

# LANDMARC

Leisure Corporation Limited

**Twenty Third Annual Report  
2012-2013**

## BOARD OF DIRECTORS

Mr. S. P. Banerjee	- Chairman
Mr. S. D. Sinha	- Whole Time Director
Mrs. Paulomi Dhawan	- Director
Ms. Vidhi Kasliwal	- Director
Mr. Siddhartha Gangwal	- Director
Mr. Samsher Garud	- Director

## AUDITORS

Shyam Malpani & Associates  
Chartered Accountants  
307 / Chartered House,  
297 / 299. Dr. Cawasji Hormasji Street,  
Marine Lines, Mumbai – 400 002.

## REGISTERED OFFICE

Avadh " Avadesh Parisar,  
Shree Ram Mills Premises – Gate No.2,  
G.K.Marg, Worli  
Mumbai – 400 018.

## BANKERS

ICICI Bank Ltd.  
IDBI Bank Ltd.  
Oriental Bank Of Commerce  
HDFC Bank

## PRACTICING COMPANY SECRETARY

Mr. Virendra Bhatt  
(Rendering services in the professional capacity and  
not an employee of the company)

## TWENTY THIRD ANNUAL GENERAL MEETING

Date : 24th January 2014  
Day : Friday  
Time : 09.00 am  
Place : Victora Memorial School For The Blind  
Opp. Taredeo A/C Market,  
73, Tardeo Road, Mumbai – 400 034.

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## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the members of the **LANDMARC LEISURE CORPORATION LIMITED** will be held on **24th January, 2014 at 09.00 a.m. at Victoria Memorial School, Opp. Tardeo A.C. Market, Tardeo Road, Mumbai – 400 034** to transact the following Business:

### Ordinary Business:

1. To receive, consider and adopt the audited Balance Sheet as at 30th September 2013, Profit & Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a director in place of Mr. S. P. Banerjee who retire by rotation and being eligible, offer himself for reappointment.
3. To appoint a director in place of Mr. Samsher R. Garud who retire by rotation and being eligible, offer himself for reappointment.
4. To reappoint M/s. Shyam Malpani & Associates, Chartered Accountants to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

By Order of the Board of Directors

**Place:** Mumbai.

**Date:** 26th November, 2013

### Registered office:

“Avadh”, Avadhesh Parisar,  
G. K. Marg, Worli, Mumbai - 400 018.

**S. D. Sinha**  
Whole Time Director

### Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A proxy form duly completed and stamped, must reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. Members desiring any information on the accounts are requested to write to the Company, which should reach the company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **17th January 2014 to 23rd January, 2014 (both days inclusive)**.
4. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours on all working days excepting Saturdays and Holidays, between 10.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

5. Members / Proxies should bring the attendance slip sent herewith, duly filled in, for attending the meeting. You are requested to bring the copy of Annual Report sent to you.

6. **INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT**

As required under the Listing Agreement, the particulars of the Directors who are proposed to be re-appointed are furnished below:

1) Item No.2 of the Notice

Name : Mr. S. P. Banerjee  
Age : 77 Years  
Qualification : MBA, PG Diploma in Industrial Management  
MIE Mechanical (India), Chartered Engineer  
Date of appointment : 13th March 2009

2) Item No. 3 of the Notice:

Name : Mr. Samsheer R. Garud  
Age : 36 years  
Qualification : B.Com, L.L.B  
Date of appointment : 17th March 2009

The Board of Directors accordingly recommends the resolution as set out in Item No. 2 & 3 of the Notice for your approval.

None of the Directors of the Company other than Mr. S.P. Banerjee and Mr. Samsheer R. Garud are interested or concerned in the resolution.

By Order of the Board of Directors

**Place:** Mumbai.  
**Date:** 26th November, 2013

**S. D. Sinha**  
Whole Time Director

**Registered office:**  
"Avadh", Avadhesh Parisar,  
G. K. Marg, Worli, Mumbai - 400 018.

**DIRECTORS' REPORT**

Dear Members,

Your directors have pleasure in presenting their Twenty Third Annual Report and Audited Statements of Accounts for the year ended 30th September, 2013.

**FINANCIAL RESULTS**

₹ in lacs

<b>PARTICULARS</b>	<b>For the year ended 30.09.2013 (Audited )</b>	<b>For the year ended 30.09.2012 (Audited )</b>
Total Income	269.87	215.45
Profit before Depreciation & Tax (PBDT)	(292.05)	(246.54)
Less : Depreciation	166.35	102.63
Profit / Loss before Tax	(458.40)	(349.18)
Less : Provision for Taxation / Current Taxation Deferred Tax	00.00 (21.51)	00.00 4.57
Profit After Tax	(436.90)	(353.74)
Prior Period Adjustment	00.00	00.00
Income Tax for earlier year's	00.00	(10.77)
Dividend and TDS Written Back	00.00	00.00
Profit / Loss brought forward: From previous year	(3234.17)	(2869.66)
Profit / Loss carried to Balance Sheet	(3671.06)	(3234.17)

**DIVIDEND**

In view of the accumulated losses, the Directors express their inability to recommend any Dividend on Equity Shares and on Preference Shares.

**REVIEW OF OPERATIONS**

The Company has posted a Loss of Rs. 436.90 lacs for the current year.

**FIXED DEPOSITS**

The Company has not accepted any Fixed Deposits from the public during the year.

**DIRECTORS**

Mr. S. P. Banerjee and Mr. Samsher R. Garud retires by rotation from the Board in the forthcoming Annual General Meeting and being eligible offers themselves for reappointment at the said Annual General Meeting.

**PERSONNEL**

There is no employee drawing remuneration covered under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The particulars required under Section 217 (1) (e) of the Companies Act, 1956, in respect of conservation of energy and technology absorption are not applicable to the Company.

**FOREIGN EXCHANGE EARNING AND OUTGO**

Earning : Nil (Previous Year Nil)  
Travelling : ₹. 1.96 Lacs ( Previous Year ₹. 8.04 Lacs)

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Sub-Section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:-

1. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures.
2. The Directors had 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 at the end of the financial year and of the loss of the Company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the Annual Accounts on a going concern basis.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Company has been able to tie up with twelve hotels in five cities in our country and operating the Spas under our brand "Svastii". The Company has also entered into franchisee agreement with some parties under the "Svastii" brand. The management is keeping a close watch on these business modules and feel that with the maintenance of high standard of services our brand "Svastii" will grow and be successful.

The film division of the Company has made a documentary named "Block By Block" which was released on 11th April 2013 on DD National and also on other channels. This was highly appreciated by the viewers.

**REPORT ON CORPORATE GOVERNANCE**

A detailed report on Corporate Governance has been included as an attachment to this Report.

**DISCLOSURE UNDER SECTION 274 (1) (g)**

None of the Directors of the Company are disqualified for being appointed as Directors as stipulated under Section 274 (1) (g) of the Companies Act, 1956, amended by the Companies (Amendment) Act, 2000.

**AUDITORS**

The auditors M/s Shyam Malpani & Associates, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Members are requested to appoint them as auditors and authorize the Board to fix their remuneration.

**AUDITOR'S QUALIFICATION**

The company has given the deposit of ₹ 1500 lacs to SRUIL as part of an agreement whereby the company will run a wellness centre in the upcoming project of SRUIL which will finally lead to a favourable financial benefits for the company. Moreover, the value of property has escalated which will be further beneficial to the company.

The company feels that the satellite rights in respect of the feature films being intangible asset will bring revenue in future and will thus be able to meet the expenses incurred on its marketing.

**CAUTIONARY STATEMENT**

Statement in this Management Discussion and Analysis deals with Company's objectives, projections, estimates, expectations and predictions. The expectations of the management are regarded as forward looking statements with meaning of applicable securities, laws and regulations. These 'forward looking statements' are inherently subject to risks and uncertainties, beyond the control of the Company or its management. Many factors could cause the actual results, performance and achievements of the Company to be materially different from any future results, performances or achievement that may be expressed or implied by such forward looking statements. Landmarc Leisure Corporation Limited shall not be liable for any loss which may arise as a result of any action taken on the basis of the information contained herein nor would be under any obligation to update the forward looking statements to reflect developments of events of circumstances hereafter.

**ACKNOWLEDGEMENTS**

The Directors thank the Company's customers, contractors, vendors, bankers, Government and other authorities and the Shareholders for their consistent support to the Company. The Directors also sincerely acknowledge the significant contribution made by all the employees for their dedicated services to the Company.

By Order of the Board  
For **LANDMARC LEISURE CORPORATION LIMITED**

Place: Mumbai.  
Date: 26th November, 2013

CHAIRMAN

## REPORT ON CORPORATE GOVERNANCE

In compliance with the Corporate Governance requirements as per the format prescribed by SEBI and incorporated in Clause 49 of the listing agreement with the Stock Exchange, the Company's policies on Corporate Governance and compliance thereof in respect of specific areas, as applicable, for the year ended 30th September, 2013 and certain information till the date of notice are set out below for information of shareholders and investors of the Company.

### 1. Company's Philosophy on Code of Governance:

The Company has worked with a philosophy and mission of good governance in every field. The Company believes that the Corporate Governance code will enhance the growth of benefits to all the stakeholders. The Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with the shareholders, employees, the Government and other parties.

In so far as compliance of Clause 49 of the Listing Agreement with the Stock Exchange is concerned, the Company has complied in all material respects with the requirements of Corporate Governance specified in the Listing Agreement with the Bombay Stock Exchange.

