117	19.08%	6229117	19.08%
Shekhar G. Patel	6994390	21.42%	6994390	21.42%
Lalitaben G. Patel	4553436	13.94%	4553436	13.94%
Citi Group Global Markets Mauritius Pvt. Ltd.	1795000	5.50%	1795000	5.50%
Reliance Capital Trustee Company Ltd. account Reliance Growth Fund	1902779	5.83%	1767923	5.41%

4. Right, Preferences and Restrictions attached to shares:

The company has one class of equity shares having a par value of ₹ 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

5. The company had reserved 1500000 equity shares of ₹ 10/- each for offering to eligible employees of the company and its subsidiaries under Employees' stock option scheme (ESOP) in 2010. During the year company has granted NIL (Previous year 998815) options to the employees. The options were granted to the employees at a price of ₹ 171/- per share. The options would vest over a period of seven years.

Note - 3

Reserves & Surplus:

(a) SECURITY PREMIUM

Balance As Per Last Balance Sheet

24501.40

24501.40

24501.40

24501.40

(b) GENERAL RESERVE

Balance As Per Last Balance Sheet

4245.61

3645.61

Add : Transfer from Profit & Loss Statement

100.00

600.00

4345.61

4245.61

(c) Employees' Stock Option outstanding

Less: Deferred Employees' Compensation

529.21

705.66

423.37

705.66

105.84

0.00

(d) PROFIT & LOSS

Balance As Per Last Balance Sheet

23039.89

18704.40

Add : Transfer from Profit & Loss Statement

3059.36

5773.24

26099.26

24477.64

Less: Appropriation:-

Transferred to General Reserve

100.00

600.00

Proposed dividend on Equity Shares

391.87

718.43

[Dividend per Share ₹ 1.20, (Pre. Yr. ₹ 1.80)]

Tax on dividend

63.57

119.32

555.44

1437.75

25543.81

23039.89

54496.66

51786.90

Total

NOTES FORMING PART OF ACCOUNTS

[₹ In Lacs]

Particulars			As At 31/03/2012	As At 31/03/2011
Note - 4				
Long Term Borrowings				
Secured:-				
A) Term Loans:				
(i) From Banks			1000.00	1400.00
(ii) From Others			9514.22	19096.34
			10514.22	20496.34
B) Vehicle Loans:-				
(i) From Banks			38.03	0.52
(ii) From Others			11.72	1.74
			49.75	2.25
Total			10563.97	20498.59
[Refer Note No. 33 For Security Details]				
Maturity Profile Of Secured Term Loans Are As Set Out Below:				
Maturity Profile:-	2012-13	2013-14	2014-15	Beyond 2015-16
Term Loans From Banks	1025.98	1028.28	9.76	0.00
Term Loans From Others	12198.87	6321.08	1961.79	1243.06
Note - 5				
Other Long Term Liabilities				
Statutory Liabilities			2464.52	3288.40
Total			2464.52	3288.40
Note - 6				
Long Term Provision				
Provision For Employees' Benefits:-				
-Provision For Gratuity			24.89	31.05
Total			24.89	31.05
Note - 7				
Short Term Borrowings				
Unsecured & Repayable On Demand:-				
Intercompany Loan:-				
(i) From Related Party:				
-Gatil Properties Private Limited			2126.50	0.00
(ii) From Others			421.14	421.54
			2547.64	421.54
Loan From Others			1165.32	897.67
Total			3712.96	1319.21

Note:- All Unsecured Loans Are Repayable On Demand. As They Are Repayable On Demand, They Are Shown As Short Term Borrowing.

NOTES FORMING PART OF ACCOUNTS

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 8		
Trade Payables		
Micro, Small & Medium Enterprise	0.00	0.00
Others	1734.66	638.80
Total	<u>1734.66</u>	<u>638.80</u>
Note - 9		
Other Current Liabilities		
Current Maturities Of Secured Long Term Debts	13224.85	5740.25
Interest Accrued But Not Due	41.90	5.93
Unpaid / Unclaimed Dividends	90.66	66.56
(Liability Towards Investors Education And Protection Fund U/S 205c Of The Companies Act, 1956 Not Due)		
Other Payables *	1415.86	274.30
Booking Advance Received From Customers	171.32	786.26
Total	<u>14944.60</u>	<u>6873.30</u>
* Includes Statutory Dues, Retention Money Of Suppliers & Unpaid Expenses.		
Note - 10		
Short Term Provision		
Proposed/ Interim Dividend	391.87	718.43
Provision For Fringe Benefit Tax	0.00	11.20
Provision For Wealth Tax	0.00	10.20
Provision For Income Tax	0.00	3705.04
	<u>0.00</u>	<u>3726.44</u>
Less:- Advance Payment Of Income Tax, Fbt, Tds & Wt	0.00	1900.44
	<u>0.00</u>	<u>1826.00</u>
Total	<u>391.87</u>	<u>2544.43</u>

NOTES FORMING PART OF ACCOUNTS

Note - 11 Fixed Assets

[₹ In Lacs]

Description Of Assets	Gross Block			Depreciation				Net Block		
	As At 01-04-2011	Addition During Year	Deductions During Year	As At 31-03-2012	As At 01-04-2011	Depreciation / Amortisation During The Year	Deductions During Year	As At 31-03-2012	As At 31-03-2012	As At 31-03-2011
Tangible Assets:										
Land	3947.64	0.00	0.00	3947.64	0.00	0.00	0.00	0.00	3947.64	3947.64
Office Premises	1328.13	227.94	0.00	1556.08	33.71	64.88	0.00	98.59	1457.48	1294.42
Plant & Machinery	51.49	0.09	0.00	51.59	17.97	5.33	0.00	23.30	28.28	33.52
Furniture & Fixtures	321.38	20.43	0.00	341.82	67.67	46.46	0.00	114.13	227.69	253.71
Vehicles	607.39	135.96	291.64	451.71	328.45	68.61	177.66	219.41	232.31	278.94
Office Equipments	259.57	65.19	0.00	324.77	27.35	35.21	0.00	62.56	262.21	232.22
Computer	74.66	11.50	0.00	86.16	23.08	21.72	0.00	44.81	41.36	51.58
Total - A	6590.28	461.12	291.64	6759.76	498.24	242.22	177.66	562.80	6196.96	6092.04
Previous Year	4881.46	1797.10	88.28	6590.28	434.77	104.96	41.48	498.24	6092.04	
Intangible Assets:										
Software	12.85	21.90	0.00	34.75	2.39	10.80	0.00	13.19	21.56	10.46
Total - B	12.85	21.90	0.00	34.75	2.39	10.80	0.00	13.19	21.56	10.46
Previous Year	2.42	10.44	0.00	12.85	2.37	0.03	0.00	2.39	10.46	
Grand Total [A+B]	6603.13	483.02	291.64	6794.51	500.63	253.02	177.66	575.99	6218.52	6102.50
Previous Year	4883.88	1807.53	88.28	6603.13	437.13	104.98	41.48	500.63	6102.50	
Capital Work-In-Progress									107.89	273.28

NOTES FORMING PART OF ACCOUNTS

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 12		
Non Current Investments		
Unquoted & Fully Paid Up:-		
A. Trade Investments:-		
<u>In Equity Instruments Of:</u>		
(i) Associates Companies:-		
10 Equity Shares (Pre. Yr. 10) Of ₹.10/- Each Starnet Software (India) Ltd.	0.00	0.00
10,000 Equity Shares (Previous Year 10,000) Of ₹.10/- Each In Ganesh Infrastructure (India) Pvt Ltd.	1.00	1.00
	1.00	1.00
(ii) Others		
40 Equity Shares (Pre. Yr. 40) Of ₹.100/- Each Shrinidhi Office Owners' association	0.04	0.04
	0.04	0.04
Total Of Trade Investments	1.04	1.04
B. Other Investments:-		
<u>Long Term Investments In Equity Instruments Of Subsidiary Companies:</u>		
10,000 Equity Shares (Previous Year 10,000) Of ₹.10/- Each In Yash Organiser Pvt Ltd.	250.00	250.00
69,21,778 Equity Shares (Previous Year 69,21,778) Of ₹ 10/- Each In Gatil Properties Pvt Ltd.	13478.97	13478.97
10,000 Equity Shares (Previous Year Nil) Of ₹.10/- Each In Maheswari (Thaltej) Complex Pvt Ltd	1.00	0.00
5,100 Equity Shares (Previous Year Nil) Of ₹.10/- Each In Shaily Infrastructure Pvt Ltd	0.51	0.00
Total Of Other Investments	13730.48	13728.97
Total	13731.52	13730.01
Note - 13		
Deferred Tax Assets (Net)		
<u>Deferred Tax Assets:-</u>		
Timing Difference :-		
Expenses Disallowed U/S. 40a(7)	8.46	10.55
Expenses Disallowed U/S. 35dd	0.00	1.73
Expenses Disallowed U/S. 43b	114.74	7.34
Diff. In Wdv Of Fixed Assets As Per Books & It Return	33.41	56.48
Total - A	156.61	76.10
<u>Deferred Tax Liabilities:-</u>		
Timing Difference	0.00	0.00
Total - B	0.00	0.00
Total A - B = Net Deferred Tax Assets	156.61	76.10

