

ACIT 2 (2) 1470

RETURN OF INCOME

FORM NO. 1

ITS-1

[See rule 12(1)(a) of Income-Tax Rules, 1962]

FOR COMPANIES OTHER THAN THOSE CLAIMING EXEMPTION U/S 11
 ■ PLEASE FOLLOW INSTRUCTIONS AND FILL IN RELEVANT SCHEDULES.
 ■ PAN MUST BE QUOTED. ■ USE BLOCK LETTERS ONLY.

ACKNOWLEDGEMENT
 For Office use only

Receipt No. **0201000903** Date

Seal and Signature of Receiving Official

- PERMANENT ACCOUNT NUMBER (PAN) **AABCUM4761E**
 (If not applied for or not allotted, enclose Form 49A)
- NAME
MODI PROPERTIES AND INVESTMENTS PVT LTD
- ADDRESS
 Flat No./Door/House No., Premises, Road, Locality/Village, Town/District, State/Union Territory, in that order
5-A-127/34A SOHAM MANCIMA N.G. ROAD 3RD FLOOR N.G. ROAD SECUNDERABAD
 PIN **500003** Telephone **55335551**
 Fax, if any
- Date of Incorporation (DD-MM-YYYY) **23-06-1994**
- Is there any change in Address? Yes No
- Ward/Circle/Special Range **ACIT 2(2) HND**

- If there is change in jurisdiction, state old Ward/Circle/Special Range
- Previous Year **2003-04** 9. Assessment Year **2004-05**
- Residential Status* **OT**
- U/s 139/142/148 **139**
- Whether Original or Revised Return?
 If revised, Receipt No. **NT** and date of filing original Return
- Is this your first Return? Yes No

COMPUTATION OF TOTAL INCOME

(In Rs.)

STATEMENT OF TAXES

(in Rs.)

(Sch.)	(In Rs.)	(Sch.)	(in Rs.)
14. Income from house property F-1A	702 NIL	23. Tax payable G-3	174783
15. Income from business or profession F-1B	703 23365068	24. Surcharge G-5	23695
16. Capital gains:		25. Tax plus Surcharge G-6	1791508
a. Short term F-1C(i)	704 NIL	26. Relief u/s 89(1) G-6	NIL
b. Long term F-1C(ii)	705 NIL	27. Balance tax payable G-7	1791508
17. Income from other sources F-1D	706 NIL	28. Tax deducted/collected at source G-9A	306260
18. Gross total income F-2	744 23365068	29. Advance tax paid G-9B	-
19. Deductions [Chapter-VIA] F-3	747 23300118	30. Balance tax payable G-10	1485248
20. TOTAL INCOME F-5	760 64950	31. Interest payable u/s 21(2)(a) G-12	152650
		32. Self assessment tax paid G-14	1695000
		33. Tax and interest payable G-15	NIL
		34. Tax credit due u/s 115JAA G-16	NIL
		35. Balance tax and interest payable (33-34) G-17	NIL
		36. Refund due, if any G-18	56102
		37. Tax/Interest on distributed profit u/s 115-O/115P G-19	NIL
		38. Total payable (37+35) or as the case may be (37-36) G-20	NIL

In words **Sixty four thousand nine hundred fifty only**

39. DETAILS OF BANK ACCOUNT(S)/CREDIT CARD AND OTHER PARTICULARS AS PER SCHEDULE-H

40. NO. OF DOCUMENTS/STATEMENTS ATTACHED

Description	In Figures	In words	Description	In Figures	In words
a. Statement of taxable income/tax	2	TWO	d. TDS Certificates	17	SEVENTEEN
b. Audit report	30A30J		e. Challans	1	ONE
c. Statements of Ac	49	FORTY NINE	f. Others	3	THREE

VERIFICATION

I, **SOHAM MODI** (full name in block letters), son/daughter of **SATISH MODI** solemnly declare that to the best of my knowledge and belief, the information given in this return and the schedules and statements accompanying it is correct and complete, and that the amount of total income and other particulars shown therein are truly stated and are in accordance with the provisions of the Income-tax Act, 1961, in respect of income chargeable to income tax for the previous year relevant to the assessment year **2004-05**.
 I further declare that I am making this return in my capacity as **Managing Director** of **Modi Properties & Investments Pvt. Ltd.**
 Date: **08/10/2004**
 Place: **Secunderabad**
 Name and Signature: **[Signature]**
Managing Director

* Fill in code as mentioned in instructions
 ** Any person making a false statement in the return or the accompanying schedules or statements shall be liable to be prosecuted under section 277 of the Income-tax Act, 1961 and on conviction be punishable under that section with rigorous imprisonment and with fine.

Filed
on 11/10/2004
PAN No 0201000903

MODI PROPERTIES & INVESTMENTS PVT LTD
5-4-187/3 &4, Soham Mansion, M.G.Road, Secunderabad - 500 003
Assessment Year 2004-2005

Accounting Year: 01.04.2003 To 31.03.2004
Status: Pvt Ltd Co/Resident
P A N : AABCM 4761 E/ ACIT 2 (2)/Hyd.
Nature of Business Real Estate Developers/Managers
Date of Incorporation: 28th June 1994

COMPUTATION OF INCOME

Income from Business:

Net Profit as per Profit & Loss Account 20,870,039

Add: Dissallowables/Items considered seperately

1. Provision for taxation	1,980,000	
2. Income tax of earlier years	452,681	
3. Defferred Tax Liability	1,451	
4. Depreciation	559,478	
5. Fixed Assets Written off	5,986	
6. Provident Fund Late Paymentsu/s. 36 & u/s.43 B	34,455	
7. Donation	16,011	
8. Business Promotion Exp	31,125	
9. Interest on Proposed Dividend Tax paid	3,330	3,084,517
		<hr/>
		23,954,556

Less: 1. Depreciation allowable under the Act

2. Profit on sale of Vehicles 562,547

26,941 589,488

Gross Total Income

23,365,068

Less: Admissible Deductions: Under Chapter VIA

(I) u/s. 80 IB (10) -100% Profit of Housing

Project (as given in Form No. 3 CD) and Certificate
form No. 10 CCB.

23,300,118

Total Income 64,950

Tax There on @ 35%

22,732

Add: Surcharge 5%

568

23,301

Tax Payable u/s.115 JB of I.T.Act 1961

As per Audit Report in Form No. 29 B

1,747,813

Add: Surcharge @ 2.5%

43,695

1,791,508

Add: Interest u/s. 234 B

76,443

u/s. 234 C

77,207

153,650

Total Tax and Interest

1,945,158

For Modi Properties & Investments Pvt Ltd.


Managing Director


Taxes Paid:

1. T.D.S		
On Rent	163,282	
On Interest	142,978	306,260
2. Self Asst. Tax u/s. 140 A paid on 31.08.2004(BSR Code 8000009)		<u>1,695,000</u>
		2,001,260
Tax on Income returned		<u>1,945,158</u>
Balance Refundable		<u><u>56,102</u></u>

Note: 1) During the Company has continued its work on a housing projecct at Mallapur and completed the project.

The salient facts about the project are as under:

- The project is commenced in Oct 1999 and completed before March 2004
- The size of plot of land on which housing blocks in phases are built is 4 Acres 32 Guntas
- Each Unit i.e. flat is less than 1500 sq. ft.
- The Project is sanctioned by the Local Authorities.
- The Company has completed all Nine Blocks before 31st March 2004.
- The project is sanctioned by Commissioner Kapra Municipality R.R.Dist vide their sanction proceedings letter No.BA/236/99-2000 dated 22.09.1999.

For Modi Properties & Investments Pvt. Ltd ,

Managing Director



MODI

PROPERTIES &
INVESTMENTS PVT.LTD.