### 2. Board of Directors:

#### 2.1 Size and composition of the Board of Directors (as on date of notice)

Name of the Director	Position	Executive/Non-Executive/ Independent
Mr. S.P. Banerjee	Chairman	Non-Executive Independent
Mr. S.D. Sinha	Whole- Time Director	Executive
Mrs. Paulomi Dhawan	Director	Non-Executive Independent
Ms. Vidhi Kasliwal	Director	Non-Executive
Mr. Samsher Garud	Director	Non-Executive Independent
Mr. Siddhartha Gangwal	Director	Non-Executive Independent
<b>Composition :</b>		
<b>Independent - 66.66%</b>	<b>Non-Executive- 16.67%</b>	<b>Executive - 16.67%</b>

None of the Directors are disqualified under section 274 (1) (g) of the Companies Act, 1956 read with Companies (Disqualification of Directors under Section 274 (1) (g) of the Companies Act, 1956) Rules, 2003.

All Directors are liable to retire by rotation except Mr. S. D. Sinha – Whole Time Director.

Mr. S.P. Banerjee and Mr. Samsher R. Garud retires by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.



## 2.2 Remuneration to Non-Executive Directors (as on 30th September 2013)

Name of Director	Sitting Fees & Others ( ₹ )
Mr. S.P. Banerjee	2000
Ms. Vidhi Kasliwal	1500
Mr. Samsher Garud	1500
Mr. Siddhartha Gangwal	1500
Mrs. Paulomi Dhawan	2000
<b>Total</b>	<b>8500</b>

Sitting fees constitute fees paid to Non-Executive Directors for attending Board and Committee Meetings.

## 2.3 Managerial Remuneration:

Name of the Director	Designation	Date of Appointment/ Re-appointment	Tenure	Salary ( ₹ )	Provident Fund ( ₹ )	Ex-gratia & others ( ₹ )	Total ( ₹ )
Mr. S.D. Sinha	Whole- Time Director	16.06.2011	3 Yrs	6,00,000	72,000	NIL	6,72,000
	<b>TOTAL</b>			<b>6,00,000</b>	<b>72,000</b>	<b>NIL</b>	<b>6,72,000</b>

The total amount of remuneration indicated above does not include share of gratuity as under group gratuity scheme, separate amount for each person is not ascertainable.

## 2.4 Shareholding of the Directors (30th September, 2013) :

Name of the Director	No. of Equity Shares held	% Holding
Mrs. Paulomi Dhawan	35,00,000	0.44
Mr. Siddhartha Gangwal	75,000	*0.00
Mr. S.P. Banerjee	20,000	*0.00
Mr. S.D. Sinha	0	0
Ms. Vidhi Kasliwal	0	0
Mr. Samsher Garud	0	0

\*being less than 0.01%.

**2.5 Attendance of Directors at the Board meetings and at the Twenty second Annual General Meeting:**

Name of the Director	No. of Board Meetings held during the year	No. of Board Meetings attended during the year	Attendance at the Twenty-second Annual General Meeting
Mr. S.P. Banerjee	4	4	Present
Mr. S.D. Sinha	4	4	Present
Mrs. Paulomi Dhawan	4	4	Present
Ms. Vidhi Kasliwal	4	3	absent
Mr. Samsher Garud	4	3	absent
Mr. Siddhartha Gangwal	4	3	Present

**2.6 Directorships and Committee Memberships of Directors in other Companies (as on 30th September, 2013)**

Name of the Director	No. of Directorships in other Companies	No. of Committee Memberships in other Companies	
		Chairman	Member
Mr. S.P. Banerjee	1	NIL	1
Mr. S.D. Sinha	NIL	NIL	NIL
Mrs. Paulomi Dhawan	NIL	NIL	NIL
Ms. Vidhi Kasliwal	3	NIL	NIL
Mr. Samsher Garud	NIL	NIL	NIL
Mr. Siddhartha Gangwal	NIL	NIL	NIL

Directorships and Committee Memberships/ Chairmanships in Foreign Companies, Private Limited Companies and Companies registered under Section 25 of the Companies Act, 1956 are excluded.

The above information includes Chairmanship/Membership in Audit Committee, Remuneration Committee and Shareholders'/Grievances Committee of Public Limited Companies, whether listed or not.

**2.7 Number, Day, Date and Venue of the Board Meetings held during the year**

Sr. No.	Day	Date	Venue
1	Friday	23rd November 2012	Registered Office
2	Thursday	24th January, 2013	Registered Office
3	Friday	26th April, 2013	Registered Office
4	Friday	26th July, 2013	Registered Office

Four Board meetings were held during the year and the gap between any two Board Meetings did not exceed four months.

**2.8 Review of Compliance Report by the Board of Directors**

A Compliance Certificate confirming the due compliance with the statutory requirements is placed at the Board Meeting for the review by the Board of Directors. A system of ensuring material compliance with the laws, orders, regulations and other legal requirements concerning the business and affairs of the Company is in place.

**2.9 Code of Conduct:**

The Board of Directors has adopted the Code of Conduct & Responsibilities of the Board towards the Company in the Board Meeting held on 27th January 2006.

**3. AUDIT COMMITTEE****3.1 Constitution of Audit Committee:**

All the members of Audit Committee are Non-Executive Directors. The present Chairman of the Audit Committee is Mr. S P Banerjee. The other members of the Audit Committee are Ms. Vidhi Kasliwal and Mr. Siddhartha Gangwal.

**3.2 Meetings of Audit Committee:-**

During the year ended 30th September, 2013, Four Audit Committee meetings were held on 23.11.2012, 24.01.2013, 26.04.2013 and 26.07.2013. The attendance of each Audit Committee member is given hereunder :-

Name of the Director	Designation	No. of Meetings held during the year	No. of Meetings attended during the year
Mr. S.P. Banerjee	Chairman	4	4
Ms. Vidhi Kasliwal	Member	4	3
Mr. Siddhartha Gangwal	Member	4	3

**3.3 Attendees:**

The Whole Time Director, the Statutory Auditors and Internal Auditors are normally invited to the Audit Committee Meetings.

**3.4 Powers of the Audit Committee:-**

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

**3.5 Terms of Reference of the Audit Committee:-**

- Overseeing of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment of the Statutory Auditor and the fixation of audit fees.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the management, the annual financial statements before submission to the Board for approval with particular reference to:
  - o Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
  - o Changes, if any, in accounting policies and practices and reasons for the same;
  - o Major accounting entries involving estimates based on the exercise of judgment by management;
  - o Significant adjustments made in the financial statements arising out of the audit financials;
  - o Compliance with listing and other legal requirements relating to financial statements;
  - o Disclosure of any related party transactions;
  - o Qualifications in the draft audit report.
- Reviewing with the management, quarterly financial statement before submission to the Board for approval.
- Reviewing with the management the performance of Statutory and Internal Auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, 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.
- Discussion with the internal auditors of any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the 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.
- Discussions with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

- To review the functioning of the whistle blower mechanism, in case same is existing.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### 4. REMUNERATION COMMITTEE:

##### 4.1 Constitution of Remuneration Committee:

All the members of Remuneration Committee are Non-Executive Directors. The present Chairman of the Remuneration Committee is Mr. S P Banerjee. The other members of the Remuneration Committee are Ms Vidhi Kasliwal and Mr Siddhartha Gangwal.

##### 4.2 Terms of Reference of the Remuneration Committee:-

- The Remuneration Committee recommends to the Board the compensation terms of the Executive Directors.
- Framing and implementing on behalf of the Board and on behalf of the Shareholders, a credible and transparent policy on remuneration of Executive Directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in Designation and increase in salary of the Executive Directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate Directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of our Company and the Shareholders.

#### 5. THE SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

##### 5.1 Constitution of the Shareholders'/Investors' Grievance Committee:

The present Chairman of the Shareholders' / Investor Grievances Committee is Mr. S D Sinha. The other members of the Shareholders' / Investor Grievances Committee are Ms Vidhi Kasliwal and Mr. Siddhartha Gangwal.

##### 5.2 Meetings of Shareholders' / Investor Grievances Committee:

During the year ended 30th September, 2013, One Investor Grievances Committee meeting were held on 14.03.2013. The attendance of Committee member is given hereunder:-

Name of the Director	Designation	No. of Meetings held during the year	No. of Meetings attended during the year
Mr. S. D. Sinha	Chairman	1	1
Mr. Siddhartha Gangwal	Member	1	1

**5.3 The Terms of Reference of the Shareholders' / Investor Grievances:-**

The scope and function of this committee is to consider and review Shareholders' / Investors' Grievances and complaints and to ensure that all Shareholders' / Investors' Grievances and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/ or legal impediments.

**5.4 Compliance Officer:**

Mr. Kapil Kotia is the Compliance Officer of the Company.  
Tel. No. – 66001000 Fax No. 24928617

**5.5 Shareholders Complaints:**

During the financial year ended 30th September, 2013, the Company received one complaint from shareholder, the same was resolved .There is no pending Complaint at the end of the year.