NOTES FORMING PART OF ACCOUNTS

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 14 Long Term Loans & Advances [Unsecured, Considered Good]		
Business Advances To Co-Operative Societies:		
To Related Party:-		
-Mahalaxmi Co.Op.Hsg.Soc.Ltd.	806.58	535.43
To Others	972.84	972.84
	<u>1779.42</u>	<u>1508.27</u>
Business Advances To Non Trading Corporation	52.25	52.25
Advance For Purchase Of Land	21.00	21.00
Other Advances	150.00	150.00
Total	<u>2002.67</u>	<u>1731.52</u>
Note - 15 Inventories		
Inventories (As Taken, Valued & Certified By Management)		
Work-In-Process - (Construction Projects)	510.53	1860.92
Total	<u>510.53</u>	<u>1860.92</u>
Note - 16 Trade Receivables [Unsecured, Considered Good]		
-More Than Six Months	9312.35	5858.13
-Others	9715.05	6811.31
Total	<u>19027.40</u>	<u>12669.44</u>
Note - 17 Cash & Cash Equivalents		
Cash On Hand	28.00	13.47
Balances With Banks :		
In Other Accounts	58.86	9321.87
In Unpaid Dividend Account	90.67	66.56
	<u>149.53</u>	<u>9388.43</u>
Total	<u>177.53</u>	<u>9401.90</u>

NOTES FORMING PART OF ACCOUNTS

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 18		
Short Term Loans & Advances		
[Unsecured, Considered Good]		
Advances For Purchase Of Land	0.16	0.00
<u>To Related Parties:-</u>		
<u>A. For Business Advances:-</u>		
(I) To Associates Company:-		
Ganesh Plantations Limited	74.60	51.60
Mihika Buildcon Limited	10.02	12.67
Sanat Complex Private Limited	0.00	23.00
	<u>84.62</u>	<u>87.27</u>
(Ii) To Subsidiary Companies:-		
Gatil Properties Private Limited	0.00	101.50
Yash Organisers Private Limited	258.70	1486.15
Maheshwari(Thaltej)Complex Private Limited	48346.72	41706.75
	<u>48605.42</u>	<u>43294.40</u>
<u>B. For Loan:-</u>		
-To Govindbhai C Patel Foundation	6.48	7.66
	<u>48696.53</u>	<u>43389.34</u>
Loan & Advances To Others	221.35	159.54
Total	<u>48918.04</u>	<u>43548.88</u>
Note - 19		
Other Current Assets		
Advance To Suppliers	130.02	196.96
Service Tax Recoverable From Members	267.55	174.10
Electricity, Auda, Legal Charges Receivable For Residential Projects	137.98	461.78
Registration Deposit	15.85	14.91
Office Maintenance Deposit	3.96	3.96
Advance Payment Of Income Tax, Fbt,Tds & Wt	4696.55	0.00
Less:-		
Provision For Wealth Tax	9.29	0.00
Provision For Income Tax	4493.61	0.00
	<u>4502.90</u>	<u>0.00</u>
	<u>193.66</u>	<u>0.00</u>
Total	<u>749.02</u>	<u>851.72</u>
Note:- 20		
Revenue From Operations		
Sales	17117.55	16121.66
Total	<u>17117.55</u>	<u>16121.66</u>

NOTES FORMING PART OF ACCOUNTS

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note:- 21		
Other Income		
Interest Income :-		
-From Banks	106.75	32.09
-From Others	720.84	1.16
	<u>827.59</u>	<u>33.24</u>
Income From Commission Of Home Loan	1.76	5.80
Income From Sale Of Scrap	8.95	3.50
Profit On Sale Of Fixed Assets	6.02	0.59
Service Tax Refundable	25.18	0.00
Miscellaneous Income	0.34	0.09
Sundry Balances Written Off	8.41	96.06
Previous Year Income	15.98	0.00
Total	<u>894.23</u>	<u>139.28</u>
Note - 22		
Project Expenses		
Carting Exp	26.09	40.17
Electric Exp.	45.42	34.21
Future Project Exp.	0.00	11.16
Insurance Exp.	0.72	5.81
Labour Exp.	1625.05	1224.33
Labour Welfare Exp.	23.46	11.57
Land Purchase	45.60	0.00
Machinery Rent	13.37	6.38
Material Testing Charges	0.24	0.65
Professional Charges	144.93	6.72
Raw Material Purchase	4290.20	2881.19
Repairs & Maintenance Exp.	2.05	1.46
Site Exp.	4.92	4.63
Site Office Exp.	8.38	7.01
Site Security Exp.	50.71	25.56
Scrutiny Fee (Amc)	0.17	0.00
Supervision Charges (Govt.)	1.02	0.00
Expenses Of Past Projects	9.24	2.61
Total	<u>6291.56</u>	<u>4263.47</u>
Note:- 23		
Changes In Inventories		
<u>Closing Stock:-</u>		
Stock Of Wip	510.53	1860.92
	<u>510.53</u>	<u>1860.92</u>
<u>Less: Opening Stock:-</u>		
Stock Of Wip	1860.92	2645.33
	<u>1860.92</u>	<u>2645.33</u>
(Increase) / Decrease In Stock	<u>1350.39</u>	<u>784.41</u>
Total	<u>1350.39</u>	<u>784.41</u>

NOTES FORMING PART OF ACCOUNTS

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 24		
Employee Benefit Expenses		
Salary, Allowances & Bonus Expenses	402.86	294.71
Directors' Remuneration	120.00	120.00
Contribution To Provident & Other Fund	19.13	13.68
Staff Welfare Expenses	6.47	3.55
Employees' Compensation Exp.	105.84	0.00
Total	654.31	431.93
Note - 25		
Finance Cost		
Bank Charges	0.32	1.47
Loan Prepayment Charges	0.00	14.47
Loan Processing Charges	112.13	580.05
	112.45	595.99
Interest To:-		
-Banks	284.42	318.26
-Others	4325.64	1512.78
-Late Payment Of Taxes	1.89	8.18
Finance Charges	5.76	8.90
	4617.71	1848.12
Foreign Exchange Fluctuation	0.00	73.30
Total	4730.16	2517.41
Note - 26		
Other Expenses		
<u>Administrative & Other Expenses:-</u>		
Advertisement Expenses	0.00	0.08
Appeal Fees	0.12	0.01
Audit Fees	8.43	5.52
Computer Consumable	0.97	1.68
Conveyance Expenses	4.96	2.75
Postage & Courier Charges	1.77	2.26
Depository & Share Transfer Agent Exp.	3.77	4.19
Donation	43.73	144.34
Electric Expenses	32.06	20.20
Filing Fees	0.12	0.19
Insurance Expenses	9.21	5.36
Internet & Website Expenses	4.23	2.79
Legal Expenses	310.66	2.92
Loss On Sale Of Fixed Assets	0.00	14.44
Mobile Phone Exp.	17.67	15.22
Motor-Car Exp.	29.31	33.85
Municipal Tax	20.27	2.70
Office & Office Maintenance Expenses	28.33	35.40
Penalty	4.41	0.06
Previous Year Expenses	5.73	50.76
Professional Fee	195.21	298.84
Professional Tax	0.02	0.02
Religious Expenses	0.80	10.07
Repair & Maintenance Expenses	3.64	3.37
Security Service Charges	19.22	34.42
Service Tax	16.26	8.43
Sitting Fees - Directors	1.62	2.10
Stationery, Printing, Typing & Xerox Expenses	15.02	14.94
Sundry Balances Written Off	3.85	13.16
Telephone Exp.	2.39	1.72
Travelling Exp.	25.90	16.31
Vat Exp.	65.04	85.15
	874.71	833.26
Marketing Expenses:-		
Advertisement Expenses	35.94	34.39
Brochure Exp.	9.35	3.14
Brokerage Exp.	3.40	0.54
Sales Promotion Exp	7.01	16.14
Sponsorship Charges	96.07	54.76
	151.75	108.97
Total	1026.46	942.23

NOTES FORMING PART OF ACCOUNTS

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

28. CONTINGENT LIABILITIES:

- A. Amalgamated with company 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 had issued a notice under The Bombay Stamp Act, 1958 calling upon the Company to pay stamp duty of Rs.1.75 lacs 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. For the Asst. Year 2007-2008 the Assessing officer assessed the income of the company and raised a demand of ₹ 1273.44 lacs. Aggrieved by this order the company went in to Appeal with CIT (Appeal) - VIII. The Order of the CIT (Appeal) is awaited.
- C. For the Asst. Year 2009-2010 the Assessing officer assessed the income of the company and raised a demand of ₹ 441.76 lacs. Aggrieved by this order the company went in to Appeal with CIT (Appeal) - VIII. The Order of the CIT (Appeal) is awaited.