Off : 5-4-187/3&4, III floor,
M G Road, Secunderabad - 500 003.
Phone : 55335551 (4 lines)
Fax : 040 - 27544058
E-mail : info@modiproperties.com
Visit us at : www.modiproperties.com

NOTICE:

NOTICE is hereby given that the Tenth Annual General Meeting of Modi Properties & Investments Pvt. Ltd. will be held at Registered Office of the Company at 5-4-187/3 & 4, Soham Mansion, M. G. Road, Secunderabad – 500 003 on 30th September, 2004 at 11.00 a.m. to transact the following business.

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as on 31-03-2004 and the reports of the Directors and Auditor's thereon.
2. To appoint Mr. Ajay Mehta Chartered Accountant, the retiring Auditor's of the Company and to fix his remuneration.

**BY ORDER OF THE BOARD
FOR MODI PROPERTIES & INVESTMENTS PVT. LTD.**

**(Soham Modi)
Managing Director.**

Place : Secunderabad

Date : 06.09.2004

NOTE:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.



MODI

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DIRECTOR'S REPORT

To
The Members,

The Directors have pleasure in presenting the Tenth Annual Report and the Audited Accounts for the Financial Year ended 31-03-2004 together with Auditor's Report thereon.

1. Financial Results:

The Financial highlights for the year are summarized below:

Particulars	Year Ended 31-03-2004		Year Ended 31-03-2003	
Sale of Flats & Other Income		8,14,26,939		11,69,40,913
Profit/Loss before tax		2,33,04,171		3,47,01,081
Less: Provision for tax		19,81,451		27,09,763
Profit/(Loss) after tax		2,08,70,039		3,19,65,910
Less: Transfer to				
General Reserve		-	15,00,000	
Proposed Dividend		-	20,29,500	
Interim Dividend		-	-	
Corporate Div Tax		-	2,66,372	
			-----	37,95,872
Net Profit carried to Balance Sheet		2,08,70,039		2,81,70,038

- 2. Dividend:** The Board do not recommends any dividend with a view to conserve resources for taking up new projects.
- 3. Operations:** The company has continued its work on low budget housing project named as Mayflower Park. Your directors are happy to inform you that the work is progressed as per schedule and completed the project before 31.03.2004. The present soft housing loans by various banks and financial institutions generates significant enquiries and demand for the Company's project. The company is in the process of identifying new projects. The company is holding 100% share of Modi Housing Pvt Ltd and M/s. Modi Shelters Pvt Ltd making it to be a wholly owned subsidiary companies. The subsidiary companies are engaged in the business of real estate developers. The necessary particulars as required u/s. 211 of Companies Act, 1956 are enclosed.
- 4. Auditors:** Mr. Ajay Mehta Chartered Accountant will retire at the ensuing annual general meeting and is eligible for the appointment.

For Modi Properties & Investments Pvt. Ltd


Managing Director

5. **Particulars of Employees:** The Company has no employees in the category specified u/s 217(2A) of the Companies Act 1956.
6. **Public Deposits:** The company has not accepted deposits from the public.
7. **Other Information:** There are no particulars to be reported in respect of conservation of energy and technology absorption as required under section 217(1)(e) of Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988. Foreign exchange out-goings and earning are nil.
8. **Directors Responsibility Statement:**
 - a. In the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures:
 - b. The directors had selected such accounting policies and applied them consistently and made judgements 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 profit or loss of the company for that period;
 - c. 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;
 - d. The directors had prepared the annual accounts on a going concern basis.
9. **Acknowledgements:** Your Directors take this opportunity to express their appreciation for the financial support from its bankers. Your Directors also place on record the appreciation for all the employees for their sincere efforts put in by them in company's venture.

Place : Secunderabad
Date : 06.09.2004.

For & On Behalf of the Board



Soham Modi
Managing Director

Ajay Mehta

B.Com. F.C.A.
Chartered Accountant

AUDITORS' REPORT

TO THE MEMBERS OF MODI PROPERTIES & INVESTMENTS PRIVATE LIMITED

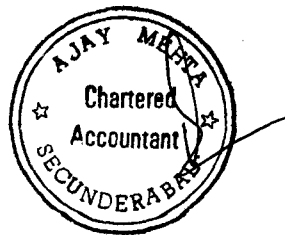
I have audited the attached balance sheet of MODI PROPERTIES & INVESTMENTS PRIVATE LIMITED, as at 31st March 2004, and also the profit and loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I have conducted my audit in accordance with the auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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. I believe that my audit provides a reasonable basis for my opinion.

As required by the Companies (Auditors Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to my comments in the Annexure referred to above, I report that:

- 1. I have obtained all the information and explanations, which to the best of my knowledge and belief are necessary for the purposes of my audit.*
- 2. In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books.*
- 3. The balance sheet, profit and loss account and dealt with by this report are in agreement with the books of accounts.*
- 4. In my opinion, the balance sheet and profit and loss account and dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.*



Ajay Mehta

B.Com. F.C.A.
Chartered Accountant

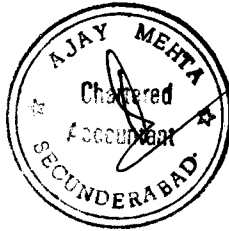
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5. *On the basis of written representations received from the directors as on 31st March 2004 and taken on record by the Board of Directors, I report that none of the directors is disqualified as on 31st March 2004 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.*
6. *In my opinion and to the best of my information and according to the explanations given to us, the said accounts 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:*
- (a) *in the case of the balance sheet, of the state of affairs of the company as at 31st March 2004;*

and

- (b) *in the case of the profit and loss account of the profit for the year ended on that date.*

Place : Secunderabad
Date : 06.09.2004.



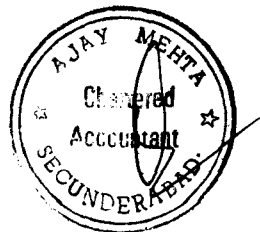
Ajay Mehta
Ajay Mehta
(Chartered Accountant)

Ajay Mehta

B.Com. F.C.A.
Chartered Accountant

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 3 of my report of even date)

- (i) (a) *The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.*
- (b) *The fixed assets have been physically verified by the management at reasonable intervals as per a regular programme of verification which, in my 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) *During the year, the company has not disposed off any substantial part of its fixed assets, affecting the going concern.*
- (ii) (a) *As explained to me the inventory has been physically verified during the year by the management. In my opinion, the frequency of verification is reasonable.*
- (b) *The procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.*
- (c) *According to the information and explanations given to me, in my opinion, the company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material, having regard to the size of the operation of the Company.*
- (iii) (a) *The company has neither granted nor taken any loans, secured or unsecured to/from companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.*
- (b) *As the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms and other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.*
- (c) *As the company has not granted or taken any loans, secured or unsecured, there is no over due amount of loans taken from or granted to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.*

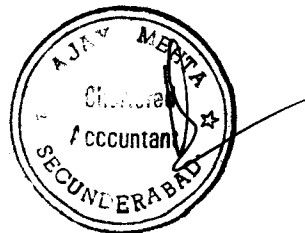


Ajay Mehta

B.Com. F.C.A.
Chartered Accountant

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- (iv) *In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods. During the course of my audit, I have not observed nor have been informed of any continuing failure to correct major weakness in internal control procedures.*
- (v) (a) *Based on the audit procedures applied by me and according to the information and explanations provided by the management, I am of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Act have been so entered.*
- (b) *In my opinion and according to the information and explanations given to me, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 of the Act and exceeding the value of five lakh rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.*
- (vi) *Based on my audit procedures and according to the information and explanations given to me, the company has not accepted any deposits from public and hence complying with the provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under is not applicable.*
- (vii) *In my opinion, the company has an internal audit system commensurate with its size and nature of its business.*
- (viii) *The Central Government has not prescribed maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956.*