**6. General Body Meetings:**

Location and Time of General Meetings held in last 3 years:

Year	AGM/ EOGM	Date	Time	Venue	Special Resolutions
2011-2012	22nd AGM	24/01/2013	10.00 A.M.	Victoria Memorial School for the Blind, Opp.Tardeo A/C Market, 73, Tardeo Road, Mumbai 400 034.	1. Mrs. Paulomi Dhawan resigned as Managing Director of the Company w.e.f. 2nd September 2012 & was re-designated as Director.
2010-2011	21st AGM	26/03/2012	10.00 A.M.	Victoria Memorial School for the Blind, Opp.Tardeo A/C Market, 73, Tardeo Road, Mumbai 400 034.	1. Appointment of Mr. S. D. Sinha as the Whole-Time Director of the Company w.e.f. 16th June 2011 for a period of 3 years.
2009-2010	20th AGM	28/03/2011	11.30 A.M.	Victoria Memorial School for the Blind, Opp.Tardeo A/C Market, 73, Tardeo Road, Mumbai 400 034.	NONE

**7. Disclosures:**

- A) There were no materially significant related party transactions with the promoters, Directors etc. that may have potential conflict with the interests of the company at large.
- B) There was no non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter relating to the capital markets during the last three years.
- C) There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the company.
- D) A list of transaction with related parties as per Accounting Standard AS 18 is mentioned in the Audited Accounts.

**8. Means of Communication:**

The Audit Committee, in its meeting, considers the financial results of the Company and recommends it to the Board of Directors for its approval. The financial results, as taken on record by the Board of Directors, are communicated to the Bombay Stock Exchange where the shares of the Company are listed, in accordance with the Directives of regulatory authorities in this regard. These quarterly and annual results are also published in widely circulated newspapers (Free Press in English & Nav Shakti in Marathi) as per the Guidelines issued from time to time.

**9. Certification by Whole-Time Director :**

Mr. S D Sinha, Whole Time Director, has issued a Certificate to the Board as prescribed under sub-clause V of Clause 49 of the Listing Agreement. The said Certificate was placed before the Board Meeting held on 26th November, 2013 in which the Accounts for the Financial Year ended 30th September, 2013 were considered and approved by the Board of Directors.

**10. General Shareholders Information:****10.1 Twenty Third Annual General Meeting- Day, Date, Time and Venue**

Day	Friday
Date	24th January, 2014
Time	09.00 A.M.
Venue	Victoria Memorial School For The Blind, Opp. Tardeo A/C Market, 73, Tardeo Road, Mumbai – 400 034.

**10.2 Financial Year**

Financial Year of the Company is from 1st October, 2012 to 30th September, 2013.

**10.3 Dates of Book Closure (Both days inclusive)**

From : 17.01.2014  
To : 23.01.2014

**10.4 Listing on Stock Exchange**

The Company's Equity Shares are listed on the following Stock Exchange:

Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
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The Company has paid Annual Listing Fees to the above mentioned Stock Exchange for the financial year 2012-13.

**10.5 Stock Code**

Scrip Code: Equity : 532275	ISIN No.: Equity : INE394C01023
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**BSE PRICE DATA**

The monthly High and Low Share Prices during the year at BSE are as under:

Months	High ( ₹ )	Low ( ₹ )
October 2012	0.47	0.31
November 2012	0.51	0.32
December 2012	0.51	0.38
January 2013	0.47	0.38
February 2013	0.44	0.31
March 2013	0.35	0.28
April 2013	0.31	0.26
May 2013	0.25	0.18
June 2013	0.23	0.14
July 2013	0.25	0.17
August 2013	0.21	0.16
September 2013	0.31	0.18

**10.6 Registrar and Transfer Agents**

Name : Big Share Services Pvt. Ltd.  
 Address : E-2/3 Ansa Industrial Estate,  
 Sakivihar Road, Sakinaka,  
 Andheri (E), Mumbai – 400 072  
 Tel : +91-22- 40430200  
 Fax : +91-22- 28475207  
 E-mail : info@bigshareonline.com

**10.7 Share Transfer System:**

Shares held in the dematerialized form are electronically traded in the Depositories and the Registrar and Share Transfer Agents of the Company, viz. Big Share Services Pvt. Ltd., periodically receive from the Depository the beneficial holdings data, so as to enable them to update their records and to send all corporate communications. Physical Shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt provided they are in order in every respect. Bad deliveries are immediately returned to Depository participants under advice to the Shareholders within the aforesaid period.



**10.8 Distribution of Shareholding (as on 30th September, 2013):**

No. of Equity Shares held	Share-holders Nos.	% of Share-holders	No. of Shares held	% of Share-holding
1-5000	12,342	85.8813	1,87,47,142	2.3434
5001 - 10000	1,044	7.2646	87,69,118	1.0961
10001 - 20000	485	3.3749	75,10,750	0.9388
20001-30000	193	1.343	49,21,635	0.6152
30001-40000	62	0.4314	21,96,489	0.2746
40001-50000	75	0.5219	35,31,291	0.4414
50001-100000	92	0.6402	68,46,924	0.8559
100001-9999999999	78	0.5428	74,74,76,651	93.4346
	14371	100	800000000	100

**10.9 Shareholding pattern (as on 30th September, 2013):**

Category	No share holders	% of Share-holders	No. of Shares	% of Shares
Clearing member	9	0.0626	32,937	0.0041
Corporate Bodies	210	1.4613	12,32,95,392	15.4119
Corporate Bodies (Promoter Co)	4	0.0278	57,23,12,612	71.5391
Non Resident Indians	51	0.3549	40,96,737	0.5121
Other Directors	2	0.0139	41,00,000	0.5125
Promoters	1	0.007	2,15,99,966	2.7
Public	14091	98.0516	6,85,52,356	8.569
Relatives of Director	2	0.0139	60,00,000	0.75
Trust	1	0.007	10,000	0.0013
	14,371	100.00	80,00,00,000	100.00

**10.10 Dematerialization of Shares and Liquidity:**

The Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the Depository Systems i.e. NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). Nearly 99.94% of total equity shares of the Company are held in dematerialized form with NSDL & CDSL.

**For and on behalf of the Board,**

**S. P. Banerjee  
Chairman**

Place: Mumbai.

Date: 26th November, 2013

## CERTIFICATION BY WHOLE TIME DIRECTOR

To,

The Board of Directors

We to the best of our knowledge & belief certify that:

We have reviewed the financial statements and the cash flow statement for the year ended 30th September, 2013 and that to the best of our knowledge and belief

- a)
  - i. These statements do not contain any materially untrue statement or omit any material statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have
  - i. Designed and ensured that such disclosure controls and procedures to ensure that material information relating to the company including its consolidated subsidiaries, is made to known to us, particularly during the period on which the report is being prepared; and
  - ii. Evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and Audit Committee:-
  - i. There has been no Significant changes in internal control over financial reporting during the year,
  - ii. There has been no Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. There has been no commitment of any fraud, whether or not significant that involves management or other employees who have significant role in the company's internal controls.

For **LANDMARC LEISURE CORPORATION LIMITED**

**Place:** Mumbai.

**Date:** 26th November, 2013

**S. D. Sinha**

Whole Time Director

## **Auditors' Certificate on compliance with conditions of Corporate Governance under Clause No. 49 of the Listing Agreement**

To the Members of

### **Landmarc Leisure Corporation Limited**

We have examined the compliance of conditions of Corporate Governance by **Landmarc Leisure Corporation Limited** (hereinafter called the Company), for the year ended on 30th September 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Our verification was carried out in accordance with the Guidance Note on Certificate of Corporate Governance (stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanations given to us and the representation made to us by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and Management, in our opinion the Company has complied in all material respect with the condition of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement. Also as required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors' Grievance Committee.

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

For **Shyam Malpani and Associates**  
Chartered Accountants  
Firm Registration No. – 120438W

**Shyam Malpani**  
Proprietor

Mumbai, dated 26th November 2013

Membership No. F - 34171

## Independent Auditors' Report

The Members of

**Landmarc Leisure Corporation Ltd.**

### Report on the Financial Statements

We have audited the attached financial statements of **Landmarc Leisure Corporation Limited** (hereinafter referred to as the Company), comprising of the Balance Sheet as at 30th September 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended along with the Significant Accounting Policies and other explanatory information forming an integral part thereof.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956(hereinafter referred to as the Act). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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

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

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

### Basis for Qualified Opinion

As stated in the Notes No. 35 and 36 respectively of the financial statements regarding;

- (i) *Non-provision in the Company's books in respect of an Interest free Security deposit given by the Company based on MOU with a body corporate amounting to ₹. 1500.00 Lacs against which the Company is expected to derive benefits in the future years and hence in the management's view the same is fully recoverable.*
- (ii) *Capitalization under the fixed assets in respect of expenses incurred on Publicity and Promotion including satellite rights, instead of charging the same to revenue in earlier years, in departure from the recommendations of Accounting Standard- 26, Intangible Assets, on account of the which, fixed assets are overstated to an extent of ₹. 299.73 Lacs.*

Accordingly, (i) Loans and Advances has been overstated and provision for doubtful advances have been understated to an extent of ₹ 1500.00 Lacs (ii) Intangible Assets have been overstated and expenses have been understated by ₹ 299.73 Lacs.