29. 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.
30. Balance of Long Term & Short Term Borrowings, Trade Payables, Trade Receivables and Loans and Advances are subject to confirmation.
31. 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.
32. Payment to auditors:

(₹ In Lacs)

Sr. No.	Particulars	2011-2012	2010-2011
1	As Auditors	8.43	5.51
2	Tax Audit Fees	2.81	0.55
3	For Company Law	0.27	0.00
4	For Certification & other Work etc.	1.22	0.83
	Total	12.73	6.89

33. 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 the promoter directors of the Company.
- B. Loan from India Infoline Investments Services Ltd.:
Charge secured by mortgage of Immovable Property and Corporate Guarantee of the Associate Company, Pledge of shares of Subsidiary & Associates Companies, personal guarantee of three promoter directors of the Company and pledge of share of promoter directors.
- 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 IFCL Ltd.:
Pledge of Shares and Personal Guarantee of Promoter Directors of the Company.

NOTES FORMING PART OF ACCOUNTS

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. Loan from SREI Equipment Finance Pvt. Ltd.:

Charge secured by mortgage of Immovable Property of the promoter directors of the Company and hypothecation of equipments of the company.

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

34. 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 31 2012. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

35. The information required as per para 5 (viii) (a) & (c) of part II of schedule VI of the Companies Act, 1956 regarding information about the value of imports calculated on CIF basis, total value of imported raw materials, spare parts & components consumed and total value of indigenous raw-materials, spare parts & components consumed and percentage of each of the total consumption are ₹ NIL.

36. The information required as per para 5 (viii) (b), (d) & (e) of part II of schedule VI of the Companies Act, 1956 regarding expenditure in foreign currency, the dividend remitted in foreign currency and earning in foreign exchange are as follows:

Earning in Foreign Currency:

(₹ In Lacs)

Sr. No.	Particulars	2011-2012	2010-2011
1	Booking of Residential Property	29.83	71.02
	Total	29.83	71.02

Expenditure in Foreign Currency:

(₹ In Lacs)

Sr.No.	Particulars	2011-2012	2010-2011
1	Foreign Travelling Exp.	4.86	0.00
2	Purchase of Fixed Assets	0.00	69.33
3	Bank loan repayment	0.00	1801.49
	Total	4.86	1870.82

37. The information required as per para 5 (ii) & (iii) of part II of schedule VI of the Companies Act, 1956 regarding the purchases, sales, the opening and closing stock are as follows:

(₹ In Lacs)

Residential Projects		
Particulars	2011-2012	2010-2011
i) Opening Stock		
Land	1502.94	2447.15
W.I.P.	357.98	198.18
Total	1860.92	2645.33
ii) Purchase		
A) Land	45.60	0
B) Construction Materials		
Bricks	217.63	193.54
Cement	309.44	228.38
Rmc	559.72	514.54
Steel	500.59	762.17
Other Materials	2702.82	1182.56
Total	4335.80	2881.19
iii) Consumption		
A) Land	0	0
B) Construction Materials		
Bricks	217.63	193.54
Cement	309.44	228.38
Rmc	559.72	514.54
Steel	500.59	762.17
Other Materials	2702.82	1182.56
Total	4290.20	2881.19
iv) Closing Stock		
Land	468.23	1502.94
W.I.P.	42.30	357.98
Total	510.53	1860.92
V) Sales		
Land & Constructed Units	17117.55	16121.66
Total	17117.55	16121.66

(₹ In Lacs)

Value Of Imported & Indigenous Raw Material Consumed				
Particulars	%	2011-2012	%	2010-2011
Imported	Nil	Nil	Nil	Nil
Indigenous	100	4290.20	100	2881.19
Total	100	4290.20	100	2881.19

NOTES FORMING PART OF ACCOUNTS

38. 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 except Maheshwari (Thaltej) Complex Private Limited. 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.

39. Basic Earnings per share:-

Sr. No	Particulars	2011-2012	2010-2011
A	Calculation Of Weighted Average Number Of Equity Shares Of ₹.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 [₹ In Lacs]	3059.36	5773.24
C	Basic Earnings Per Share [In ₹]		
	-- Before Extra Ordinary Items	9.37	17.68
	-- After Extra Ordinary Items	9.37	17.68

40. 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.

41. 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, 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 Infrastructure 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, 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, Mahalaxmi Co. Op. Housing Society Limited.

2. Subsidiary

- A. Yash Organiser Private Limited
B. Gatil Properties Private Limited
C. Maheshwari (Thaltej) Complex Private Limited.
D. Shaily Infrastructure Private Limited.

3. Key Management Personnel

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

(Related parties as identified by the company and relied upon by the auditors)

NOTES FORMING PART OF ACCOUNTS

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2012:-

(₹ In Lacs)

Nature of Transaction by reporting company	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Advances	NIL	48605.42	897.68	NIL	NIL	49503.10
	<i>NIL</i>	<i>1587.65</i>	<i>41801.68</i>	<i>NIL</i>	<i>NIL</i>	<i>43389.34</i>
Short Term Borrowings	NIL	2126.50	NIL	NIL	NIL	2126.50
	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
Investment in equity of other group companies	NIL	13730.48	1.00	NIL	NIL	13731.48
	<i>NIL</i>	<i>13728.97</i>	<i>1.00</i>	<i>NIL</i>	<i>NIL</i>	<i>13729.97</i>
Reimbursement of Exp.	NIL	1.92	0.49	4.00	NIL	6.41
	<i>NIL</i>	<i>1.89</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>1.89</i>
Trade payables	NIL	NIL	45.60	NIL	NIL	45.60
	<i>NIL</i>	<i>NIL</i>	<i>4.42</i>	<i>NIL</i>	<i>NIL</i>	<i>4.42</i>
Other Current Liability	NIL	NIL	7.50	8.31	NIL	15.81
	<i>NIL</i>	<i>NIL</i>	<i>0.02</i>	<i>0.27</i>	<i>NIL</i>	<i>0.23</i>
Remuneration to Directors	NIL	NIL	NIL	120.00	NIL	120.00
	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>120.00</i>	<i>NIL</i>	<i>120.00</i>
Expenses (Includes Purchase of land, Directors sitting fees, Travelling & Medical Exp.	NIL	NIL	45.60	21.59	NIL	67.19
	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>8.77</i>	<i>NIL</i>	<i>8.77</i>
Income-Interest Income	NIL	719.80	NIL	NIL	NIL	719.80
	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>

* Figures in italics shown previous year figures.

42. Employees Stock Option Scheme:

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. The scheme was approved by the members of the company 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. Total grant approved by 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 was vested to the employees as on 01/11/2011.

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

Details of Options Granted and Lapsed:

Particulars	No. Of Option Granted 2011-2012	No. Of Option Granted 2010-2011
Option Granted and Outstanding at the beginning of the year	966659	0
Add: Option Granted During the year	0	998815
Less: Option lapsed during the year	241718	32156
Option Granted and Outstanding at the end of the year	724941	966659

NOTES FORMING PART OF ACCOUNTS

Details of Options Vests & Lapsed:

PARTICULARS	NO. OF OPTION VESTED 2011-2012	NO. OF OPTION VESTED 2010-2011
Option Vested and Outstanding at the beginning of the year	0	0
Add: Option Vested During the year	886816	0
Less: Vest Option lapsed during the year	161875	0
Option Vested and Outstanding at the end of the year	724941	0

No options were exercised during the year.