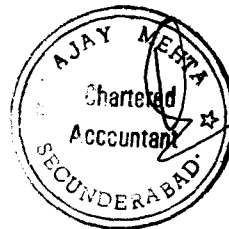


Ajay Mehta

B.Com. F.C.A.
Chartered Accountant

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- (ix) (a) *According to the records of the company, the company is regular in depositing the undisputed statutory dues including provident fund, Employees' state insurance, income-tax, sales-tax, wealth-tax, custom duty, excise-duty, cess and any other statutory dues with the appropriate authorities, and there are no arrears of outstanding statutory dues with the appropriate authorities, and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.*
- (b) *According to the records of the company, there are no dues of sales tax, customs duty, wealth-tax, excise duty or cess which have not been deposited on account of any dispute.*
- (x) *The company does not have accumulated losses as at 31st March, 2004 and has not incurred cash losses in the financial year covered by my audit and also in the immediately preceding financial year.*
- (xi) *Based on my audit procedures and on the information and explanations given by the management, I am of the opinion that the company has not defaulted in repayment of dues to any financial institution or bank. The company has not issued any debentures.*
- (xii) *Based on my examination of documents and records, I am of the opinion that the company has not granted any loans and advances on the basis of the security by way of pledge of shares, debentures and other securities.*
- (xiii) *The provisions of any special statute as specified under Clause (xiii) of the Order are not applicable to the company.*
- (xiv) *In my opinion and according to the information and explanations given to me the company is not dealer or trader in securities*



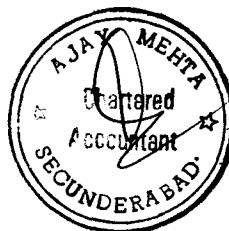
Ajay Mehta

B.Com. F.C.A.
Chartered Accountant

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- (xv) *In my opinion and according to the information and explanations given to me, the terms and conditions of the guarantees given by the company for loans taken by others from banks and financial institutions, are not prima facie prejudicial to the interests of the company.*
- (xv) *According to the information and explanations given to me, no term loans were availed by the company during the year.*
- (xvi) *According to the information and explanations furnished to me, and overall examination of the Balance Sheet of the company the funds raised on short term basis have not been used for long tem investment and vice versa.*
- (xvii) *According to the information and explanations given to me, 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.*
- (xviii) *According to the information and explanations furnished to me and based on the records verified by me, the company has not issued any debentures during the year.*
- (xix) *The company has not raised any money through public issue.*
- (xx) *Based upon the audit procedures performed and information and explanations given by the management I report that no fraud on or by the company has been noticed or reported during the year.*

Place: Secunderabad.
Date : 06.09.2004.

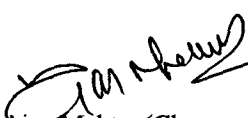


Ajay Mehta
Ajay Mehta
(Chartered Accountant)

MODI PROPERTIES & INVESTMENTS PVT LTD
BALANCE SHEET AS ON 31.03.2004


	<u>Schedule</u>	<u>As on 31/03/2004</u>		<u>As on 31/03/2003</u>
Sources of Funds				
Share Holders Funds				
Share Capital	A	902,000.00	902,000.00	
Reserves & Surplus	B	58,870,705.36	59,772,705.36	38,902,666.32
Loan Funds				
Secured Loans	C	6,264,962.92	4,091,550.48	
Unsecured Loans	D	510,367.01	6,775,329.93	5,320,917.49
Deffered Tax Liability			11,214.00	9,763.00
			<u>66,559,249.29</u>	<u>44,233,346.81</u>
Application of Funds				
Fixed Assets				
Gross Block	E	2,940,205.50	2,941,787.50	
<u>Less: Depreciation</u>		<u>1,224,621.00</u>	<u>896,227.00</u>	
Net Block			1,715,584.50	2,045,560.50
Investments	F		4,677,322.00	927,322.00
Current Assets/Loans and Advances				
a) Interest Accrued but not due	G	282,912.31	81,716.46	
b) Inventories		-	19,698,515.05	
c) Sundry Debtors		5,059,464.98	30,090,178.00	
d) Cash & Bank Balances		20,251,822.40	8,821,196.38	
e) Loans & Advances		38,544,184.78	3,836,787.42	
f) Deposits		434,623.00	425,623.00	
		<u>64,573,007.47</u>	<u>62,954,016.31</u>	
Less: Current Liabilities & Provisions	H	<u>4,407,724.68</u>	<u>21,695,672.00</u>	
Net Current Assets			60,165,282.79	41,258,344.31
Misc. Expenditure	I			
To the extent not written off or Adjusted			1,060.00	2,120.00
			<u>66,559,249.29</u>	<u>44,233,346.81</u>

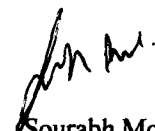
Notes to Accounts: M
As per my report of even date attached


Ajay Mehta (Chartered Accountant)
Place: Secunderabad.
Date: 06.09.2004



for and on behalf of the Board


(Soham Modi)
Managing Director
Place: Secunderabad.
Date: 06.09.2004

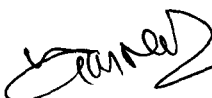

(Sourabh Modi)
Director

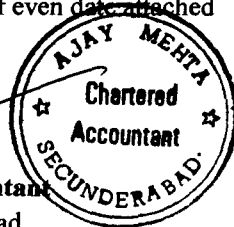
MODI PROPERTIES & INVESTMENTS PVT LTD
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2004


<u>Income</u>	<u>Schedule</u>	<u>31.03.2004</u>		<u>31.03.2003</u>
Sale of Flats		79,482,018.20		112,214,852.00
Rent Receipts on Underwritten	J	1,224,535.00		1,125,633.00
Interest/Misc. Receipts		531,629.01		179,370.37
Estimated Profit on Installments recd.		-		3,124,104.00
Profit on Sale of Vehicle		26,941.00		3,454.00
Misc. Liabilities Written back		5,316.05		-
Booking Deposits Forfeited		156,500.00		293,500.00
		81,426,939.26		116,940,913.37
 <u>Expenditure</u>				
Direct Expenses	K	53,140,785.31	77,382,689.40	
Administration & Other Exp	L	3,987,418.38	4,162,710.23	
Interest Paid		434,026.59	240,999.72	
Depreciation		559,478.00	452,373.00	
Preliminary Exp Written off		1,060.00	1,060.00	82,239,832.35
		23,304,170.98		34,701,081.02
<u>Add:</u> Prior year Items		-		2,915.00
		23,304,170.98		34,703,996.02
<u>Less:</u> Income Tax (Prev. Years)		452,680.94		28,323.00
		22,851,490.04		34,675,673.02
<u>Less:</u> Provision for Taxation		1,980,000.00	2,700,000.00	
Deffered Tax Liability		1,451.00	9,763.00	2,709,763.00
		20,870,039.04		31,965,910.02
 <u>Less: Appropriations</u>				
a. Transfer to General Reserve		-	1,500,000.00	
b. Proposed Interim Dividend		-	2,029,500.00	
c. Corporate Dividend Tax		-	266,372.00	3,795,872.00
Profit for the year carried to Balance Sheet		20,870,039.04		28,170,038.02

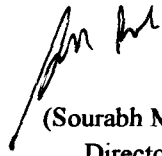
Notes to Accounts: M
As per my report of even date attached

for and on behalf of the Board


Ajay Mehta
Chartered Accountant
Place: Secunderabad.
Date: 06.09.2004

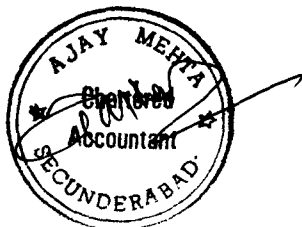



(Soham Modi)
Managing Director
Place: Secunderabad
Date: 06.09.2004


(Sourabh Modi)
Director

MODI PROPERTIES & INVESTMENTS PVT LTD
SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2004