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis for Qualified Opinion paragraph*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 30th September 2013;
- (ii) In the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we enclose in the Annexure a statement on the matters specified in paragraph 4 of the said Order, to the extent applicable to the Company during the year under review.
2. Further to our comments in the Annexure referred to in 1. above, as required by Section 227(3) of the Act, we report as follows:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) *Except for the matter stated in basis of qualified opinion para, In our opinion*, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards as referred to in sub-section (3C) of section 211 of the Act;
  - (e) On the basis of written representations received from the respective directors as on 30th September 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 30th September 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;

For **Shyam Malpani and Associates**  
Chartered Accountants  
Firm Registration No. – 120438W

**Shyam Malpani**  
Proprietor  
Membership No. F - 34171

Mumbai, dated 26th November, 2013

## Annexure to the Auditors' Report

In terms of the information and explanations given to us and the books and records examined by us and on the basis of such checks as we considered appropriate, we further report as under:

- (i) The Company has updated its Fixed Assets Register to show full particulars, including quantitative details and situation of fixed assets. As explained to us, these fixed assets have been physically verified by the management at reasonable intervals during the year and that no material discrepancies were noticed on such verification.

No significant part of fixed assets has been disposed off by the Company during the year under review.

- (ii) During the year, the management has conducted physical verification of inventories comprising of shares and body care products at regular intervals. The procedures of physical verification of inventories followed by the management, in our opinion, is commensurate in relation to the size of the Company and nature of its business. The Company has maintained proper records of inventory. As explained to us no material discrepancies have been noticed upon physical verification conducted by the management.

- (iii) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

The Company has not granted any loans to any bodies corporate, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 during the year under review.

- (iv) In our opinion, there are internal control procedures for the provision of services in the wellness activities. The same are adequate and commensurate with the size of the Company and the nature of its business. During our review, we have not come across any major weaknesses in the internal controls relating to wellness activities prevailing in the Company.

- (v) Transactions that need to be entered into with the parties listed in the Register maintained under Section 301 of the Companies Act, 1956 have been updated in the said Register. In our opinion, the said transactions during the year under review have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

- (vi) The Company has not accepted any deposits from the public within the purview of the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed thereunder.

- (vii) In our opinion, the Company has a formal internal audit system during the year under review, which is commensurate with the size of the Company and the nature of its business.
- (viii) As explained to us, the maintenance of cost records has not been prescribed by the Central Government for the Company under Section 209(1)(d) of the Companies Act, 1956.
- (ix) As per the records verified by us, the Company is generally regular in depositing the undisputed statutory dues involving Provident Fund, Employees' State Insurance, Income tax, Service Tax and Value Added Tax with the appropriate authorities during the year under review, and there were no outstanding undisputed statutory dues with the Company for a period of more than six months as at the close of the year. The provisions of the statutes governing Wealth Tax, Customs Duty, Investor Education and Protection Fund, Excise Duty and Cess are, as explained to us, not applicable to the Company during the year under review.

As per the records of the Company, *except for the disputed dues aggregating to ₹.58.27 lacs relating to Income Tax as given below*, there are no disputed dues relating to Value Added Tax, Customs duty, Wealth tax, Excise duty. The details of the disputed Income Tax dues before Income Tax authorities are as follows:

<b>Assessment Year</b>	<b>Amount ( ₹ in Lacs)</b>	<b>Forum where dispute is pending</b>
2006-07	50.53	Income Tax Appellate Tribunal
2008-09	7.74	Commissioner of Income Tax (Appeals)

- (x) As per the accounts verified by us, the Company's accumulated losses as at the end of the current financial year have exceeded fifty per cent of its net worth. Also, the Company has incurred cash losses during the current year amounting to ₹. 292.05 Lacs (Previous year – ₹. 246.54 Lacs).
- (xi) The Company has availed a vehicle loans from bank and has not made any default in repayment of dues in respect of the said loans taken. The Company has not borrowed from any financial institution nor has it issued any debentures during the year under review.
- (xii) As per the records verified by us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of special statutes applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the Company during the year under review.
- (xiv) In respect of dealings in Shares and securities, proper records have been maintained by the Company for the transactions and timely entries have been made therein. The shares, securities held as investments are in the name of the Company.



- (xv) As per the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) No term loans were obtained by the Company during the year under review.
- (xvii) Based on the cash flows of the Company, we are of the opinion that the funds raised by the Company on short-term basis have been used only for the purpose intended and not for long-term investment.
- (xviii) The Company has not made any preferential allotment of equity shares during the year under review.
- (xix) The Company has not issued any debentures and hence no securities are required to be created in respect thereof.
- (xx) No money has been raised by way of public issue by the Company during the year under review.
- (xxi) As per the books examined by us and based on the explanations given to us no fraud on or by the Company has been noticed or reported during the year.

For **Shyam Malpani and Associates**

Chartered Accountants

Firm Registration No. – 120438W

**Shyam Malpani**

Proprietor

Membership No. F - 34171

Place : Mumbai,  
Date : 26th November, 2013

**Balance Sheet as at 30th September 2013**

Particulars	Note No	As at September 30, 2013 (₹)	As at September 30, 2012 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	825,400,000	825,400,000
Reserves and Surplus	3	(310,106,473)	(266,416,576)
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	140,000,000	80,000,000
Deferred Tax Liabilities (Net)	5	103,208	2,253,811
Other Long Term Liabilities	6	500,000	1,300,722
Long Term Provisions	7	604,751	381,496
<b>Current Liabilities</b>			
Short Term Borrowings	8	-	949,601
Trade Payables	9	21,908,186	19,541,801
Other Current Liabilities	10	38,840,823	75,875,544
Short Term Provisions	11	46,581	179,423
<b>TOTAL</b>		<b><u>717,297,076</u></b>	<b><u>739,465,822</u></b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	32,543,480	22,322,590
Intangible Assets	12	30,141,655	34,066,098
Capital Work in Progress		-	2,794,074
Preoperative Expenses Pending Allocation	13	3,408,210	22,583,893
Non Current Investments	14	201,600	642,472
Long Term Loans and Advances	15	304,926,151	306,920,700
<b>Current Assets</b>			
Current Investments	16	283,250	-
Inventories	17	802,459	1,685,971
Trade Receivables	18	1,583,059	468,650
Cash and Cash Equivalents	19	1,617,893	5,474,918
Short Term Loans and Advances	20	341,641,497	341,508,729
Other Current Assets	21	147,821	997,726
<b>TOTAL</b>		<b><u>717,297,076</u></b>	<b><u>739,465,822</u></b>

Notes on Accounts form an integral part of the financial statements

As per our attached report of even date

**For Shyam Malpani and Associates**

Chartered Accountants

For and on behalf of the Board

**Shyam Malpani**

Proprietor

Place : Mumbai, Dated 26th November 2013

Chairman

Whole Time Director

Director

## Statement of Profit and Loss as at 30th September 2013

Particulars	Note No	Current Year ( ₹ )	Previous Year ( ₹ )
Revenue From Operations	22	23,512,016	13,809,936
Other Income	23	3,474,695	7,735,527
<b>Total Revenue</b>		<b><u>26,986,710</u></b>	<b><u>21,545,463</u></b>
Expenses:			
Purchase of Stock-in-Trade	24	3,020,669	3,056,953
Changes in Inventories	25	883,511	(928,986)
Operational Expenses	26	17,008,266	13,770,356
Employee Benefit Expense	27	21,358,168	8,089,308
Financial Costs	28	544,587	189,737
Depreciation and Amortization Expense		16,635,494	10,263,117
Other Expenses	29	13,376,414	22,022,574
<b>Total Expenses</b>		<b><u>72,827,110</u></b>	<b><u>56,463,059</u></b>
Profit/(Loss) Before Exceptional and Extra-Ordinary Items and Tax		(45,840,400)	(34,917,596)
Exceptional and Extra-Ordinary Items		-	-
Profit/(Loss) Before Tax		(45,840,400)	(34,917,596)
Tax Expense:			
- Current Tax		-	-
- Deferred Tax		(2,150,603)	456,537
<b>Profit/(Loss) After Tax</b>		<b><u>(43,689,797)</u></b>	<b><u>(35,374,133)</u></b>
Earnings/(Loss) Per Share - Basic and Diluted		(0.05)	(0.04)