43. Donation includes ₹ 1.00 lacs contributed during the year to Bhartiya Janta Party - Gujarat Pradesh.
44. During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statement. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

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 ('the Company') and its subsidiaries (together referred to as 'the Group') as at 31st March, 2012 and also the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. 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 company's management in accordance the requirements of Accounting Standard AS -21, consolidated financial statements, as notified under the Companies (Accounting Standards) Rules 2006.
4. Based on our audit as aforesaid, and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
 - ii. in the case of the Consolidated Statement of Profit and Loss, 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 :- 14/08/2012.

Kaushal Shah
Partner

Membership No.:- 127379.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2012

		[₹ In Lacs]	
Particulars	Note	As At The End Of Current Reporting Period 31/03/2012	As At The End Of Previous Reporting Period 31/03/2011
I EQUITY & LIABILITIES			
1 SHAREHOLDERS' FUNDS:-			
Share Capital	2	3265.59	3265.59
Reserve & Surplus	3	57888.37	53428.56
		61153.96	56694.15
2 Minority Interest		8953.54	6786.08
3 NON CURRENT LIABILITIES:-			
Long Term Borrowings	4	10563.97	20498.59
Other Long Term Liabilities	5	2464.52	3288.40
Long Term Provisions	6	24.89	31.05
		13053.38	23818.04
4 CURRENT LIABILITIES:-			
Short Term Borrowings	7	2355.46	1319.21
Trade Payables	8	9450.84	965.98
Other Current Liabilities	9	15484.91	9415.65
Short Term Provisions	10	959.55	2645.43
		28250.76	14346.28
TOTAL		111411.63	101644.55
II ASSETS			
1 NON CURRENT ASSETS:			
Fixed Assets			
-Tangible Assets	11	6196.96	6092.04
-Intangible Assets	11	21.56	10.46
-Capital Work-in-Progress	11	107.89	273.28
Non Current Investments	12	1.04	1.04
Deferred Tax Assets (Net)	13	212.75	88.98
Long Term Loans & Advances	14	8795.07	1731.52
		15335.27	8197.33
2 CURRENT ASSETS:			
Inventories	15	25375.36	14265.41
Trade Receivables	16	21072.21	13155.76
Cash & Cash Equivalents	17	186.97	9461.55
Short Term Loans & Advances	18	48780.13	55557.06
Other Current Assets	19	661.69	1007.44
		96076.37	93447.23
TOTAL		111411.63	101644.55
III Significant Accounting Policies & Notes Forming Part of Accounts	1 to 46		

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2012

		[₹ In Lacs]	
Particulars	Note	For The Current Reporting Period 2011-2012	For The Previous Reporting Period 2010-2011
I INCOME:-			
Revenue from Operations	20	20062.89	16888.29
Other Income	21	883.72	139.29
TOTAL		20946.62	17027.58
II EXPENSES :-			
Project Expenses	22	19419.64	7430.00
Changes in Inventories	23	(11109.95)	(1942.42)
Employee Benefit Expenses	24	658.06	433.90
Finance Cost	25	4734.25	2517.45
Depreciation		253.02	104.98
Other Expenses	26	1115.63	968.94
TOTAL		15070.65	9512.85
III Profit Before Tax		5875.97	7514.73
IV Tax Expenses:			
Current Tax:			
Income Tax		(1455.00)	(1551.00)
Wealth Tax		(2.20)	(3.37)
Deferred Tax		104.95	16.94
Excess / (short) prov. of Income Tax of earlier years W/off.		0.00	0.03
Excess / (short) prov. of Wealth Tax of earlier years W/off.		0.18	0.06
Excess / (short) prov. of Fringe Benefit Tax of earlier years W/off.		0.00	(0.56)
		(1352.07)	(1537.91)
V Profit After Tax (Before adjustment for Minority Interest)		4523.89	5976.82
Add:- Share of loss Transferred to Minority Interest		11.47	0.33
Profit After Tax (After adjustment for Minority Interest)		4535.36	5977.15
VI Earning Per share [In ₹]	39		
-Basic EPS before & after extra ordinary items		13.89	18.30
-Diluted EPS before & after extra ordinary items		13.89	18.18
VII Significant Accounting Policies & Notes Forming Part of Accounts	1 to 46		

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

CONSOLIDATED CASH FLOW STATEMENT FOR YEAR ENDED 31ST MARCH 2012

[₹ In Lacs]

Particulars	2011-2012	2010-2011
A Cash Flow From Operating Activities:		
Net Profit Before Tax And Previous Year's Figures	5875.97	7514.73
Less: Interim Dividend & Dividend Tax	455.44	837.75
Total	5420.52	6676.98
Add:- Provision For Previous Year Now Written Back	0.18	(0.48)
Add:- Deferred Tax	104.95	16.94
	105.12	16.47
Net Profit After Tax	5525.65	6693.45
Add/Less Adjustments For		
Depreciation	253.02	104.98
Provision For Taxation	(1455.00)	(1551.00)
Provision For Wealth Tax	(2.20)	(3.37)
Interest Expenses	4734.25	2517.45
Employees Compansation Expenses	105.84	0.00
Interest Income	(804.61)	(33.24)
	2831.31	1034.81
Operating Profit Before Working Capital Changes	8356.95	7728.26
Add/Less Adjustments For		
Inventories	(11109.95)	(1942.42)
Trade And Other Receivables	(7916.45)	4425.86
Other Current Assets	345.75	(537.51)
Trade Payables	8484.85	93.18
Other Current Liabilities	6069.25	(3280.10)
Short Term Provisions	(1685.88)	362.70
Other Long Term Liabilities	(823.88)	(1071.60)
Long Term Provisions	(6.16)	3.62
Increase In Deferred Tax Assets	(104.95)	(16.94)
Increase Due To Subsidiaries	(78.47)	0.00
Cash Generated From Operations	(6825.89)	(1963.21)
B Cash Flow From Investing Activities :		
Purchase Of Fixed Assets	(483.02)	(1807.53)
Capital Work In Progress	165.40	551.81
Sale Of Fixed Assets	113.98	46.80
Investments Made	0.00	0.00
Movement In Loans & Advances	(286.62)	(15998.23)
Interest Received	804.61	33.24
Net Cash Used In Investing Activities	314.35	(17173.91)
C Cash Flow From Financing Activities :		
Proceeds From Long Term Borrowings	(9934.62)	17174.21
Proceeds From Short Term Borrowings	1036.25	(48.97)
Interest Paid	(4734.25)	(2517.45)
Increase Due To Subsidiaries	2179.02	4402.14
Increase Capital Reserve	274.05	1107.55
Net Cash Used In Financing Activities	(11179.54)	20117.48
Net Increase In Cash And Cash Equivalents	(9334.13)	8708.62
Cash And Cash Equivalents As At 01-04-2011 (Opening Balance)	9461.55	752.92
(Opening Balances Of Newly Added Subsidiaries)	59.56	0.00
Cash And Cash Equivalents As At 31-03-2012 (Closing Balance)	186.97	9461.55

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Note. 1. - Significant Accounting Policies On Consolidated Accounts

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 subsidiaries namely Gatil Properties Private Limited, Yash Organiser Private Limited, Maheshwari (Thaltej) Complex Private Limited & Shaily Infrastructure Private Limited. 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 Maheshwari (Thaltej) Complex Private Limited & Shaily Infrastructure Private Limited for the previous year are not provided in consolidated financial statements as holding-subsidiary relationship came into existence during the financial year 2011-12.

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, 2012. 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, 2012.
1.	Yash Organiser Pvt Ltd	Subsidiary	India	100 %
2.	Gatil Properties Pvt. Ltd.	Subsidiary	India	63.35%
3.	Maheshwari (Thaltej) Complex Private Limited	Subsidiary	India	100%
4.	Shaily Infrastructure Private Limited	Subsidiary	India	51%

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

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

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 and 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.

- D. In respect of employees' stock options, the excess of fair price on the date of grant over the exercise price is recognized as deferred compensation cost amortised over the vesting period.