	<u>As on 31/03/2004</u>		<u>As on 31/03/2003</u>	
Schedule 'A'				
Share Capital				
Authorised				
10,000 squity shares of Rs. 100/- each	<u>1,000,000.00</u>		<u>1,000,000.00</u>	
Issued, Subscribed and Paid up				
9020 (previous year 9020) equity shares of Rs. 100/- each. fully paid up	<u>902,000.00</u>		<u>902,000.00</u>	
Schedule 'B'				
Reserves & Surplus				
1. General Reserve :				
Balance as per last Balance Sheet	3,000,000.00		1,500,000.00	
Transfd. from P & L A/c during the	-	3,000,000.00	1,500,000.00	3,000,000.00
2. Profit & Loss Account				
Balance as per last balance sheet	35,000,666.32		6,830,628.30	
Profit for the year	20,870,039.04	55,870,705.36	28,170,038.02	35,000,666.32
		<u>58,870,705.36</u>		<u>38,000,666.32</u>
Schedule 'C'				
Secured Loans				
1. From Cholamandalam Investments & Finance Co Ltd (secured against hypothecation of a Vehicle)	-			123,728.00
2. From State Bank of India (Secured against Hypothication of HDFC Bank rent)	-			3,000,000.00
3. From HDFC Bank Ltd (Secured against hypothecation of a Vehicle)	-			341,952.75
4. From HDFC Bank Ltd (Secured against hypothecation of a Vehicle)	17,312.52			25,847.57
5. From Bajaj Auto Finance Ltd (Secured against hypothecation of vehicle)	5,555.44			12,222.16
6. From HDFC Bank (Secured against hypothecation of vehicle)	16,647.32			-
7. From HDFC Bank (Secured against hypothecation of vehicle)	23,144.16			-
8. From HDFC Bank (Secured against hypothecation of vehicle)	13,828.63			-
9. From ICICI Bank against (Secured against hypothecation of a Vehicle)	495,762.98			587,800.00
10. SBI.M.G.Road O.D (Secured by way of lien on Fixed deposits of the Company of Rs. 30 Lakhs)	1,530,467.87			-
11. IDBI Bank O.D (Secured by way of lien on fixed deposits of the Company of Rs.45 Lakhs)	4,162,244.00			-
		<u>6,264,962.92</u>		<u>4,091,550.48</u>



For Modi Properties & Investments Pvt. Ltd.

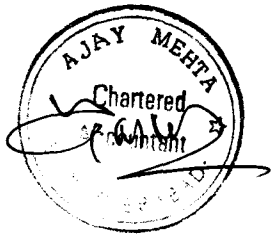
(Signature)
Managing Director

For Modi Properties & Investments Pvt. Ltd.

(Signature)
Director

MODI PROPERTIES & INVESTMENTS PVT LTD
SCHEDULE FORMING PART OF ACCOUNTS
SCHEDULE "E" FIXED ASSETS

SL.NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		01.04.2003	Additions	Deletion	31.03.2004	up to 01.04.2003	during the year	Adjustment	As on 31.03.2004	As on 31.03.2004	As on 31.03.2003
1	Air Cooler	2,320.00	27,500.00	-	29,820.00	1,025.00	1,639.00	-	2,664.00	27,156.00	1,295.00
2	Bajaj Chetak Scooter	96,430.00	-	30,225.00	66,205.00	47,342.00	8,691.00	14,708.00	41,325.00	24,880.00	49,088.00
3	Bajaj Boxer	70,833.00	-	-	70,833.00	26,042.00	11,597.00	-	37,639.00	33,194.00	44,791.00
4	Cell Phones	-	37,880.00	-	37,880.00	-	2,766.00	-	2,766.00	35,114.00	-
5	Computers	428,777.50	54,650.00	-	483,427.50	239,018.00	91,875.00	-	330,893.00	152,534.50	189,759.50
6	Dobro Toyota	737,454.00	-	-	737,454.00	233,570.00	130,456.00	-	364,026.00	373,428.00	503,884.00
7	Furniture & Fixtures	12,998.00	42,253.00	-	55,251.00	4,095.00	5,399.00	-	9,494.00	45,757.00	8,903.00
8	Generator	-	51,874.00	-	51,874.00	-	7,617.00	-	7,617.00	44,257.00	-
9	Honda City Car	740,959.00	1,800.00	-	742,759.00	1,534.00	191,903.00	-	193,437.00	549,322.00	739,425.00
10	Hero Honda Splendor	94,834.00	138,321.00	-	233,155.00	31,709.00	34,889.00	-	66,598.00	166,557.00	63,125.00
11	Machinery	70,477.00	-	-	70,477.00	22,400.00	12,447.00	-	34,847.00	35,630.00	48,077.00
12	Maruti 800 CC	237,374.00	-	-	237,374.00	56,315.00	46,876.00	-	103,191.00	134,183.00	181,059.00
13	Office Equipment	92,645.00	32,151.00	1,100.00	123,696.00	16,801.00	13,323.00	-	30,124.00	93,572.00	75,844.00
14	Pagers	9,830.00	-	9,830.00	-	3,844.00	-	3,844.00	-	-	5,986.00
15	Tata Indicca Car	346,856.00	-	346,856.00	-	212,532.00	-	212,532.00	-	-	134,324.00
		2,941,787.50	386,429.00	388,011.00	2,941,205.50	896,227.00	559,478.00	231,084.00	1,224,621.00	1,715,584.50	2,045,560.50
	Previous Year	1,788,289.50	1,181,833.00	28,335.00	2,941,787.50	459,143.00	452,373.00	15,289.00	896,227.00	2,045,560.50	1,329,146.50



For Modi Properties & Investments Pvt. Ltd.,

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Managing Director

For Modi Properties & Investments Pvt. Ltd.

[Signature]

Director

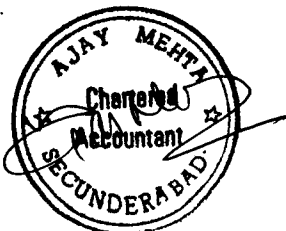
MODI PROPERTIES & INVESTMENTS PVT LTD
SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2004

	<u>As on 31/03/2004</u>		<u>As on 31/03/2003</u>
<u>Schedule 'D'</u>			
<u>Unsecured Loans From Directors/Shareholders/Relatives</u>			
1. Soham Modi		506,365.46	353,365.46
2. Sourabh Modi		4,001.55	876,001.55
		<u>510,367.01</u>	<u>1,229,367.01</u>
<u>Schedule 'F'</u>			
<u>Investments</u>			
Capital in partnership firm Mehta & Modi Homes		4,460,000.00	810,000.00
Capital in partnership firm M/s. Modi Constructions		17,322.00	17,322.00
Shares of Modi Housing Pvt Ltd (Trade - Unquoted at Co		100,000.00	100,000.00
Shares of Modi Shelters Pvt Ltd (Trade - Unquoted at Co		100,000.00	-
		<u>4,677,322.00</u>	<u>927,322.00</u>
<u>Schedule 'G'</u>			
<u>Current Assets, Loans & Advances</u>			
1. Interest Accrued but not due		282,912.31	81,716.46
2. Inventories			
a) Land at Mallpur (at cost)	-	2,023,568.00	
b) Building Construction work in progress (at cost) including Estimated Profit	-	17,674,947.05	19,698,515.05
3. Sundry Debtors (Unsecured, considered good)			
Outstanding for more than 6 month	655,485.00	1,471,931.00	
Other Debts	4,403,979.98	5,059,464.98	30,090,178.00
4. Cash & Bank Balances:			
a) Cash on Hand	313,352.45	646,690.14	
b) Cash at Bank with Scheduled Banks in Current Account	2,418,897.63	6,232,673.81	
c) in Fixed deposit A.P.Mahesh Bank (as margin money for B.G)	256,926.43	231,832.43	
d) in Fixed deposit in HDFC Bank (as margin money for B.G)	3,099,101.89	1,710,000.00	
e) in Fixed deposit with IDBI Bank (Rs. 45 Lakhs kept under lien with the Bank)	5,031,444.00	-	
f) in Fixed deposit in S.B.I (Rs. 30 Lakhs kept under lien. with the Bank)	9,132,100.00	20,251,822.40	8,821,196.38
5. Loans & Advances (Unsecured, considered good)			
a. Advances to Suppliers/Staff/Otl	38,237,924.59	3,552,680.48	
b Outstanding Amounts Receivab	-	105,884.00	
c. TDS Receivable	306,260.19	38,544,184.78	3,836,787.42