Notes on Accounts form an integral part of the financial statements

As per our attached report of even date

For **Shyam Malpani and Associates**  
Chartered Accountants

For and on behalf of the Board

**Shyam Malpani**  
Proprietor

Chairman

Whole Time Director

Director

Place : Mumbai, Dated 26th November 2013

**Cash Flow Statement for the year ended 30th September, 2013**

PARTICULARS	For the year ended 30.09.2013 ₹	For the year ended 30.09.2012 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before tax &amp; extra ordinary items</b>	<b>(45,840,400)</b>	<b>(34,917,596)</b>
<b>Adjustments for:</b>		
Depreciation	16,635,494	10,263,117
Profit/Loss on sale of Shares	-	(6,834,745)
Provision for employee benefits	90,413	227,952
Provision for dim. In shares	-	(19,800)
Sundry Balance Written back	25,000	(5,025)
Sundry Balance Written Off	-	15,357
Interest (net) & Dividend Income	376,106	(830,392)
	17,127,013	2,816,464
	<b>(28,713,387)</b>	<b>(32,101,132)</b>
<b>Operating Profit before Working Capital Changes</b>		
<b>Adjustments for:</b>		
(Increase)/Decrease in Stock-in Trade	883,512	(928,986)
(Increase)/Decrease in Trade and Other Receivables	(1,114,409)	(364,006)
(Increase)/Decrease in Loans & Advances	(132,767)	(2,459,283)
Increase/(Decrease) in Current Liabilities	(34,668,336)	7,540,359
(Increase)/Decrease in Other Current Assets	849,905	-
Increase/(Decrease) in Other Current Liabilities	(825,722)	-
(Increase)/Decrease in Miscellaneous Expenses (Assets)	19,123,953	(15,883,864)
	(11,813,198)	(8,025,114)
<b>Cash Generated From Operations</b>	<b>(44,597,252)</b>	<b>(40,126,246)</b>
Income Tax Paid(net of refund)	-	-
Net Cash Inflow/(Outflow)before Extraordinary Items	(44,597,252)	(40,126,246)
Prior Period Adjustment	-	-
<b>Net Cash flow From Operating Activities (A)</b>	<b>(44,597,252)</b>	<b>(40,126,246)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets	(24,484,957)	(15,708,181)
Sale of Fixed Asset	1,860,780	-
Purchase Investments	157,623	-
Sale of Investments	-	14,338,592
Investment in Capital WIP	2,794,074	-
Interest (net) & Dividend Income	168,482	830,392
<b>Net Cash From Investment Activities (B)</b>	<b>(19,503,999)</b>	<b>(539,196)</b>
<b>C. Cash Flow from Financing Activities:</b>		
Security Deposit (Asset)/capital advance	1,994,549	(3,212,868)
Increase/(Decrease) in Long Term Borrowing	(800,722)	500,000
Increase/(Decrease) in Secured Loan	-	949,601
Increase/(Decrease) in Unsecured Loan	59,050,399	44,663,000
<b>Net Cash Used in Financing Activities (C)</b>	<b>60,244,226</b>	<b>42,899,733</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b>	<b>(3,857,025)</b>	<b>2,234,289</b>
<b>Cash &amp; Cash Equivalent as on 1.10.2012</b>	<b>5,474,918</b>	<b>3,240,629</b>
<b>Cash &amp; Cash Equivalent as on 30.09.2013</b>	<b>1,617,893</b>	<b>5,474,918</b>

As per our attached report of even date  
For **Shyam Malpani and Associates**  
Chartered Accountants

For and on behalf of the Board

**Shyam Malpani**  
Proprietor

Chairman

Whole Time Director

Director

Place : Mumbai, Dated 26th November 2013

## Notes forming part of the financial statements : 30th September 2013

### Note 1 Significant Accounting Policies

#### 1. Basis of Accounting

The financial statements have been prepared on accrual basis, except wherever otherwise stated, under the historical cost convention, in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of Section 642 and the relevant provisions of the Companies Act, 1956.

#### 2. Income Recognition

- (i) Management Consultancy fees and royalty are recognised on accrual basis.
- (ii) Income from wellness centre (SPA) activities is recognised on accrual basis. Discounts offered to the customers are shown separately as expenses.
- (iii) Sales (including licensing of Programs/ Films/ Movie rights) are recognised when the delivery is completed
- (iv) Interest income is recognised on a time proportion basis taking into account outstanding and applicable interest rates.
- (v) Dividend income is recognized on receipt basis.

#### 3. Fixed Assets

- i) Fixed assets are stated at cost of acquisition /construction including all costs attributable to bringing the assets to their working condition, less accumulated depreciation.
- ii) Assets individually costing less than ₹ 5000/- are fully depreciated in the year of purchase.
- iii) Pre-operative expenditure incurred during the construction period is capitalized under the relevant Fixed Asset, upon commencement of the commercial operations, in accordance with the generally accepted accounting principles.

#### 4. Depreciation/Amortisation

- (i) Depreciation is provided on fixed assets as per the Straight Line Method at the rates and in the manner stipulated in Schedule XIV to the Companies Act, 1956 except for Mobile Handsets in respect of which, the Company adopts writing off the entire value in three years from the date of their acquisition (i.e., at 33 1/3% per annum). The Company estimates that the recoverable value at the end of specified period would be insignificant in respect of those assets.
- (ii) Satellite Rights in respect of a feature film are amortised in ten equal annual instalments.
- (iii) Leasehold improvements are amortized over the period of primary lease term (36 months).

#### 5. Investments

All investments are classified as Long Term Investments and are carried at the cost of acquisition. Permanent diminution in the book value of long-term investments with reference to the market value and other relevant factors is recognized and charged to the Statement of Profit and Loss.

**6. Borrowing Costs**

Borrowing costs attributable to the acquisition/construction of a qualifying asset are capitalised as part of the cost of such assets, upto the period assets are ready for their intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**7. Accounting for Taxes on Income**

Provision for Current tax is made as per the relevant provisions applicable under the Income Tax Act, 1961. Deferred tax asset/liability arising on account of timing difference and capable of reversal in subsequent periods is recognized using the tax rates and tax provisions that have been enacted or substantively enacted as at the Balance Sheet date.

**8. Inventories**

Body Care products and accessories are carried at the lower of the Cost or Net Realisable Value.

**9. Retirement Benefits**

Liability for Gratuity and leave encashment is provided for in the accounts on the basis of actuarial valuation.

**10. Earnings per Share**

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of subsequent issue of shares.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**11. Impairment of Assets**

The Company identifies assets to be impaired based on cash generating unit concept at the year end in terms of paragraphs 5 to 13 of the Accounting Standard - 28 for the purpose of arriving at Impairment loss there on, if any, being the difference between the book value and recoverable value of relevant assets. Impairment loss when crystallizes is charged against the revenue of the year.

**12. Contingent Liabilities and Provisions**

Disputed liabilities and claims against the Company including claims raised by the revenue authorities pending in appeal for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes on accounts.

However, present obligation as a result of a past event with possibility of outflow of resources, when reliably estimated, is recognised in accounts, wherever applicable.

**13. Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**Notes forming part of the financial statements :  
30th September 2013**

	As at 30/9/2013 Amount ( ₹ )	As at 30/9/2012 Amount ( ₹ )
<b>2 Share Capital</b>		
<b>Authorised</b>		
994,000,000 Equity Shares of ₹ 1/- each (Previous Year 994,000,000 Equity Shares of ₹1/- each)	994,000,000	994,000,000
10,60,000 0% Redeemable Cumulative Preference Shares of ₹ 100/- each (Previous Year 10,60,000 1% Redeemable Cumulative Preference Shares of ₹ 100/- each)	106,000,000	106,000,000
	<u>1,100,000,000</u>	<u>1,100,000,000</u>
<b>Issued, Subscribed and Paid-up</b>		
800,000,000 Equity Shares of ₹ 1/- each fully paid up (Previous Year 800,000,000 Equity Shares of ₹ 1/- each fully paid up)	800,000,000	800,000,000
254000 0% Redeemable Cumulative Preference Shares of ₹ 100/- each fully paid up (Previous Year 254000 1% Redeemable Cumulative Preference Shares of ₹ 100/- each fully paid up)	25,400,000	25,400,000
	<u>825,400,000</u>	<u>825,400,000</u>

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

Particulars	Number		Amt. (in Rs)	
	Number	Amt. (in Rs)	Number	Amt. (in Rs)
Shares outstanding at the beginning of the year	800,000,000	800,000,000	800,000,000	800,000,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>	<u>800,000,000</u>

**Preference Shares**

Particulars	Number		Amt. (in Rs)	
	Number	Amt. (in Rs)	Number	Amt. (in Rs)
Shares outstanding at the beginning of the year	-	-	254,000	25,400,000
Reclassified during the year into 0% Redeemable Cumulative Preference Shares	254,000	25,400,000	-	-
Shares outstanding at the end of the year	<u>254,000</u>	<u>25,400,000</u>	<u>254,000</u>	<u>25,400,000</u>

Details of shareholders holding more than 5% shares in the Company

Particulars	No. of Shares		% of	
	held	% of holding	held	% of holding
Vidhi Holdings Pvt Ltd	299320466	37.42	299320466	37.42
Akhilesh Developers Pvt. Ltd.	-	-	96488263	12.06
Yashaswini Leisure Pvt. Ltd.	-	-	94451400	11.81
Hanumesh Realtors Pvt. Ltd.	-	-	82052483	10.26
Ethic Financial Service Pvt Ltd	56899517	7.11	56899517	7.11
Meritorious Financial Services Pvt Ltd	56899517	7.11	56899517	7.11
Akhilesh Investfin Pvt. Ltd.*	96488263	12.06	-	-
Yashaswini Investments Company Pvt. Ltd.*	94451400	11.81	-	-
Hanumesh Investments Pvt. Ltd.*	82052483	10.26	-	-

\* During the year, company has received a notice from its shareholder belonging to Promoter and Promoter group M/s Akhilesh Developers Pvt. Ltd., M/s Yashaswini Leisure Pvt. Ltd. & M/s Hanumesh Realtors Pvt. Ltd. informing about the order of Hon'ble court of Bombay w.r.t. demerger of Investment division to M/s Akhilesh Investfin Pvt. Ltd., M/s Yashaswini Investments Company Pvt. Ltd. & M/s Hanumesh Investments Pvt. Ltd. respectively.