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 year 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 CONSOLIDATED ACCOUNTS

Particulars	[₹ in lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 2		
Share Capital :		
AUTHORISED:-		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of ₹.10/- each	5000.00	5000.00
	<u>5000.00</u>	<u>5000.00</u>
ISSUED, SUBSCRIBED AND PAID UP CAPITAL:-		
3,26,55,880 (Previous year 3,26,55,880) Equity shares of ₹.10/- each fully paid up	3265.59	3265.59
	<u>3265.59</u>	<u>3265.59</u>

Total
NOTE :

1. Out of above paid up Equity Shares, 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 2006-2007.
2. The reconciliation of number of shares at the beginning of the year and at the close of the year is not given as there is no change in the paid up capital.
3. The Statement of Shareholders Holding More Than 5% Equity Shares of The Company:-

Particulars	As At 31/03/2012		As At 31/03/2011	
	No. Of Shares	% Of Holding	No. Of Shares	% Of Holding
Dipakkumar G. Patel	6229117	19.08%	6229117	19.08%
Shekhar G. Patel	6994390	21.42%	6994390	21.42%
Lalitaben G. Patel	4553436	13.94%	4553436	13.94%
Citi Group Global Markets Mauritius Pvt. Ltd.	1795000	5.50%	1795000	5.50%
Reliance Capital Trustee Company Ltd. account Reliance Growth Fund	1902779	5.83%	1767923	5.41%

4. Right, Preferences and Restrictions attached to shares:

The company has one class of equity shares having a par value of ₹ 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

5. The company had reserved 1500000 equity shares of ₹ 10/- each for offering to eligible employees of the company and its subsidiaries under Employees' stock option scheme (ESOP) in 2010. During the year company has granted NIL (Previous year 998815) options to the employees. The options were granted to the employees at a price of ₹ 171/- per share. The options would vest over a period of seven years.

Note - 3

Reserves & Surplus:

(a) SECURITY PREMIUM

Balance As Per Last Balance Sheet

24501.40

24501.40

24501.40

24501.40

(b) GENERAL RESERVE

Balance As Per Last Balance Sheet

4245.61

3645.61

Add : Transfer from Profit & Loss Statement

100.00

600.00

4345.61

4245.61

(c) Employees' Stock Option outstanding

Less: Deferred Employees' Compensation

529.21

705.66

423.37

705.66

105.84

0.00

(d) CAPITAL RESERVE

Balance As Per Last Balance Sheet

1437.75

330.20

Add : Adjustment due to subsidiary

274.05

1107.55

1711.80

1437.75

(e) PROFIT & LOSS

Balance As Per Last Balance Sheet

23243.80

18704.40

Add : Transfer from Profit & Loss Statement

4535.36

5977.15

27779.16

24681.55

Less: Appropriation:-

Transferred to General Reserve

100.00

600.00

Proposed dividend on Equity Shares

391.87

718.43

[Dividend per Share ₹ 1.20, (Pre. Yr. ₹ 1.80)]

Tax on dividend

63.57

119.32

555.44

1437.75

27223.72

23243.80

57888.37

53428.56

Total

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Particulars			[₹ In Lacs]	
			As At 31/03/2012	As At 31/03/2011
Note - 4				
Long Term Borrowings				
Secured:-				
A) Term Loans:				
(I) From Banks			1000.00	1400.00
(II) From Others			9514.22	19096.34
			10514.22	20496.34
B) Vehicle Loans:-				
(I) From Banks			38.03	0.52
(II) From Others			11.72	1.74
			49.75	2.25
TOTAL			10563.97	20498.59
[Refer note no. 33 for security details]				
Maturity Profile of Secured Term Loans are as set out below:				
Maturity Profile:-	2012-13	2013-14	2014-15	Beyond 2015-16
Term Loans from Banks	1025.98	1028.28	9.76	0.00
Term Loans from Others	12198.87	6321.08	1961.79	1243.06
Note - 5				
Other Long Term Liabilities				
Statutory liabilities			2464.52	3288.40
Total			2464.52	3288.40
Note - 6				
Long Term Provision				
Provision for Employees' Benefits:-				
-Provision for Gratuity			24.89	31.05
Total			24.89	31.05
Note - 7				
Short Term Borrowings				
Unsecured & Repayable On Demand:-				
A. From Related parties:-				
Loan from Directors			769.00	0.00
B. From Others				
Intercompany loan			421.14	421.54
other loan			1165.32	897.67
			1586.46	1319.21
			2355.46	1319.21
Total			2355.46	1319.21

Note:- All unsecured loans are repayable on demand. As they are repayable on demand, they are shown as short term borrowing.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

[₹ In Lacs]

Particulars	As At 31/03/2012	As At 31/03/2011
Note - 8		
Trade Payables		
Micro, Small & Medium Enterprise	0.00	0.00
Others	9450.84	965.98
Total	9450.84	965.98
Note - 9		
Other Current Liabilities		
Current Maturities Of Secured Long Term Debts	13224.85	5740.25
Interest Accrued But Not Due	41.90	5.93
Unpaid / Unclaimed Dividends	90.66	66.56
(Liability Towards Investors Education And Protection Fund U/S 205c Of The Companies Act, 1956 Not Due)		
Other Payables *	1564.68	278.96
Booking Advance Received From Customers	557.24	823.96
Bank Balances (Due To Reconciliation)	5.57	0.00
Share Application Money **	0.00	2500.00
Total	15484.91	9415.65
* Includes Statutory Dues, Retention Money Of Suppliers & Unpaid Expenses.		
** For Share Application Money:-		
-Number Of Shares Proposed To Be Issued From		
Share Application Money	N.A.	909090
-Amount Of Proposed Share Premium	N.A.	2409.09
-Share Are Alloted Before	N.A.	July' 2011
-Authorised Share Capital Are Increased	N.A.	Sufficient
-Pending Period Of Share Application Money		
Beyond The Agreement Of Allotment	N.A.	N.A.
Note - 10		
Short Term Provision		
Proposed/ Interim Dividend	391.87	718.43
Provision For Fringe Benefit Tax	0.00	11.20
Provision For Wealth Tax	9.29	10.20
Provision For Income Tax	5324.61	3806.04
	5333.90	3827.44
Less:- Advance Payment Of Income Tax, Fbt, Tds & Wt	4766.22	1900.44
	567.68	1927.00
Total	959.55	2645.43

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

NOTE - 11 FIXED ASSETS

[₹ In Lacs]

Description Of Assets	Gross Block			Depreciation				Net Block		
	As At 01-04-2011	Addition During Year	Deductions During Year	As At 31-03-2012	As At 01-04-2011	Depreciation / Amortisation During The Year	Deductions During Year	As At 31-03-2012	As At 31-03-2012	As At 31-03-2011
Tangible Assets:										
Land	3947.64	0.00	0.00	3947.64	0.00	0.00	0.00	0.00	3947.64	3947.64
Office Premises	1328.13	227.94	0.00	1556.08	33.71	64.88	0.00	98.59	1457.48	1294.42
Plant & Machinery	51.49	0.09	0.00	51.59	17.97	5.33	0.00	23.30	28.28	33.52
Furniture & Fixtures	321.38	20.43	0.00	341.82	67.67	46.46	0.00	114.13	227.69	253.71
Vehicles	607.39	135.96	291.64	451.71	328.45	68.61	177.66	219.41	232.31	278.94
Office Equipments	259.57	65.19	0.00	324.77	27.35	35.21	0.00	62.56	262.21	232.22
Computer	74.66	11.50	0.00	86.16	23.08	21.72	0.00	44.81	41.36	51.58
Total - A	6590.28	461.12	291.64	6759.76	498.24	242.22	177.66	562.80	6196.96	6092.04
Previous Year	4881.46	1797.10	88.28	6590.28	434.77	104.96	41.48	498.24	6092.04	
Intangible Assets:										
Software	12.85	21.90	0.00	34.75	2.39	10.80	0.00	13.19	21.56	10.46
Total - B	12.85	21.90	0.00	34.75	2.39	10.80	0.00	13.19	21.56	10.46
Previous Year	2.42	10.44	0.00	12.85	2.37	0.03	0.00	2.39	10.46	
Grand Total [A+B]	6603.13	483.02	291.64	6794.51	500.63	253.02	177.66	575.99	6218.52	6102.50
Previous Year	4883.88	1807.53	88.28	6603.13	437.13	104.98	41.48	500.63	6102.50	
Capital Work-In-Progress									107.89	273.28