For Modi Properties & Investments Pvt. Ltd.

[Signature]

Managing Director



For Modi Properties & Investments Pvt. Ltd.

[Signature]

Director

MODI PROPERTIES & INVESTMENTS PVT LTD
SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2004

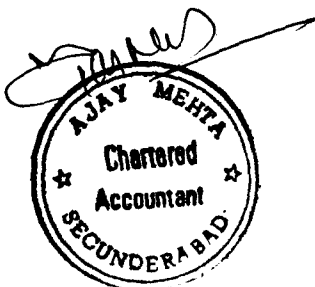
	<u>As on 31/03/2004</u>	<u>As on 31/03/2003</u>
6. Deposits		
A.P. Transco	3,500.00	3,500.00
Viswajit Castings & Eng. Works	100,000.00	100,000.00
Rent Deposit -Prmod Modi	300,000.00	300,000.00
Cell Phone Deposit	9,000.00	-
Telephone Deposit	22,123.00	22,123.00
	<u>434,623.00</u>	<u>425,623.00</u>
	<u>64,573,007.47</u>	<u>62,954,016.31</u>
Schedule 'H'		
Current Liabilities		
a) Sundry Creditors	341,763.50	2,242,774.00
b) Outstnd Liabilities for Exp/Statutory Liabilities	512,544.18	839,236.00
c) Rent Deposits	613,728.00	710,988.00
d) Installments from customers	-	10,803,681.00
e) Installments Recd.in advance	-	2,103,121.00
f) Outstanding Amounts Payable	959,689.00	-
	<u>2,427,724.68</u>	<u>16,699,800.00</u>
Add: Provisions		
Provision for Taxation	1,980,000.00	2,700,000.00
Proposed Dividend Payable	-	2,029,500.00
Provision for Corporate Dividend T:	1,980,000.00	266,372.00
	<u>4,407,724.68</u>	<u>21,695,672.00</u>
Schedule 'I'		
Misc Expenditure		
1. Preliminary Expenses		
Balance as per Last Balance Sheet	2,120.00	3,180.00
Less: Written off during the year.	1,060.00	1,060.00
	<u>1,060.00</u>	<u>2,120.00</u>
Schedule 'J'		
i) Rent & Maint Receipts on Underwritten Property		
a) HDFC BankLtd	724,450.00	720,036.00
b) Tech Pacific	358,485.00	363,016.00
ii) Rent & Maint Receipts on Other Properties		
a) Reliance Infocom	96,000.00	42,581.00
b) Maint Charges Recd Hulool	45,600.00	-
	<u>1,224,535.00</u>	<u>1,125,633.00</u>
Schedule 'K'		
Construction & Direct Expenses		
i) Rent on Underwritten Premises	518,400.00	453,600.00
ii) Property Tax Underwritten Premises	35,714.00	68,260.00
iii) Rep & Maint to Underwritten Premises	150,743.65	65,212.00
iv) Proportionate cost of land	2,023,568.00	3,145,488.00
v) Building Construction Expenditure	50,412,359.66	73,650,129.40
	<u>53,140,785.31</u>	<u>77,382,689.40</u>

For Modi Properties & Investments Pvt. Ltd.

(Signature)
Managing Director

For Modi Properties & Investments Pvt. Ltd.

(Signature)
Director



MODI PROPERTIES & INVESTMENTS PVT LTD

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2004

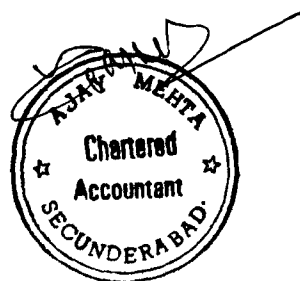
<u>Schedule 'L'</u>	<u>As on 31/03/2004</u>	<u>As on 31/03/2003</u>
Administration & Other Expenses		
1) Auditors Remuneration (Audit Fee)	27,300.00	10,500.00
2) Advertisement Charges	40,647.00	536,850.00
3) Bank Charges	11,897.17	41,105.94
4) Brokerage Paid	44,173.00	7,080.00
5) Business Promotion Exp	31,124.84	233,092.66
6) Car Hire Charges	5,520.00	39,610.00
7) Consultancy	80,386.00	115,875.00
8) Conveyance Exp	155,437.30	109,722.81
9) Donation	16,011.00	27,000.00
10) Electricity Charges	220,515.00	251,813.00
11) Entertainment Expenses	160,284.74	16,240.00
12) Exhibition	15,000.00	-
13) Fixed Assets Written off	5,986.00	-
14) I.T. Representation Fee	15,000.00	-
15) Internet/Web Charges	12,750.00	-
16) Legal Expenses	73,275.00	47,075.00
17) Labour Licence Fee	5,650.00	-
18) Motgage Charges	10,000.00	-
19) Staff Welfare/Medical Expenses	43,056.00	18,020.00
20) Model Flat Maintenance Charges Paid	2,405.00	9,525.00
21) Model Flats Rent	16,000.00	46,750.00
21) Misc/Xerox Expenses	108,092.34	70,690.45
22) Office Maintenance Expenses	49,151.06	33,340.69
23) Printing & Stationery	101,095.00	144,651.56
24) Processeing Fee	32,655.00	-
25) Postage & Telephone Charges	217,278.52	241,992.60
26) Rates & Taxes	224,416.00	138,028.00
27) Repairs & Maintenance Computer	51,874.00	40,537.00
28) Repairs & Maint Office Equipment	17,252.00	8,795.00
29) Repairs & Maint Machinery	24,560.95	20,836.00
30) Security Charges	60,886.00	-
31) Salaries & Other Benefits	1,877,119.00	1,638,334.20
32) Vehicle Insurance	40,143.00	61,057.00
33) Vehicle Maintenance/Petrol Charges	161,616.46	118,607.82
34) Bad Debts	5,095.00	-
35) Property Tax	14,875.00	14,875.00
36) Non-Agri Tax	-	8,745.00
37) Travelling Expenses	-	1,615.00
38) Repairs & Maint Soham Mansion	-	14,345.50
39) Compensation Paid	-	95,000.00
40) Administration/EDLI Charges	8,891.00	-
41) Accounting Software	-	1,000.00
	3,987,418.38	4,162,710.23

For Modi Properties & Investments Pvt. Ltd.

John Mal
Managing Director

For Modi Properties & Investments Pvt. Ltd.