**Notes forming part of the financial statements :  
30th September 2013**

Particulars	As at	As at
	30/9/2013	30/9/2012
	Amount ( ₹ )	Amount ( ₹ )
<b>3 Reserves &amp; Surplus</b>	<b>As at</b>	<b>As at</b>
Particulars	30/9/2013	30/9/2012
Securities Premium	57,000,000	57,000,000
<b>Statement of Profit &amp; Loss</b>		
Opening balance	(323,416,676)	(286,965,939)
Add: Profit/ (Loss) for the year	(43,689,797)	(35,374,133)
Less: Income tax of earlier years	-	(1,076,504)
	<u>(367,106,473)</u>	<u>(323,416,576)</u>
	<u><b>(310,106,473)</b></u>	<u><b>(266,416,576)</b></u>
<b>4 Long Term Borrowings</b>		
Loan from a related party - interest free	140,000,000	80,000,000
	<u>140,000,000</u>	<u>80,000,000</u>
Out of the total loan received from a body corporate Rs 14 cr is repayable after 5 years and balance amount is repayable on demand		
<b>5 Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	842,521	2,434,042
<b>Deferred Tax Assets</b>		
Disallowance under the Income Tax Act, 1961	(739,313)	(180,231)
	<u>103,208</u>	<u>2,253,811</u>
<b>6 Other Long-term Liabilities</b>		
Rent Deposit	500,000	500,000
Others	-	800,722
	<u>500,000</u>	<u>1,300,722</u>
<b>7 Long term provisions</b>		
Provision for Gratuity (unfunded)	435,388	375,935
Provision for Leave Encashment (unfunded)	169,363	5,561
	<u>604,751</u>	<u>381,496</u>
<b>8 Short-term borrowings from Banks:-</b>		
Vehicle Loans	-	949,601
	<u>-</u>	<u>949,601</u>
The said loan was secured by hypothecation of the vehicle financed		
<b>9 Trade payables</b>		
For Goods	304,111	803,352
For Expense	21,604,076	18,738,449
	<u>21,908,186</u>	<u>19,541,801</u>
<b>10 Other current liabilities</b>		
Current maturities of long term borrowing (Refer Note No. 4)	34,091,000	69,837,000
Other payables	392,063	534,241
Statutory dues payable	1,463,010	1,209,430
Advance from Customers	2,869,750	4,244,873
Deposit - Retainers	25,000	50,000
	<u>38,840,823</u>	<u>75,875,544</u>
<b>11 Short term provisions</b>		
Provision for Gratuity	5,533	64,986
Provision for Leave Encashment	18,126	96,055
Other Provision	22,922	18,382
	<u>46,581</u>	<u>179,423</u>



## Notes forming part of the financial statements : 30th September 2013

## Note 12 : Fixed Assets

Amount (in ₹)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 30.09.2012	Additions/ Capitalised	Deduction	As at 30.09.2013	Upto 30.09.2012	Provided for the year	Upto 30.09.2013	As at 30.09.2013	As at 30.09.2012
<b>I- Tangible Assets</b>									
Furniture & Fixtures	4,650,681	-	-	4,650,681	4,490,482	30,962	4,521,444	129,238	160,199
Office Equipment	16,599,408	1,578,072	-	18,177,480	16,457,968	88,099	16,546,067	1,631,414	141,440
Computer & Printer	33,175,029	107,498	-	33,282,527	30,873,303	480,879	15,288	1,943,634	2,301,726
Motor Cars	2,274,568	-	1,553,015	721,553	337,815	202,556	-	181,183	1,936,753
Saloon Tools	429,261	102,195	-	531,456	286,010	18,675	-	304,685	143,251
Lease Hold Improvements	<b>20,752,833</b>	<b>21,157,286</b>	-	<b>41,910,118</b>	<b>9,711,626</b>	<b>11,444,640</b>	<b>152,465</b>	<b>21,003,801</b>	<b>11,041,207</b>
Civil Work	9,136,253	1,497,673	-	10,633,926	3,330,850	3,559,843	139,434	3,882,667	5,805,403
Furniture & Fixture	5,259,479	401,752	-	5,661,231	2,402,961	1,966,723	13,031	4,356,653	2,856,518
Signage	89,028	162,690	-	251,718	24,327	64,941	-	89,268	64,701
Electrical Installation & Fittings	1,242,078	-	-	1,242,078	547,748	413,844	-	961,592	694,330
Other Assets	5,025,995	19,095,171	-	24,121,166	3,405,740	5,439,290	-	8,845,030	1,620,255
Air Conditioners	1,085,271	-	-	1,085,271	57,541	51,549	-	109,090	1,027,730
Electronic Items	3,973,825	1,181,881	-	5,155,706	107,818	230,064	-	337,882	3,866,007
Equipment & Machineries	1,853,687	128,469	-	1,982,156	170,468	100,717	-	271,185	1,683,219
Fire Extinguishers	23,300	-	-	23,300	2,244	1,107	-	3,351	19,949
<b>II- Intangible Assets</b>									
Software	401,257	229,556	-	630,813	307,762	154,000	-	461,762	169,051
Film Satellite Rights	40,000,000	-	-	40,000,000	6,027,397	3,999,999	-	10,027,396	33,972,603
<b>TOTAL</b>	<b>125,219,119</b>	<b>24,484,957</b>	<b>1,553,015</b>	<b>148,151,061</b>	<b>68,830,434</b>	<b>16,803,247</b>	<b>167,753</b>	<b>85,465,928</b>	<b>56,388,685</b>
Previous Year	108,859,332	16,359,785	-	125,219,119	58,567,317	10,263,117	-	68,830,434	56,388,685

**Notes forming part of the financial statements :  
30th September 2013**

Particulars	As at 30/9/2013 Amount ( ₹ )		As at 30/9/2012 Amount ( ₹ )	
<b>13 Pre-Operative Expenditure Pending Allocation</b>				
Opening Balance		22,583,893		10,722,041
Add: Expenditure incurred during the year				
Commission & Brokerage		897,780		63,000
Professional Fees		124,251		453,319
Retainership Fees		-		772,879
Printing & Stationery		-		517,460
Salaries		251,989		2,449,278
Other Related Expenses		201,316		7,605,916
Less: transfred to fixed assets		20,651,019		-
Less: transfred to profit & loss account		-		-
		3,408,210		22,583,893
<b>14 Non-current investments</b>				
<b>Investment in Equity Shares</b>				
<b>Quoted, Non trade, Long Term, at cost</b>				
Nil (2012: 5,000) Shares of Dlink Industries		-		249,472
9,100 (2012: 9,100) Shares of Niryat Sam (Apparels) India Ltd.				
Cost	91,000			
Less: Diminution	72,800	18,200		18,200
9,600 (2012: 9,600) Shares of Ucil Leasing Ltd.				
Cost	96,000			
Less: Diminution	95,600	400		400
40,000 (2012: 40,000) Shares of Umred Agro Complex Ltd.				
Cost	1,000,000			
Less: Diminution	920,000	80,000		80,000
Nil (2012: 4,000) Shares of Shree Ashta Vinayak		-	98,600	191,400
Unquoted, Non trade, Long Term, at cost				539,472
10,000 (2012:10,000) Shares of Dewas Soya Ltd.	100,000			100,000
100 (2012:100) Shares of Bombay Mercantile Bank Ltd	3,000	103,000	3,000	103,000
		201,600		642,472
<b>15 Long term Loans and Advances</b>				
(Unsecured, Considered good, unless stated otherwise)				
Deposits*		304,926,151		306,920,700
		304,926,151		306,920,700

\*of the above Rs 150,000,000 is given to related party

**Notes forming part of the financial statements :  
30th September 2013**

Particulars	As at 30/9/2013 Amount ( ₹ )	As at 30/9/2012 Amount ( ₹ )
<b>16 Current investments</b>		
<b>Quoted investment</b>		
28236.06 units of HDFC Cash Management Fund		
- Treasury Advantage	283,250	-
Plan - Retail - Daily Dividend(Reinvest) (NAV = Rs 283250)		
	<u>283,250</u>	<u>-</u>
<b>17 Inventories</b>		
(As taken valued and certified by a director):		
Stock of SPA Items	802,459	1,685,971
	<u>802,459</u>	<u>1,685,971</u>
<b>18 Trade receivables</b>		
Outstanding for a period exceeding six months		
Considered good	-	47,788
Considered Doubtful	1,597,097	1,549,309
Less: Provision for Doubtful Debts	<u>(1,597,097)</u>	<u>(1,549,309)</u>
Other Debts		
Considered good	1,583,059	420,862
	<u>1,583,059</u>	<u>468,650</u>
<b>19 Cash and cash equivalents</b>		
Cash in Hand	97,891	59,639
Balance with Banks		
In Current account	559,019	3,290,953
In Deposit account (with maturities more than 3 months and less than 12 months)	960,983	5,415,280
	<u>1,617,893</u>	<u>5,474,918</u>
<b>20 Short-term loans and advances</b>		
(Unsecured, Considered good)		
Advances receivable in cash or in kind	56,997	103,482
Advance against purchase of Shares in a body corporate outside India	8,463,085	6,938,069
Other Short Term loans and advances:		
Advance Income Tax, TDS & Refund Receivable	1,503,118	872,355
Service Tax Credit Receivable	904,475	1,918,570
VAT Input Receivable	833,903	712,857
Other Advances recoverable	613,292	1,735,769
Deposits	329,266,628	329,227,628
	<u>341,641,497</u>	<u>341,508,729</u>
<b>21 Other Current Assets</b>		
Prepaid expenses	147,821	997,726
	<u>147,821</u>	<u>997,726</u>