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Particulars	As At 31/03/2012	As At 31/03/2011
Note - 12		
Non Current Investments		
<u>Unquoted & Fully Paid Up:-</u>		
Trade Investments:-		
<u>In Equity Instruments Of:</u>		
(I) Associates Companies:-		
10 Equity Shares (Pre. Yr. 10) Of ₹.10/- Each		
Starnet Software (India) Ltd.	0.00	0.00
10,000 Equity Shares (Previous Year 10,000) Of ₹.10/- Each In		
Ganesh Infrastructure (India) Pvt Ltd.	1.00	1.00
	1.00	1.00
(Ii) Others		
40 Equity Shares(Pre. Yr. 40) Of ₹.100/- Each		
Shrinidhi Office Owners' association	0.04	0.04
	0.04	0.04
Total	1.04	1.04
Note - 13		
Deferred Tax Assets (Net)		
Deferred Tax Assets:-		
Timing Difference :-		
Expenses Disallowed U/S. 40a(7)	8.46	10.55
Expenses Disallowed U/S. 35d	3.50	9.22
Expenses Disallowed U/S. 35dd	0.00	1.73
Expenses Disallowed U/S. 43b	114.74	7.34
Unabsorbed Loss	52.64	3.66
Diff. In Wdv Of Fixed Assets As Per Books & It Return	33.41	56.48
Total - A	212.75	88.98
Deferred Tax Liabilities:-		
Timing Difference	0.00	0.00
Total - B	0.00	0.00
Total A - B = Net Deferred Tax Assets	212.75	88.98

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Particulars	[₹ In Lacs]	
	As At 31/03/2012	As At 31/03/2011
Note - 14 Long Term Loans & Advances [UNSECURED, CONSIDERED GOOD]		
Business Advances to Co-Operative Societies:		
To Related party:-		
-Mahalaxmi Co.Op.Hsg.Soc.Ltd.	806.58	535.43
To Others	972.84	972.84
	<u>1779.42</u>	<u>1508.27</u>
Business Advances to Non Trading Corporation	52.25	52.25
Advance for purchase of Land	21.00	21.00
Other Advances	6942.40	150.00
Total	<u>8795.07</u>	<u>1731.52</u>
Note - 15 Inventories		
INVENTORIES (As taken, valued & certified by Management)		
Work-In-Process - (Construction Projects)	25375.36	14265.41
Total	<u>25375.36</u>	<u>14265.41</u>
Note - 16 Trade Receivables [Unsecured, Considered Good]		
-More than Six Months	9383.15	5858.13
-Others	11689.07	7297.63
Total	<u>21072.21</u>	<u>13155.76</u>
Note - 17 Cash & Cash Equivalents		
Cash on hand	35.97	15.84
Balances with Banks :		
In other accounts	60.34	9379.14
In unpaid dividend account	90.67	66.56
	<u>151.01</u>	<u>9445.71</u>
Total	<u>186.97</u>	<u>9461.55</u>

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

[₹ In Lacs]

Particulars	As At 31/03/2012	As At 31/03/2011
Note - 18		
Short Term Loans & Advances		
[Unsecured, Considered Good]		
Advances for Purchase of land	3.64	0.00
To Related Parties:-		
A. For Business Advances:-		
-To Associates Company:-		
-Ganesh Plantations Limited	45832.28	11996.78
-Mihika Buildcon Limited	10.02	12.67
-Sanat Complex Private Limited	0.00	23.00
Maheshwari(Thaltej)Complex Private Limited	0.00	41706.75
	45842.30	53739.20
B. For Loan:-		
-To Govindbhai C Patel Foundation	6.48	7.66
C. For Purchase of Land:-	62.99	62.99
	45911.78	53809.86
Loan & Advances to Others	2864.71	1747.20
Total	48780.13	55557.06
Note - 19		
Other Current Assets		
Advance to Suppliers	130.48	226.02
Service Tax recoverable from members	283.58	176.72
Electricity, AUDA, Legal charges receivable for residential projects	226.58	585.83
Registration deposit	17.09	14.91
Office Maintenance Deposit	3.96	3.96
Total	661.69	1007.44

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Particulars	[₹ In Lacs]	
	Year Ended 31/03/2012	Year Ended 31/03/2011
Note:- 20 Revenue From Operations		
Sales	20062.89	16888.29
Total	<u>20062.89</u>	<u>16888.29</u>
Note:- 21 Other Income		
Interest Income :-		
-From Banks	106.75	32.09
-From Others	697.86	1.16
	<u>804.61</u>	<u>33.24</u>
Income From Commission Of Home Loan	1.76	5.80
Income From Sale Of Scrap	8.95	3.50
Profit On Sale Of Fixed Assets	6.02	0.59
Service Tax Refundable	25.18	0.00
Miscellaneous Income	0.34	0.09
Sundry Balances Written Off	20.88	96.07
Previous Year Income	15.98	0.00
Total	<u>883.72</u>	<u>139.29</u>
Note - 22 Project Expenses		
Carting Exp	26.09	40.17
Electric Exp.	45.42	34.21
Future Project Exp.	0.00	11.16
Insurance Exp.	0.72	5.81
Labour Exp.	1625.05	1224.33
Labour Welfare Exp.	23.46	11.57
Land Purchase	11669.03	0.00
Machinery Rent	13.37	6.38
Material Testing Charges	0.24	0.65
Professional Charges	144.93	6.72
Raw Material Purchase	4290.20	2881.19
Repairs & Maintenance Exp.	2.05	1.46
Site Exp.	4.92	4.63
Site Office Exp.	8.38	7.01
Site Security Exp.	50.71	25.56
Scrutiny Fee (Amd)	0.17	0.00
Supervision Charges (Govt.)	1.02	0.00
Expenses Of Past Projects	9.24	2.61
Expenses Of Construction Of Mall	183.08	260.65
Expenses Of Construction Of Township	228.47	2905.88
Expenses Of Construction Of Corporate Park	35.64	0.00
Expenses Of Construction Of Bungalows-Rajasthan	1057.47	0.00
Total	<u>19419.64</u>	<u>7430.00</u>

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Particulars	[₹ In Lacs]	
	Year Ended 31/03/2012	Year Ended 31/03/2011
Note:- 23		
Changes In Inventories		
Closing Stock:-		
Stock Of Wip	25375.36	14265.41
	25375.36	14265.41
Less: Opening Stock:-		
Stock Of Wip	14265.41	12322.99
	14265.41	12322.99
(Increase) / Decrease In Stock	(11109.95)	(1942.42)
Total	(11109.95)	(1942.42)
Note - 24		
Employee Benefit Expenses		
Salary, Allowances & Bonus Expenses	406.62	296.68
Directors' Remuneration	120.00	120.00
Contribution To Provident & Other Fund	19.13	13.68
Staff Welfare Expenses	6.47	3.55
Employees' Compensation Exp.	105.84	0.00
Total	658.06	433.90
Note - 25		
Finance Cost		
Bank Charges	4.23	1.50
Loan Prepayment Charges	0.00	14.47
Loan Processing Charges	112.13	580.05
	116.36	596.02
Interest To:-		
-Banks	284.42	318.26
-Others	4325.64	1512.78
-Late Payment Of Taxes	2.07	8.18
Finance Charges	5.76	8.90
	4617.89	1848.12
Foreign Exchange Fluctuation	0.00	73.30
Total	4734.25	2517.45

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Particulars	[₹ In Lacs]	
	Year Ended 31/03/2012	Year Ended 31/03/2011
Note - 26		
Other Expenses		
ADMINISTRATIVE & OTHER EXPENSES:-		
Advertisement Expenses	0.00	0.08
Appeal Fees	0.12	0.01
Audit Fees	8.43	5.52
Computer Consumable	0.97	1.68
Conveyance Expenses	4.96	2.75
Postage & Courier Charges	1.77	2.26
Depository & Share Transfer Agent Exp.	3.77	4.19
Donation	43.73	144.34
Electric Expenses	32.06	20.20
Filing Fees	0.12	0.19
Insurance Expenses	9.21	5.36
Internet & Website Expenses	4.23	2.79
Legal Expenses	310.66	2.92
Loss on sale of Fixed assets	0.00	14.44
Mobile Phone Exp.	17.67	15.22
Motor-Car Exp.	29.31	33.85
Municipal Tax	20.27	2.70
Office & Office Maintenance Expenses	28.33	35.40
Penalty	4.41	0.06
Previous Year Expenses	5.73	50.76
Professional Fee	195.21	298.84
Professional Tax	0.02	0.02
Religious Expenses	0.80	10.07
Repair & Maintenance Expenses	3.64	3.37
Security Service Charges	19.22	34.42
Service Tax	16.26	8.43
Sitting Fees - Directors	1.62	2.10
Stationery, Printing, Typing & Xerox Expenses	15.02	14.94
Sundry balances written off	3.85	13.16
Telephone Exp.	2.39	1.72
Travelling Exp.	25.90	16.31
VAT Exp.	65.04	85.15
Administrative Expenses of Mall Project	14.53	5.17
Administrative Expenses of Township Project	5.47	12.53
Administrative Expenses of Corporate Park Project	18.57	0.00
Administrative Expenses of Bungalows Project	45.27	0.00
	958.55	850.96
MARKETING EXPENSES:-		
Advertisement Expenses	35.94	34.39
Brochure Exp.	9.35	3.14
Brokerage Exp.	3.40	0.54
Sales Promotion Exp	7.01	16.14
Sponsorship Charges	96.07	54.76
Marketing Expenses of Mall Project	5.33	9.01
	157.08	117.99
TOTAL	1115.63	968.94