M M
Director



MODI PROPERTIES & INVESTMENTS PVT LTD
GROUPINGS FOR THE YEAR A.Y. 2004-2005
CASH AT BANK

1. IDBI Bank	2,221,919.66
2.HDFC Bank Ltd	189,911.91
3. A.P.Mahesh Co-op Bank	16.06
4. Bank of Baroda, M.G.Road,	50.00
5. State Bank of India, S.P.Road	7,000.00
	<u>2,418,897.63</u>

SUNDRY CREDITORS

Adishesu	30,254.00
Altech Associates	1,440.00
Gautham Enterprises	2,650.00
Mahboob Vehicle Loan	21,002.00
Naresh Kumar	15,780.00
Neha Marketing	10,900.00
Nitco Tiles	12,367.00
P.Ramesh Vehicle Loan	25,140.00
Premier Engg Corpn	4,650.00
Ramadevi	1,581.00
Ramulu (Vehicle A/c.)	25,296.00
Sailors Inn	70,000.00
Suresh Vehicle Loan	17,500.00
Sigma Moulding Products Pvt Ltd	438.00
Sweth Sales	59,670.00
Tanveer Khan (Vehicle A/c)	15,708.00
United Security	13,150.00
VKAS Power Project	13,173.00
Ganji Brothers & Santosh Associates	1,064.50
	<u>341,763.50</u>

RENT DEPOSITS

1. Tech Pacific Ltd	35,040.00
2. HDFC Bank Ltd	530,688.00
3. Reliance Infocom	48,000.00
	<u>613,728.00</u>

OUTSTANDING AMOUNTS PAYABLE

1. Special Allowance	3,455.00
2. Audit Fee Payable	25,650.00
3. Provident Fund Payable	10,045.00
4. Salary Payable	63,688.00
5. T.D.S Payable	272,513.00
6. Transportation Allowance Payable	16,514.00
7.C.C.A Payable	7,619.00
8. Bonus Payable	76,687.00
9. H.R.A Payable	15,629.00
10. Educational Allowance Payable	7,200.00
11. Modi House Maint Deposit	409.00
12. Standard Chartered Bank Credit Card	13,135.18
	<u>512,544.18</u>

For Modi Properties & Investments Pvt. Ltd.

John Mark
Managing Director

For Modi Properties & Investments Pvt. Ltd

John Mark
Director



MODI PROPERTIES & INVESTMENTS PVT LTD
GROUPINGS FOR THE YEAR 2004-2005

T.D.S RECEIVABLE

T.D.S.Receivable A.Y.2004-05	306,260.19
	<u>306,260.19</u>

PROVISION FOR TAXATION

For A.Y.2003-2004	1,980,000.00
	<u>1,980,000.00</u>

OUTSTANDING AMOUNTS PAYABLE

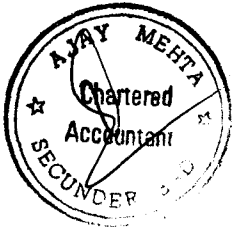
A-104 K.Jayarajaro	238,282.00
C-201 Urmila Mangal	16,570.00
D-105 H.T.Desai	4,180.00
E-403 Jude Gabel	49,702.00
F-207 J.Krishnarao	34,965.00
F-307 D.Meera	29,000.00
F-402 S.Srinivas	3,115.00
G-209 Arunasri	10,000.00
G-405/406 P.B.Jyostnarani	63,500.00
I-106 Anoop Kumar	4,495.00
I-306 Usman Gani	3,380.00
Asad Ali	185,000.00
G.P.Sastry	25,000.00
A.P.Srinivas	45,000.00
K.Bhausar	10,000.00
G.Rajani Singh	4,000.00
Modi Builders & Realtors Pvt Ltd	146,000.00
Rehan Islam	10,000.00
Raj Bahadur Chetry	22,500.00
Krishna Murthy G-403/404	50,000.00
R.Kiran	5,000.00
	<u>959,689.00</u>

For Modi Properties & Investments Pvt. Ltd.


Managing Director

For Modi Properties & Investments Pvt. Ltd.


Director



MODI PROPERTIES & INVESTMENTS PVT LTD

GROUPINGS FOR THE YEAR 2004-2005

Loans & Advances

Advances to Staff/Contractors/Others

Contractors

Adishesu	50,000.00	
Mahboob	10,520.00	
Narsing Rao	210.00	
Ramulu -Loan	16,213.00	76,943.00

Staff Salaries Advances

Dayal	400.00	
Gaurang Mody	13,400.00	
Jagdish	500.00	14,300.00

Staff Loan A/c.

Crystopher	10,000.00	
Javeed	500.00	
Jagdish	219,965.00	
Mahender	17,600.00	
Nanna ram	10,150.00	
Narasimha Chary	9,000.00	
Phani Kumar	5,950.00	
Rajnikanth	6,400.00	
Rajyalakshmi	6,600.00	
Ramana	3,000.00	
Ramanamurthy	30,400.00	
Ramesh O.B	5,600.00	
Ranjit Prakash	50,300.00	
Ratnam	3,350.00	
Sai Kumar	2,000.00	
Shekappa	17,000.00	
Shiva	7,798.00	
Sridhar	174.00	
Suresh	24,000.00	
Tanveer Khan	2,054.00	431,841.00

Staff Petty Cash A/c.

Rafiq		2,994.00
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Suppliers

Bharat Petroleum	1,676.01	
Jyothi Travels	1,561.00	
Murali Sanitary	20,581.00	
Praful Sanitary	18,288.46	
Vishwajit Castings & Engg Works	5,330.00	47,436.47

Others

Ch.Ram Reddy	200,000.00	
Modi Housing Pvt Ltd	11,581,600.12	
Modi Sheltors Pvt Ltd	24,661,900.00	
Navadurga Traders	1,220,910.00	37,664,410.12

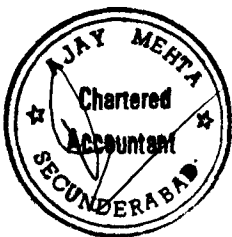
For Modi Properties & Investments Pvt. Ltd.,

38,237,924.59

[Signature]
Managing Director

For Modi Properties & Investments Pvt. Ltd.

[Signature]
Director



I-402 P. Ravinder Reddy	35,592.00	-	35,592.00
HDFC Bank Rent Receivable	7,636.00		7,636.00
Soham Mansion Owners Assn	2,448.00	2,880.06	5,328.06
Satish Modi	-	48,660.92	48,660.92
M.C.Modi Educational Trust	12,929.00	-	12,929.00
Modi Builders	7,832.00	-	7,832.00
	655,485.00	4,403,979.98	5,059,464.98

SALARIES & OTHER BENEFITS

1. Staff Salaries		541,903.00
2. House Rent Allowance		145,432.00
3. Provident Fund		220,854.00
4. Transportation Allowance		151,221.00
5. Bonus Paid		76,687.00
6. Gratuity		17,325.00
7. Leave Encashment		60,101.00
8. Incentives to Staff		509,410.00
9. City Compensatory Allowance		68,189.00
10. Educational Allowance		59,244.00
11. Special Allowance		26,753.00
		1,877,119.00

RATES & TAXES

1. Filing Fee	4,378.00
2. Sales Tax	205,396.00
3. Professional Tax	10,000.00
4. Trade Licence	4,642.00
	224,416.00

MISC/XEROX EXPENSES

1. Misc. Expenses	68,193.42
2. News Paper & Periodicals	2,871.00
3. Xerox Expenses	37,027.92
	108,092.34

POSTAGE & TELEPHONE CHARGES

1. Postage	9,005.33
2. Telephone Charges/Calls	208,273.19
	217,278.52

VEHICLE MAINTENANCE & PETROL CHARGES

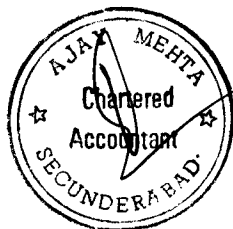
1. Vehicle Maintenance	53,505.00
2. Petrol Charges	101,791.46
3. Vehicle tax	6,320.00
	161,616.46

For Modi Properties & Investments Pvt. Ltd.