**Notes forming part of the financial statements :  
30th September 2013**

Particulars	As at 30/9/2013 Amount ( ₹ )		As at 30/9/2012 Amount ( ₹ )	
<b>22 Revenue from operations</b>				
Sales & Service Income from SPA	18,771,089		12,667,038	
Less: VAT/ Service Tax Recovered/ Discount allowed	<u>(2,011,201)</u>	16,759,889	<u>(2,191,083)</u>	10,475,955
Consultancy Charges	-		311,894	
Less: Service Tax Recovered	<u>-</u>	-	<u>(30,643)</u>	281,251
Training Charges	1,025,887		-	
Less: Service Tax Recovered	<u>(112,851)</u>	913,036	<u>-</u>	-
Photo Shoot	2,348,324		-	
Less: Service Tax Recovered	<u>(258,324)</u>	2,090,000	<u>-</u>	-
Royalty Fees	4,212,471		3,412,259	
Less: Service Tax Recovered	<u>(463,380)</u>	3,749,091	<u>(359,529)</u>	3,052,730
		<u><b>23,512,016</b></u>		<u><b>13,809,936</b></u>
<b>23 Other income</b>				
Dividend		85,750		336,753
Interest		82,732		522,010
Profit on Sale of Investment		-		6,834,745
Profit on Sale of Motor Car		307,765		-
Foreign Exchange Fluctuation		1,525,015		-
Sundry Balance w/off		1,457,432		-
Miscellaneous Income		16,001		42,019
		<u><b>3,474,695</b></u>		<u><b>7,735,527</b></u>
<b>24 Purchase of Stock in trade</b>				
Purchase Body Care Products and Related Products		<u>3,020,669</u>		<u>3,056,953</u>
		<u><b>3,020,669</b></u>		<u><b>3,056,953</b></u>
<b>25 Changes in inventory</b>				
Closing stock				
Finished Goods		802,459		1,685,971
Less:				
Opening stock		<u>1,685,971</u>		<u>756,985</u>
Finished Goods		<u><b>883,511</b></u>		<u><b>(928,986)</b></u>

**Notes forming part of the financial statements :  
30th September 2013**

Particulars	As at 30/9/2013 Amount ( ₹ )	As at 30/9/2012 Amount ( ₹ )
<b>26 Operational expenses</b>		
Electricity Expenses	1,150,460	736,309
House Keeping Charges	25,672	532,849
Laundry Expenses	252,795	151,098
Rent Paid	13,531,049	11,874,874
Cost of Production - Photo Shoot	1,752,164	-
Revenue Sharing Expenses	40,771	197,930
Security Charges	255,356	277,297
	<u>17,008,266</u>	<u>13,770,356</u>
<b>27 Employee benefit expense</b>		
Salaries to Staff	20,358,733	7,600,146
Contribution to Provident & Other Funds	867,019	364,048
Staff Welfare Expenses	132,416	125,114
	<u>21,358,168</u>	<u>8,089,308</u>
<b>28 Financial Cost</b>		
Bank Charges	163,309	161,366
Interest	381,278	28,371
	<u>544,587</u>	<u>189,737</u>
<b>29 Other expenses</b>		
Auditor's Remuneration	292,136	200,000
Directors' Remuneration	600,000	1,817,333
Sitting Fees	7,691	13,742
Directors' Foreign Travelling Expenses	195,952	804,149
Travelling	1,358,245	860,206
Conveyance	572,864	475,274
Postage and Telegrams	119,819	135,395
Telephone Expenses	363,762	203,294
Internet Charges	270,970	152,506
Filing & Stamp Duty	124,604	139,494
Labour Charges	184,815	-
Loss on Sales of Shares & Securities	293,276	-
Diminution in Investment	4,540	-
Business Promotion	134,308	138,691
Vehicle Expenses	87,410	272,076
Office Expenses	579,835	575,735
Legal & Professional Expenses	2,931,916	8,075,731
Retainership Charges	354,201	3,286,359
Sundry Expenses	1,091,319	847,483
Advertisement & Marketing Expenses	1,335,856	1,513,333
Franchise	301,573	441,287
Membership & Subscription	63,695	244,401
Lodging & Boarding	281,279	146,479
Printing & Stationery	926,163	843,258
Refreshments	317,500	165,515
Repairs & Maintenance	350,808	460,771
Transportation Charges	231,878	210,060
	<u>13,376,414</u>	<u>22,022,574</u>

**Notes forming part of the financial statements :  
30th September 2013**

**Note 30: Computation of Earnings / (Loss) Per Share:**

Particulars	Current Year	Previous Year
Amounts used as numerator – Profit/(Loss) for the year ( ₹ )	(43,689,797)	(35,374,133)
Preference dividend	-	(254,000)
Amount available to Equity Shareholders	(43,689,797)	(35,628,133)
No. of Equity Shares used as denominator (Nos.)	80,00,00,000	80,00,00,000
Nominal value per Equity Share ( ₹ )	1.00	1.00
Earnings / (Loss) Per Share( ₹ )	(0.05)	(0.04)

**Note 31: Contingent liabilities**

- Arrears of dividend on Redeemable Cumulative Preference Shares – Nil (Previous Year – ₹ 24.55 Lacs).
- Contingent Liabilities as may arise on account of non/delayed compliance of certain fiscal statutes – Amount unascertainable (Previous Year – Amount unascertainable).

**Note 32:**

2,54,000 0% Redeemable Cumulative Preference Shares of ₹ 100/- each fully paid up amounting to ₹ 254.00 Lacs due to be redeemable at 30th January 2013 (as extended previously) are further extended for redemption after 5 years i.e. up to 30th January 2018 pursuant to the provisions of section 106 of the Companies Act 1956. Further, the rate of Preference Dividend has been reduced to 0% from 1%.

**Note 33:**

Unsecured loans from a body corporate under the same group (interest free) are repayable on demand. Certain portion of the said loan is considered as long term debt by the Company, keeping in view the purpose and the tenure, as agreed upon with the lender body corporate.

**Note 34:**

a) The Company has provided liability for gratuity and leave encashment payable to its eligible employees as per actuarial valuation, in line with the recommendations of the Accounting Standard -15, Employee Benefits. Following are the details in respect of gratuity (Non-funded):

**Statement of Profit and Loss**

Net employee benefit expenses (recognized in Employee cost)

Particulars	30.09.2013 ( ₹ )		30.09.2012 ( ₹ )	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Service Cost	-	110,556	131,897	96,055
Total included in "Employee Benefit Expenses"	-	110,556	131,897	96,055

## Notes forming part of the financial statements : 30th September 2013

### Balance Sheet

Details of provision for Gratuity & Leave Encashment

Particulars	30.09.2013 (₹)		30.09.2012 (₹)	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Liability at the end of the year	440,921	187,489	440,921	101,616
<b>Amount in Balance Sheet</b>	<b>440,921</b>	<b>187,489</b>	<b>440,921</b>	<b>101,616</b>

Changes in the present value of the defined benefit obligation are as follows:

Particulars	2012-13 (₹)		2011-12 (₹)	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Liability at the beginning of the year	440,921	101,616	309,024	355,377
Current Service Cost	-	122,228	131,897	96,055
Benefits paid/adjustment	-	36,355	-	349,816
<b>Liability at the end of the year</b>	<b>440,921</b>	<b>187,489</b>	<b>440,921</b>	<b>101,616</b>

Principal actuarial assumptions as at the Balance Sheet date:

Particulars	2012-13		2011-12	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Discount Rate	9.25%	9.25%	8.50%	8.50%
Expected Rate of Return on Assets	0%	0%	0%	0%
Salary Escalation Rate (p.a.)	6%	6%	6%	6%
Employee Attrition Rate	2%	2%	2%	2%
Retirement Age	58 Years	58 Years	58 Years	58 Years

### Note 35:

In the earlier years, the Company has given an interest-free Security Deposit of ₹ 1,500 Lacs to Shree Ram Urban Infrastructure Ltd. (SRUIL) as per Memorandum of Understanding (MoU) for establishment and running of wellness centre in the upcoming project of SRUIL, as per the terms of which the Company is entitled to share revenue with SRUIL/society for a specific period.

### Note 36:

In the earlier years, the Company has incurred Publicity and Promotion expenses including Satellite rights, in respect of a feature film amounting to ₹ 740.28 Lacs, of which, the management is of the view that ₹ 400.00 Lacs would represent the future economic benefit of the satellite rights and has accordingly capitalised the same under Intangible assets. Due to capitalising the same, the fixed assets are over stated to the extent of ₹ 299.73 Lacs (Previous Year ₹ 339.73 Lacs).

### Note 37:

Based on a revenue sharing agreement entered into between the Company and SKM Real Infra Limited (formerly SKM Fabrics (Andheri) Ltd.) (SKM) the Company has given an interest free deposit of ₹ 47.92 Crores (Previous year – ₹ 47.92 Crores) in relation to the Wellness Academy and other allied activities being set up in the portion of a commercial premises developed by SKM.

**Notes forming part of the financial statements :  
30th September 2013**

**Note 38:**

Certain balances under the heads of Unsecured borrowing, Trade Receivables, Loans and Advances and Trade payables are subject to confirmation and consequential reconciliation, if any. The necessary adjustments in the respective accounts will be carried out in the year such reconciliation /confirmation takes place.

**Note 39:**

In the opinion of management, Current Assets, Loans and Advances are expected to realize at the values represented in the financial statements in the normal course of business and adequate provision has been made for all known liabilities.

**Note 40:**

Travelling expenses include Directors' Travelling expenses (foreign & domestic) of ₹ 3.09 Lacs (Previous Year – ₹ 9.99 Lacs).