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

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

28. CONTINGENT LIABILITIES:

- A. Amalgamated with company 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 had issued a notice under The Bombay Stamp Act, 1958 calling upon the Company to pay stamp duty of Rs.1.75 lacs 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. For the Asst. Year 2007-2008 the Assessing officer assessed the income of the company and raised a demand of ₹ 1273.44 lacs. Aggrieved by this order the company went in to Appeal with CIT (Appeal) - VIII. The Order of the CIT (Appeal) is awaited.
- C. For the Asst. Year 2009-2010 the Assessing officer assessed the income of the company and raised a demand of ₹ 441.76 lacs. Aggrieved by this order the company went in to Appeal with CIT (Appeal) - VIII. The Order of the CIT (Appeal) is awaited.
29. 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.
30. Balance of Long Term & Short Term Borrowings, Trade Payables, Trade Receivables and Loans and Advances are subject to confirmation.
31. 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.
32. Payment to auditors:

[₹ In Lacs]

Sr. No.	Particulars	2011-2012	2010-2011
1	As Auditors	8.89	5.74
2	Tax Audit Fees	3.40	0.71
3	For Company Law	0.81	0.10
4	For Certification & other Work etc.	1.22	0.83
	Total	14.32	7.38

33. 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 the promoter directors of the Company.

B. Loan from India Infoline Investments Services Ltd.:

Charge secured by mortgage of Immovable Property and Corporate Guarantee of the Associate Company, Pledge of shares of Subsidiary & Associates Companies, personal guarantee of three promoter directors of the Company and pledge of share of promoter directors.

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. Loan from SREI Equipment Finance Pvt. Ltd.:

Charge secured by mortgage of Immovable Property of the promoter directors of the Company and hypothecation of equipments of the company.

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

34. 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 2012. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

35. The information required as per para 5 (viii) (a) & (c) of part II of schedule VI of the Companies Act, 1956 regarding information about the value of imports calculated on CIF basis, total value of imported raw materials, spare parts & components consumed and total value of indigenous raw-materials, spare parts & components consumed and percentage of each of the total consumption are ₹ NIL.

36. The information required as per para 5 (viii) (b), (d) & (e) of part II of schedule VI of the Companies Act, 1956 regarding expenditure in foreign currency, the dividend remitted in foreign currency and earning in foreign exchange are as follows:

Earning in Foreign Currency:

[₹ In Lacs]

Sr. No.	Particulars	2011-2012	2010-2011
1	Booking Of Residential Property	29.83	71.02
2	Share Application Money	2531.80	2500.00
	Total	2561.63	2571.02

Expenditure in Foreign Currency:

[₹ In Lacs]

Sr. No.	Particulars	2011-2012	2010-2011
1	Foreign Travelling Exp.	4.86	0.00
2	Purchase Of Fixed Assets	0.00	69.33
3	Bank Loan Repayment	0.00	1801.49
4	Share Application Money	2531.80	0.00
	Total	2536.66	1870.82

37. The information required as per para 5 (ii) & (iii) of part II of schedule VI of the Companies Act, 1956 regarding the purchases, sales, the opening and closing stock are as follows:

[₹ In Lacs]

Residential Projects			
Particulars	2011-2012	2010-2011	
i) Opening Stock			
Land	1502.94	2447.15	
Wip	357.98	198.18	
Total	1860.92	2645.33	
ii) Purchase			
A) Land	45.60	0	
B) Construction Materials			
Bricks	217.63	193.54	
Cement	309.44	228.38	
Rmc	559.72	514.54	
Steel	500.59	762.17	
Other Materials	2702.82	1182.56	
Total	4335.80	2881.19	
iii) Consumption			
A) Land	0	0	
B) Construction Materials			
Bricks	217.63	193.54	
Cement	309.44	228.38	
Rmc	559.72	514.54	
Steel	500.59	762.17	
Other Materials	2702.82	1182.56	
Total	4290.20	2881.19	
iv) Closing Stock			
Land	468.23	1502.94	
W.I.P.	42.30	357.98	
Total	510.53	1860.92	
v) Sales			
Land & Constructed Units	17117.55	16121.66	
Total	17117.55	16121.66	

[₹ In Lacs]

Value Of Imported & Indigenous Raw Material Consumed				
Particulars	%	2011-2012	%	2010-2011
Imported	Nil	Nil	Nil	Nil
Indigenous	100	4290.20	100	2881.19
Total	100	4290.20	100	2881.19

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

[₹ In Lacs]		
Township Project		
Particulars	2011-2012	2010-2011
i) Opening Stock		
Land	11165.33	8406.15
W.I.P.	9.08	9.08
Total	11174.41	8415.23
ii) Purchase		
Land	216.91	2905.88
Total	216.91	2905.88
iii) Consumption		
Land	0	0
Total	0	0
iv) Closing Stock		
Land	11382.25	11165.33
W.I.P.	20.63	9.08
Total	11402.88	11174.41
v) Sales		
Land	0	149.94
Total	0	149.94

[₹ In Lacs]				
Value Of Imported & Indigenous Raw Material Consumed				
Particulars	%	2011-2012	%	2010-2011
Imported	-	0	-	0
Indigenous	-	0	-	0
Total	-	0	-	0

[₹ In Lacs]		
Commercial Project - GCP Business Center		
Particulars	2011-2012	2010-2011
i) Opening Stock		
W.I.P.	1230.08	1262.43
Total	1230.08	1262.43
ii) Purchase		
Construction Materials		
Bricks	0.87	0
Cement	1.69	13.79
Steel	0.00	2.97
Other Materials	111.89	143.49
Total	114.45	160.25
iii) Consumption		
Construction Materials		
Bricks	0.87	0
Cement	1.69	13.79
Steel	0.00	2.97
Other Materials	111.89	143.49
Total	114.45	160.25
iv) Closing Stock		
W.I.P.	792.69	1230.08
Total	792.69	1230.08
v) Sales		
Land & Constructed Units	2869.85	616.69
Total	2869.85	616.69

[₹ In Lacs]				
Value Of Imported & Indigenous Raw Material Consumed				
Particulars	%	2011-2012	%	2010-2011
Imported	-	0	-	0
Indigenous	100	114.45	100	160.25
Total	100	114.45	100	160.25

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

[₹ In Lacs]		
Magnet Corporate Park		
Particulars	2011-2012	2010-2011
i) Opening Stock		
Land	0.00	0.00
W.I.P.	0.00	0.00
Total	0.00	0.00
ii) Purchase		
Land	11623.44	0.00
Raw-Materials	14.70	0.00
Total	11638.14	0.00
iii) Consumption		
Land	5.00	0.00
Raw-Materials	14.70	0.00
Total	19.70	0.00
iv) Closing Stock		
Land	11618.44	0.00
W.I.P.	0.00	0.00
Total	11618.44	0.00
v) Sales		
Units	50.25	0.00
Total	50.25	0.00

[₹ In Lacs]

Value Of Imported & Indigenous Raw Material Consumed				
Particulars	%	2011-2012	%	2010-2011
Imported	-	0	-	0
Indigenous	100	19.70	-	0.00
Total	100	19.70	-	0.00

[₹ In Lacs]		
Residential Bungalow Project - Madhuban Hills		
Particulars	2011-2012	2010-2011
i) Opening Stock		
Land	0.00	0.00
W.I.P.	0.00	0.00
Total	0.00	0.00
ii) Purchase		
Land	961.26	0.00
Raw-Materials & Labour	90.98	0.00
Total	1052.24	0.00
iii) Consumption		
Land	1.00	0.00
Raw-Materials & Labour	90.98	0.00
Total	91.98	0.00
iv) Closing Stock		
Land	960.26	0.00
W.I.P.	90.57	0.00
Total	1050.83	0.00
v) Sales		
Land	25.25	0.00
Total	25.25	0.00

[₹ In Lacs]

Value Of Imported & Indigenous Raw Material Consumed				
Particulars	%	2011-2012	%	2010-2011
Imported	-	0	-	0
Indigenous	100	91.98	-	0.00
Total	100	91.98	-	0.00

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

38. 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 except Maheshwari (Thaltej) Complex Private Limited. 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.