(Signature)
Managing Director

For Modi Properties & Investments Pvt. Ltd.

(Signature)
Director



MODI PROPERTIES & INVESTMENTS PVT LTD

GROUPINGS FOR THE YEAR 2004-2005

SUNDRY DEBTORS (unsecured considered good)

(Outstanding for More than 6 months and other Debtors)

<u>Name</u>	<u>More than 6 monthl</u>	<u>Other Debtors</u>	<u>Total</u>
A-213 G. Rajamani	6,000.00	-	6,000.00
A-308 S.P. Mittal	289,974.00	-	289,974.00
A-310 Krishna Mohan	6,076.00	-	6,076.00
A-315 S.P.Patnaik	-	462,000.00	462,000.00
A-403 Rebacca mc Donald	4,160.00	-	4,160.00
A-501/502 P.P.Dhanalakshmi	10,304.00	-	10,304.00
B-103 Arun Jyothi Raj	4,627.00	-	4,627.00
B-309 Sallay Anne Jardhan	1,014.00	-	1,014.00
B-310 Hernalata	20,517.00	-	20,517.00
B-415/416 J.V.K.Prasad	5,247.00	-	5,247.00
B-514 Sridevi T	16,000.00	-	16,000.00
C-111 K.N.D.Prasada Rao	28,586.00	-	28,586.00
C-211 V. Balakrishna	10,000.00	-	10,000.00
D-201 C.Ramadevi	-	201,540.00	201,540.00
D-207 Y.Yeshwant Kumar	-	341,484.00	341,484.00
D-208 Solomon Panda	-	97,735.00	97,735.00
D-302/303 Durga Prasad	-	688,930.00	688,930.00
D-307 Ramanand	-	21,000.00	21,000.00
D-309 M.H.Habeeb	-	19,825.00	19,825.00
D-401 Aruna Prasanth	-	1,600.00	1,600.00
D-403 P.Ravi Kumar	-	203,645.00	203,645.00
D-509 T.V.Srinivas	-	559,000.00	559,000.00
D-513/514 Chandra Sekhar	-	75,000.00	75,000.00
E-103 Co.Kuldeep Kumar	5,217.00	-	5,217.00
E-306 S.Vijayalakshmi	25,000.00	-	25,000.00
F-106 Shikaram	-	15,000.00	15,000.00
F-203 K.Anjaneyulu	-	357,500.00	357,500.00
F-211 Nivedita	-	63,185.00	63,185.00
F-301 K.Sundeep	-	18,825.00	18,825.00
F-311 K.Sujatha	-	34,864.00	34,864.00
F-408/409 Madhavi	-	5,960.00	5,960.00
F-507 Subramanya Rama Krishna	-	69,045.00	69,045.00
F-513 Raman Balaji	-	462,590.00	462,590.00
G-506 Kamala Sevak	-	25,431.00	25,431.00
H-202 T.Revathi	-	332,280.00	332,280.00
H-406 Central India Engg Co	4,400.00	-	4,400.00
H-409 Gurudev Engg Co	12,700.00	-	12,700.00
H-501/511 Durjoy Adhikari	17,746.00	-	17,746.00
H-504 Satish Modi	-	296,000.00	296,000.00
I-102 Sheila Sahai	43,092.00	-	43,092.00
I-202 Sahil Verma	10,370.00	-	10,370.00
I-302 Amit Chandra	19,000.00	-	19,000.00
I-307 Bipin Patel	13,733.00	-	13,733.00
I-308 G.S.R. Murthy	35,285.00	-	35,285.00

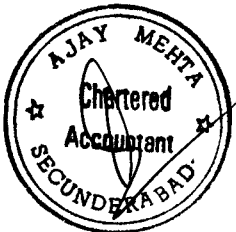
For Modi Properties & Investments Pvt. Ltd.

[Signature]

Managing Director,

For Modi Properties & Investments Pvt. Ltd.

[Signature]
Director,



MODI PROPERTIES & INVESTMENTS PVT LTD
SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31/03/2004

Schedule "M" Notes to Accounts

1. Significant Accounting Policies
 - a) Accounting Conventions:

The Accounts have been prepared using historical cost conventions and on the basis of a going concern with revenues recognized and expenses incurred on accrual basis unless otherwise stated.
 - b) Inventories:
 - i) Land is stated at cost.
 - ii) Building construction work in progress is stated at cost
 - iii) Misc. Expenditure:

Preliminary expenses are written off over a period of 10 years beginning from the year in which commercial activity is commenced.
 - c) Revenue Recognition:

Revenue from Housing Project which is carried out in phases of Blocks is recognized on an estimate basis till the flats in each block are completed and are transferred/delivered to the customers.

Revenue in respect of Blocks which are completed is recognized at the point of transfer/delivery and/or are ready for delivery to the customers.

Revenue of flats sold is net of discounts allowed.
 - d) Fixed Assets:

Fixed Assets are stated at cost of acquisitions.
 - e) Depreciation:

Depreciation on fixed assets is provided on W.D.V. method at the rates and in the manner specified in schedule XIV of the Companies Act, 1956.
 - f) Retirement Benefits:

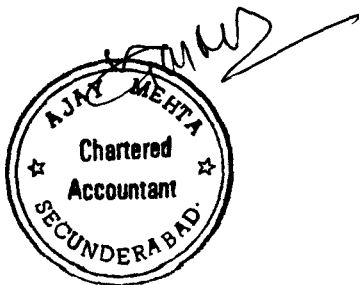
Retirement benefits are accounted for on cash basis.
 - h) Investments:

Investments are stated at cost
 - i) Taxation

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. The deferred tax for timing difference between the book and tax profit for the year is accounted using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets arising from the timing difference are recognized to the extent that there is reasonable certainty that sufficient future taxable income will be available.
2. During the year the company has carried on work of developing and building housing project in phases of Blocks at Mallapur which is an eligible project for deduction under section 80 I B (10) of IT Act 1961 and the same has been completed during the year.
3. In accordance with accounting policy adopted with regard to revenue recognition on uncompleted blocks an estimated profit of NIL (Previous year 31,24,104/-) calculated at 30% on installments for the year of NIL (previous year 1,04,13,681/-) is credited to Profit & Loss A/c. The corresponding debit of which is to the account of construction work in progress account.

For Modi Properties & Investments Pvt. Ltd.,


Managing Director



For Modi Properties & Investments Pvt. Ltd.,


Director

MODI PROPERTIES & INVESTMENTS PVT LTD

Notes to Accounts Contd...

- 4 In accordance with the accounting policy adopted with regard to revenue recognition for uncompleted Blocks the installments aggregating to NIL (Previous year Rs. 1,08,03,681/- is carried forward under schedule 'H' Current Liabilities and expenditure on construction aggregating to NIL (Previous year Rs.1,76,74,947/- is carried forward under Schedule 'G' as inventories.
- 5 During the year an amount of Rs. 7,94,82,018/- (Previous year Rs.11,22,14,852/-) is credited to Profit & Loss A/c towards sale of flats which are completed and are transferred/delivered/ready for delivery to the customers, in accordance with the accounting policy adopted with regard to revenue recognition on completed blocks.
- 6 The cost of construction of Rs. 5,04,12,359/-(Previous year Rs. 7,36,50,129/-) debited to profit and loss account (Schedule 'K' Construction and Direct expenses) includes debit of Rs.32,41,104/- (previous year Rs. 67,70,129/-) towards estimated profits declared in earlier years on installments.
- 7 During the Year the company has adopted Accounting Standard (AS-22) on " Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Consequently deferred Tax liability of Rs. 1,451/- (Previous year Rs. 9,763/-) in respect of timing difference as on 31-03-2004 in respect of depreciation is recognized.
- 8 Loans and Advances of Rs. 3,62,43,500/- (previous year Rs. 20,00,000/-) due from wholly owned subsidiary company, Modi Housing Pvt. Ltd and Modi Shelters Pvt Ltd.
- 9 The Company is a partner in a partnership firm M/s. Modi Constructions. The share of profit/loss for the year is nil. The details of partners of the firm is as under.