**Note 41:**

- a. No provision for Current tax for year has been considered, in view losses incurred by the Company during the year.
- b. Deferred tax:

(₹ in Lacs)

Particulars	2012-13	2011-12
(a) Deferred tax Liabilities on account of : Depreciation	2,536,188	24,34,042
(b) Deferred tax assets on account of: Employee Benefits	2,225,507	1,80,231
<b>Balance in Deferred tax Liability (Net) (a)-(b)</b>	<b>310,681</b>	<b>22,53,811</b>

Tax rate considered for the above purposes is 30.90% (Previous Year: 30.90%)

- c. Deferred tax Assets arising due to brought forward losses under the Income Tax Act, 1961 were not recognized in the accounts as a matter of prudence.

**Note 42:**

As per the requirements of Section 22, there are no Micro and Small Enterprise to whom the Company owes dues, which are outstanding more than 45 days as at 30th September, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The same has been taken on the basis of information provided by the Company and relied upon by the Auditors.



**Notes forming part of the financial statements :  
30th September 2013**

**Note 43: Auditors' Remuneration:**

(₹ in Lacs)

Particulars	Current Year	Previous Year
Audit Fees	1.25	1.25
Tax Audit Fees	0.75	0.75
Certification and other matters (Included under legal & professional fees)	0.60	0.20
<b>Total</b>	<b>2.60</b>	<b>2.20</b>

**Note 44: Directors' Remuneration:**

Remuneration of Directors (Including Managing Director) is as under:

(₹ in Lacs)

Particulars	Current Year	Previous Year
Remuneration to Managing Director	0.00	13.75
Remuneration to Whole Time Director	6.00	6.00
Provident Fund Contribution	0.72	1.72
Sitting Fees paid to Directors	0.09	0.13
<b>Total</b>	<b>6.81</b>	<b>21.60</b>

**Note 45: Leased out Premises:**

The Company has taken a premises on operating lease basis. Lease payments made during the year debited to Statement of Profit and loss ₹ 74.16 Lacs (Previous year ₹ 86.09 lacs), the agreement being amended during the year. The amount of future minimum lease payments/commitment under non-cancellable are as under:

(₹ in Lacs)

Period	As at 31.03.2013	As at 31.03.2012
Not later than one year	38.03	93.17
Later than one year but not later than five years	159.23	162.03

**Note 46:**

The Company has identified three reportable Segments viz, Management Consultancy, Wellness business and Landmarc Films. Segments have been identified and reported taking into account nature of services rendered by the Company, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company, with the following additional disclosures for segment reporting:

LANDMARC LEISURE CORPORATION LIMITED

(₹ in Lacs)

Sr. No.	Particulars	Management Consultancy		Wellness Business		Landmarc Films		Unallocable		Total	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
1	Segment Revenue										
	External Turnover	16.93	76.94	214.38	138.32	20.90	-	17.65	0.20	269.87	215.46
	Inter Segment Turnover	-	-	-	-	-	-	-	-	-	-
	Gross Turnover	16.93	76.94	214.38	138.32	20.90	-	17.65	0.20	269.87	215.46
	Less: VAT/ Service Tax Recovered	-	-	-	-	-	-	-	-	-	-
	Net Turnover	16.93	76.94	214.38	138.32	20.90	-	17.65	0.20	269.87	215.46
2	Segment Result before Interest and Taxes	(31.73)	(74.47)	(353.72)	(207.05)	(80.62)	(69.55)	32.15	(7.63)	(433.91)	(358.70)
	Less: Interest Expenses	3.10	0.13	0.71	0.15	-	-	-	-	3.81	0.28
	Add: Interest Income	0.83	5.22	-	-	-	-	-	-	0.83	5.22
	Add: Exceptional Item	-	-	-	-	-	-	-	-	-	-
	Profit Before Tax	(34.00)	(69.37)	(354.43)	(207.19)	(80.62)	(69.55)	32.15	(7.63)	(436.90)	(353.76)
	Current Tax	-	-	-	-	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	-	-	-	-	-
	Profit After Tax	(34.00)	(69.37)	(354.43)	(207.19)	(80.62)	(69.55)	32.15	(7.63)	(436.90)	(353.76)
3	Other Information										
	Segment Assets	101.82	117.23	1,704.26	1,857.01	413.43	462.92	4,824.73	4,842.19	7,044.23	7,279.35
	Segment Liabilities	-	-	103.42	105.24	9.79	15.55	378.09	60.86	491.30	181.65
	Depreciation	1.89	2.09	108.41	50.46	56.06	50.09	-	-	166.35	102.63

**Notes forming part of the financial statements :  
30th September 2013**

- a. Revenue & Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue & Expenses which relates to enterprise as a whole are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b. Segment assets & liabilities represent assets & liabilities in respected segments. Tax related assets & other liabilities that cannot be allocated to a segment as a reasonable basis have been disclosed as "Unallocable".

The Company deals only in one geographical area i.e. India hence there is no secondary segment as reportable.

**Note 47: Related party Disclosure**

- (i) Key Management personnel
  - (a) Shri S D Sinha - Whole Time Director
  - (b) Vidhi Kasliwal
- (ii) Relatives of Key Management Personnel
  - (a) Vikas Kasliwal
  - (b) Arnav Vikas Kasliwal
  - (c) Dhruv Vikas Kasliwal
- (iii) Subsidiaries & Fellow Subsidiaries
 

None
- (iv) Associates
 

None
- (v) Enterprises over which key management personnel and their relatives exercise significant influence where the Company has entered into transactions during the year:
  - a) Vidhi Holdings Private Limited
  - b) Yashaswini Leisure Private Limited
  - c) Akhilesh Developers Private Limited
  - d) Hanumesh Realtors Private Limited
  - e) Shree Ram Urban Infrastructure Limited
  - f) Yashaswini Investments Company Private Limited
  - g) Akhilesh Investfin Private Limited
  - h) Hanumesh Investments Private Limited

**Notes forming part of the financial statements :  
30th September 2013**

(₹ in Lacs)

( a )	( b )	( C )	( e )
Particulars	Key management Personnel	Enterprises over which key management personnel & their relatives exercise influence	Closing Balances
Remuneration & Perquisites	6.72 (21.47)	---	---
Foreign Travelling Expenses	- (8.04)	---	---
Reimbursement of Expenses	-	2.21 (2.97)	5.18 (2.97)
Unsecured Loans taken	(Nil)	242.54 (446.63)	1740.91 (1498.37)
Advance received	-	1.67 (10.50)	12.17 (10.50)
Deposits	-	1371.26	1371.26

Notes:

- (a) Related party relationships are as per the information provided by the Company and relied upon by the auditors.  
(b) Previous year's figures are given in brackets.

**Note 48:**

Disclosure as regards Accounting Standard-29 (Provisions, Contingent Liabilities and Contingent Assets).

(₹ in Lacs)

Particulars	Opening balance as on 01-10-2012	Provision during the year	Payment / Adjustment during the year	Closing Balance as on 30-09-2013
Provision for Gratuity	4.41	Nil	Nil	4.41
Provision for Leave Encashment	1.01	1.12	0.26	1.87

**Note 49:**

Previous year figures have been grouped / regrouped as current year financials.

For and on behalf of the Board,

**Chairman    Whole Time Director    Director**

Place: Mumbai.

Date: 26th November 2013

**LANDMARC LEISURE CORPORATION LIMITED**

Regd office : "Avadh" Avadesh Parisar , Shree Ram Mills Premises,  
G.K Marg , Worli , Mumbai – 400018.

**ANNUAL GENERAL MEETING 24th JANUARY 2014****ATTENDENCE SLIP**

(to be handed over at the entrance of the meeting hall)

* Clint ID No. :	Reg. Folio No. :
* Clint ID No. :	Reg. Folio No. :

I certify that I am Registered Share Holder / Proxy of the Company and hold \_\_\_\_\_ shares. I here by record my presence at the Twenty Third Annual General Meeting being held at "Victoria Memorial School For The Blind, Opp. Tardeo A/C Market, 73, Tardeo Road, Mumbai – 400 034. On Friday 24th January 2014 at 09.00 a.m.

\_\_\_\_\_  
Name of the Member / Proxy (In block letter)      Member's / Proxy's Signature

Notes:

1. A member / proxy wishing to attend the meeting must complete this Admission Slip and hand it over at the entrance.
2. If you intend to appoint a proxy , please complete the proxy form below and deposit it at the Company's Registered Office at least 48 hours before the meeting.

**LANDMARC LEISURE CORPORATION LIMITED**

Regd office : "Avadh" Avadesh Parisar , Shree Ram Mills Premises,  
G.K Marg , Worli , Mumbai – 400018.

**ANNUAL GENERAL MEETING 24th JANUARY 2014****PROXY FORM**

* Clint ID No. :	Reg. Folio No. :
* Clint ID No. :	Reg. Folio No. :

I / We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being Member(s) of Landmarc Leisure Corporation Limited hereby appoint \_\_\_\_\_ or failing him / her \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as proxy to attend and vote for me / us on my / our behalf at the Twenty Third Annual General Meeting of the Company to be held on Friday, 24th January 2014 at 09.00 a.m. and at any adjournment there.

Signed this ..... day of January 2014.

Signature \_\_\_\_\_

Affix  
Revenue  
Stamp

Notes:

1. The Proxy Form should be signed across the revenue stamp as per specimen signature(s) registered with the Company.
2. The Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
3. A Proxy need not be a member

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