39. Basic Earnings per share:-

Sr. No.	Particulars	2011-2012	2010-2011
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 EPS	32655880	32655880
	Weighted average number of shares outstanding during the year for Diluted EPS	32655880	32883153
B	Net profit after tax available for equity share holders [₹ In Lacs]	4535.36	5977.15
C	Earnings per share [In ₹]		
	-Basic EPS Before & After extra ordinary items	13.89	18.30
	-Diluted EPS Before & After extra ordinary items	13.89	18.18

40. Segment Reporting:-

- 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.
- All the projects of the Company are being implemented in Gujarat and Rajasthan only. Therefore, in the opinion of the company, there are no different geographical segments.

41. 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, 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 Infrastructure 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, 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, Mahalaxmi Co. Op. Housing Society Limited.

2. Key Management Personnel

Shri Shekhar G.Patel, Shri Dipak G.Patel, Smt. Lalitaben G. Patel, Sanjay M. Kothari, Tejas C. Joshi, Girish N. Kulkarni.

(Related parties as identified by the company and relied upon by the auditors)

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2012:-

Nature of Transaction by reporting company	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	[₹ In Lacs]	
				Total	
Advances	46655.36	42.55	20.44	46718.36	
	<i>53746.86</i>	<i>42.55</i>	<i>20.44</i>	<i>53809.85</i>	
Short Term Borrowings	NIL	NIL	769.00	769.00	
	<i>23.50</i>	<i>NIL</i>	<i>NIL</i>	<i>23.50</i>	
Investment in equity of other group companies	1.00	NIL	NIL	1.00	
	<i>1.00</i>	<i>NIL</i>	<i>NIL</i>	<i>1.00</i>	
Reimbursement of Exp.	0.49	4.00	NIL	4.49	
	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>	
Trade payables	45.60	NIL	NIL	45.60	
	<i>230.64</i>	<i>NIL</i>	<i>NIL</i>	<i>230.64</i>	
Other Current Liability	7.50	8.31	NIL	15.81	
	<i>0.02</i>	<i>0.21</i>	<i>NIL</i>	<i>0.23</i>	
Remuneration to Directors	NIL	120.00	NIL	120.00	
	<i>NIL</i>	<i>120.00</i>	<i>NIL</i>	<i>120.00</i>	
Expenses (Includes Purchase of land, Directors sitting fees, Travelling & Medical Exp.	45.60	21.59	NIL	67.19	
	<i>NIL</i>	<i>8.77</i>	<i>NIL</i>	<i>8.77</i>	

* Figures in italics shown previous year figures.

42. During the year the company has written off ₹ 0.03 lacs of outstanding amount of professional tax payable.

43. Employees Stock Option Scheme:

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. The scheme was approved by the members of the company 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. Total grant approved by 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 was vested to the employees as on 01/11/2011.

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

Details of Options Granted and Lapsed:

Particulars	No. Of Option Granted 2011-2012	No. Of Option Granted 2010-2011
Option Granted and Outstanding at the beginning of the year	966659	0
Add: Option Granted During the year	0	998815
Less: Option lapsed during the year	241718	32156
Option Granted and Outstanding at the end of the year	724941	966659

Details of Options Vested & Lapsed:

Particulars	No. Of Option Vested 2011-2012	No. Of Option Vested 2010-2011
Option Vested and Outstanding at the beginning of the year	0	0
Add: Option Vested During the year	886816	0
Less: Vested Option lapsed during the year	161875	0
Option Vested and Outstanding at the end of the year	724941	0

No options were exercised during the year.

NOTES FORMING PART OF CONSOLIDATED ACCOUNTS

44. Donation includes ₹ 6.00 lacs contributed during the year to Bhartiya Janta Party - Gujarat Pradesh.
45. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated February 8, 2011 and February 21, 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of condition stipulated in the circular. The company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the table below.

Statement Pursuant To Approval Under Section 212(8) Of The Companies Act, 1956 Relating To Subsidiary Company

[₹ In Lacs]

Sr. No.	Name of the Subsidiary Company	Gatil Properties Private Limited	Yash Organiser Private Limited	Maheshwari (Thaltej) Complex Private Limited	Shaily Infrastructure Private Limited
1	Reporting Currency	INR	INR	INR	INR
2	Exchange Rate	1.00	1.00	1.00	1.00
3	Paid up Capital	1092.61	1.00	1.00	1.00
4	Reserves	23362.55	1706.09	(68.61)	(19.93)
5	Total Assets	24897.96	2927.72	55511.71	2067.20
6	Total Liabilities	442.79	1220.62	55579.32	2086.12
7	Investments	NIL	NIL	NIL	NIL
8	Turnover / Total Income	0.21	2882.32	746.86	25.25
9	Profit / (Loss) Before Taxation	(12.52)	2241.82	(32.16)	(27.05)
10	Provision for Taxation (Net)	6.26	730	9.85	8.33
11	Profit / (Loss) After Taxation	6.26	1511.82	(22.31)	(18.72)
12	Proposed dividend	NIL	NIL	NIL	NIL

46. During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statement. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosure made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

As Per Our Report Of Even Date
For J.M. Parikh & Associates
Chartered Accountants

Kaushal Shah
Partner

Priti Jani
Company Secretary

Place : Ahmedabad.
Date : 14/08/2012

On Behalf Of The Board Of Directors

Dipakkumar G. Patel
Chairman & Whole-Time Director

Shekhar G. Patel
Managing Director

Place : Ahmedabad.
Date : 14/08/2012

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

[₹ In Lacs]

1	Name of the Subsidiary Companies	Gatil Properties Pvt Ltd.	Yash Organiser Pvt Ltd.	Maheshwari (Thaltej) Complex Pvt Ltd.	Shaily Infrastructure Pvt Ltd.
2	Financial Year of the Subsidiary Company ended on	31-Mar-12	31-Mar-12	31-Mar-12	31-Mar-12
3	Share of the subsidiary held on the above date				
	a) Number of Equity Shares	10926135	10000	10000	10000
	b) Face Value	Rs.10/-	Rs.10/-	Rs.10/-	Rs.10/-
	c) Extent of Holding	63.35%	100.00%	100.00%	51.00%
4	Net aggregate amount of the profits of the subsidiary company so far as it concerns the members of the company	NIL	NIL	NIL	NIL
a)	Dealt with in the Company's Accounts				
	i) for the financial year of the subsidiary	NIL	NIL	NIL	NIL
	ii) for the previous financial years of the subsidiary since it became the subsidiary of the company	NIL	NIL	NIL	NIL
b)	Not Dealt with in the Company's Accounts				
	i) for the financial year of the subsidiary	(6.26)	1511.82	(22.31)	(18.72)
	ii) for the previous financial years of the subsidiary since it became the subsidiary of the company	(29.52)	194.28	(46.30)	(1.21)
5	Material changes between the end of the subsidiary's financial year and 31st March, 2012				
	i) Fixed Assets	NIL	NIL	NIL	NIL
	ii) Investments made	NIL	NIL	NIL	NIL
	iii) Money lent by the Subsidiary	NIL	NIL	NIL	NIL
	iv) Money borrowed by the subsidiary company other than for meeting current liabilities	NIL	NIL	NIL	NIL
	v) Investment disposal	NIL	NIL	NIL	NIL
	vi) Share capital	NIL	NIL	NIL	NIL

On Behalf Of The Board Of Directors

Dipakkumar G. Patel

Chairman & Whole-Time Director

Shekhar G Patel

Managing Director

Priti Jani

Company Secretary

Place : Ahmedabad.

Date : 14/08/2012

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 21st Annual General Meeting of the Company to be held on Saturday, 29th September, 2012 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
Ordinary Business:		
1. Adoption of Accounts, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. Re-appointment of Mr. Arvind R. Nanavati, Director retiring by rotation		
4. Re-appointment of Ms. Lalitaben G. Patel, Director retiring by rotation		
5. Appointment of Auditors		
Special Business:		
6. Appointment of Mr. Sanjay M. Kothari, Additional Director of the Company as Director of the Company.		
7. Re-appointment of Mr. Dipakkumar G. Patel as Whole-time Director of the Company for period of 5 years and fixation of remuneration.		

Signed this _____ day of _____ 2012

Signature: _____

1 Rupee
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 thinks 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 21st 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 Saturday, 29th September, 2012 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 _____



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

www.ganeshhousing.com