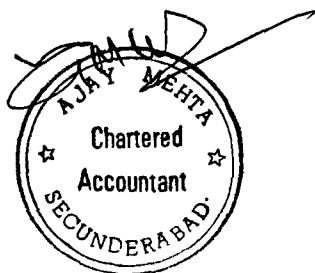
Name of the Partner	Capital as on 31/3/2004	Share in Profit/Loss
Modi properties & Investments Pvt Ltd	17,322	50%
Mr. Ashish P. Modi	Nil	50%

10. The Company is also a partner in a partnership firm M/s. Mehta & Modi Homes. The share of profit/loss for the year is nil. The details of partners of the firm is as under.

Name of the Partner	Capital as on 31/3/2004	Share in Profit/Loss
Suresh U. Mehta	4,50,000	16.66%
Deepak U. Mehta	3,50,000	16.67%
Bhavesh Mehta	11,00,000	16.67%
Modi properties & Investments Pvt Ltd	44,60,000	50%

For Modi Properties & Investments Pvt. Ltd.


Managing Director



For Modi Properties & Investments Pvt. Ltd.


Director

MODI PROPERTIES & INVESTMENTS PVT LTD

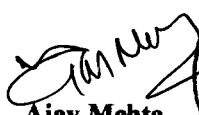
Notes to Accounts Contd...

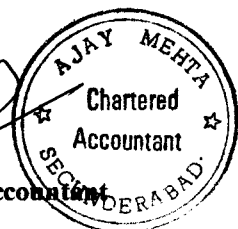
11. The additional information pursuant to the provisions of Schedule VI of the Companies Act, 1956 are either Nil or not applicable to the company.
12. Business Promotion Expenses of Rs. 31,125/- (Previous Year Rs. 2,33,093/-) is towards payments made for credit card operation of Managing Director Shri. Soham Modi.
13. Expenses not supported by external evidence are taken as certified and authenticated by the Management.
14. Previous year figures are re-grouped, wherever necessary.
15. Contingent Liabilities not provide for

a) Claims against the Company not acknowledged as debts	31/3/2004	31/3/2003
(i) Sales Tax matters in dispute	Nil	Rs. 24,60,134
(ii) Seignorage Fee in dispute	Nil	Rs 5,52,955


As per my report of
even date attached

for and on behalf of the Board of Directors

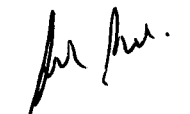

Ajay Mehta
Chartered Accountant



Place: Secunderabad
Date :06.09.2004


Soham Modi
(Managing Director)

Place: Secunderabad
Date : 06.09.2004


Sourabh Modi
(Director)

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE
COMPANIES ACT, 1956,
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS
PROFILE.
MODI PROPERTIES & INVESTMENTS PVT LTD.**

1. Registration Details: 01-17795
 Registration No. State Code 1
 Balance Sheet Date. 31.03.2004
 D M Y

II. Capital raised during the year (Amount in Rupees Thousands):

Public Issue Nil Rights Issue Nil
 Bonus Issue Nil Private Placement Nil

III. Position of Mobilisation and deployment of Funds (Amount in Rupees)

Total Liabilities 66,559 Total Assets 66,559

Sources of Funds:

Share Capital 902 Reserves & Surplus 58,871
 Secured Loans 6,265 Unsecured Loans 510
 Deferred Tax Liability 11

Application of Funds:

Net Fixed Assets 1,716 Investments 4,677
 Net Current Assets 60,165 Misc. Expenditure 1
 Accumulated Losses Nil

IV. Performance of Company (Amount in Rupees Thousands):

Turnover & Other Income 81,427 Total Expenditure 58,122
 Profit/Loss before Tax 23,304 Profit/Loss after Tax 20,870
 Earning per share Rs. 2,314 Dividend Rate Percent Nil

V. Generic Names of Three principal products/Services of Company (as per Monetary Terms):

Item code No. NA Product Description
 (ITC Code) Product NA Real Estate Managers/
 Developers

for MODI PROPERTIES & INVESTMENTS PVT LTD



(Soham Modi)
Managing Director



(Sourabh Modi)
Director.

**STATEMENT REGARDING SUBSIDIARY COMPANIES,
PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**

a) Name of the Subsidiary Company	Modi Housing (P) Limited
b) The financial year of the Subsidiary Company end on	31.03.2004
c) Holding Company's interest:	
I Number of equity shares	10,000
Face value	10/-
Paid up value	100,000
II Extent of share holding	100%
d) Net aggregate amount of subsidiary's profits/(losses) not dealt with in the Holding Company's accounts	
I For the subsidiary financial year	N.A.
II For its previous financial year	N.A.
e) Net aggregate amount of subsidiary's profits/(losses) not dealt with in the Holding Company's accounts	
I For the subsidiary financial year	N.A.
II For its previous financial year	N.A.
f) Change in the interest of the Holding Company between the end of the subsidiary financial year and end of the holding company's financial year	N.A.
I Holding company's interest as on 31.03.2003	-
Number of equity shares	-
Face value	-
Paid up value	-
II Extent of share holding	-
g) Material changes between the end of the subsidiary financial year and the end of the holding company's financial year	Increase/ (Decrease)
I Subsidiary's fixed assets	N.A.
II Subsidiary's Investments	N.A.
III Monies lent by the subsidiary	N.A.
IV Monies borrowed by the subsidiary, other than for meeting current liabilities	N.A.

For and on behalf of the Modi Housing (P) Limited

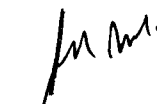


(Soham Modi)

Director

Place: Hyderabad

Date: 06.09.2004



(Sourabh Modi)

Director

**STATEMENT REGARDING SUBSIDIARY COMPANIES,
PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956**

a) Name of the Subsidiary Company	Modi Sheltors (P) Limited
b) The financial year of the Subsidiary Company end on	31.03.2004
c) Holding Company's interest:	
I Number of equity shares	10,000
Face value	10/-
Paid up value	100,000
II Extent of share holding	100%
d) Net aggregate amount of subsidiary's profits/(losses) not dealt with in the Holding Company's accounts	
I For the subsidiary financial year	N.A.
II For its previous financial year	N.A.
e) Net aggregate amount of subsidiary's profits/(losses) not dealt with in the Holding Company's accounts	
I For the subsidiary financial year	N.A.
II For its previous financial year	N.A.
f) Change in the interest of the Holding Company between the end of the subsidiary financial year and end of the holding company's financial year	N.A.
I Holding company's interest as on 31.03.2003	-
Number of equity shares	-
Face value	-
Paid up value	-
II Extent of share holding	-
g) Material changes between the end of the subsidiary financial year and the end of the holding company's financial year	Increase/ (Decrease)
I Subsidiary's fixed assets	N.A.
II Subsidiary's Investments	N.A.
III Monies lent by the subsidiary	N.A.
IV Monies borrowed by the subsidiary, other than for meeting current liabilities	N.A.

For and on behalf of the Modi Sheltors (P) Limited

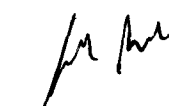


(Soham Modi)

Director

Place: Hyderabad

Date: 06.09.2004



(Sourabh Modi)

Director