



## AKRUTI NIRMAN LIMITED

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### Audited Financial Results for the Financial Year ended March 31, 2007

(Rs. in crore)

Sr. No.	Particulars	STAND ALONE			CONSOLIDATED
		Quarter ended 31/ 03/2007 (Unaudited)	Year ended 31/03/2007 (Audited)	Year ended 31/03/2006 (Audited)	Year ended 31/03/2007 (Audited)
1	Net Sales / Income from Operations	92.71	177.89	171.29	189.48
2	Share of profit from Joint Ventures and Partnership Firms (Net)	-	-	28.07	-
3	Other Income	6.86	9.99	2.14	9.11
4	Total Expenditure				
	a. (Increase)/Decrease in stock-in-trade	1.51	(52.39)	17.64	(45.97)
	b. Cost of construction	18.83	105.24	101.32	106.58
	c. Share of loss from Joint Ventures and Partnership Firms (Net)	1.35	1.35	-	0.53
	d. Staff cost	2.75	6.71	1.35	6.73
	e. Other expenditure	0.41	15.92	4.29	16.26
5	Interest	6.21	19.98	6.01	19.99
6	Depreciation and amortisation	1.49	6.14	4.78	6.21
7	Profit before tax (1+2+3-4-5-6)	67.02	84.93	66.11	88.26
8	Provision for taxation				
	a. Current tax	7.89	9.72	3.25	10.93
	b. Deferred tax	(0.12)	(0.51)	(0.28)	(0.50)
	c. Fringe benefit tax	0.05	0.23	0.04	0.23
	d. Wealth tax	-	0.01	-	0.01
9	Net Profit after tax (7-8)	59.20	75.48	63.10	77.59
10	Prior Period adjustments and excess /(short) provision for taxation in respect of earlier years (Net)	0.39	0.39	(0.89)	0.37
11	Net Profit after adjustments	59.59	75.87	62.21	77.96
12	Share of Profit/(Loss) from Associate Companies	-	-	-	(0.07)
13	Minority Interest	-	-	-	(Rs.11,918)
14	Pre-acquisition Profit (Net)	-	-	-	(0.57)
15	Goodwill on acquisition written off	-	-	-	(0.10)
16	Net Profit	59.59	75.87	62.21	77.22
16	Paid-up equity share capital	66.70	66.70	48.00	66.70
17	Reserves excluding revaluation reserves	-	435.13	58.79	437.93
18	Earnings per share - basic and diluted	9.76	12.42	13.93	12.65
19	Aggregate of Public Shareholding				
	- Number of shares	67,00,000	67,00,000	-	67,00,000
	- Percentage of shareholding	10.04	10.04	-	10.04

**Notes to the Audited Financial Results for the Financial year ended March 31, 2007.**

1. The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on July 04, 2007.
2. This being the first year of listing, the figures for the corresponding quarter are not compiled and hence not available for the purpose of comparison.
3. The Board of Directors has recommended a dividend of 15 % per share, subject to the approval of the shareholders in the ensuing Annual General Meeting.
4. During the year the Company issued 1,20,00,000 equity shares as fully paid-up bonus shares aggregating Rs.12 crores.
5. The Initial Public Offer (IPO) of the Company's Equity Shares aggregating Rs. 361.80 crores closed for subscription on January 19, 2007. The Company allotted 67,00,000 equity shares of Rs. 10/- each at a premium of Rs. 530/ per share on February 2, 2007. The Equity Shares of the Company were listed on the Bombay Stock Exchange Limited and The National Stock Exchange of India Limited on February 7, 2007. The share issue expenses amounting to Rs. 30.91 crores have been debited to the Securities Premium Account.

Details of utilisation of funds received from IPO of equity shares, as per Clause 43 of the Listing Agreement :

(Rs. in crore)

Particulars	Estimated Utilisation Amount		Actual utilisation upto 31-03-2007
	Total	Upto 31-03-07	
- acquisition of land / rights in land or development rights	150.00	150.00*	7.29
- repayment of loan	25.00	25.00	28.25
- development and construction cost for projects under development	125.00	30.00*	5.86
- expenses relating to IPO	25.21	25.21	30.91
- general corporate purposes	36.58	18.30	18.00
<b>Total</b>	<b>361.80</b>	<b>248.51</b>	<b>90.31</b>

\* Pursuant to agreements executed with the vendors of properties, the amount becomes due and payable to the vendors on completion of due diligence by the Company. The Company utilised Rs. 144.00 crore during the last week of June 2007, and the balance amount is expected to be utilised by September 2007.

6. Other income for the year ended March 31, 2007 includes Rs. 2.22 crore being interest and dividend earned from temporary investment of IPO proceeds in deposits and liquid mutual funds.
7. The Company is engaged in the business of real estate development, which as per Accounting Standard AS – 17 on 'Segment Reporting' issued by The Institute of Chartered Accountants of India is considered to be the only reportable business segment. The Company is operating in the same geographical segment.
8.
  - a. During the year under review the Company made investment aggregating Rs.55.86 lac in the share capital of the following subsidiaries namely: (a) Akruiti Security Plates Private Limited; (b) Adhivitiya Properties Limited; (c) Arnav Properties Limited; (d) Akulpita Construction Limited ; (e) E-Commerce Solutions (India) Limited; (f) TDR properties Limited; (g) Vishal Tekniks (Civil) Limited.
  - b. Some of the subsidiaries of the Company had made temporary investment exceeding 51 % in the share capital of Citygold Investment Private Limited, a group company, which was subsequently reduced to below 35 % before the close of the quarter.
9. Upto March 31, 2006, the Company recognised revenue from sale of incomplete properties as per the completed building project method. Pursuant to the guidance note on 'Recognition of Revenue by Real Estate Developers', issued by The Institute of Chartered Accountants of India during the year, revenue from sale of such incomplete properties (subject to fulfillment of specified conditions) is recognised on the basis of the percentage of completion method, with effect from April 1, 2006.

The Company has not given retrospective effect to this change in accounting policy, because such retrospective effect would have required the Company to identify all incomplete projects that fulfilled the conditions specified in the Guidance Note in the earlier reporting period and also to determine the stage of completion for all such projects in the earlier reporting period. The records required for such an exercise are not available. Hence the results for the year ended March 31, 2006 have not been restated to reflect the change in the revenue recognition policy.

However, such change in the accounting policy has not resulted in any impact on the financial statements for the year ended March 31, 2007, as no project, incomplete at the close of the year, has progressed to the extent of 40 % of the total work involved for which revenue would have to be recognised as per the percentage of completion method. The effect of such change on the financial statements of subsequent financial years cannot be ascertained at present, as the same would depend upon the stage of completion of incomplete projects, if any, at the close of the respective years.

10. The financial statements of all partnership firms and joint ventures in which the Company is a partner/co-venture, are unaudited. The share of loss/profit accrued during the year by the Company is, therefore, subject to adjustments. The said share of loss/profit was not included in the unaudited financial results for the quarter ended March 31, 2007, which were taken on record by the Board of Directors of the Company on April 26, 2007. However, the said share of loss/profit has been included in the Unaudited Financial results and Audited Financial results for the quarter ended and year ended March 31, 2007 respectively.
11. Status of investors' complaints for the year ended March 31, 2007 :  
Opening : Nil ; Received : 768 ; Resolved : 732 ; Closing : 36.
12. Previous year's figures have been regrouped/reclassified wherever necessary.

**Notes to the Consolidated Audited Financial Results for the Financial year ended March 31, 2007.**

1. The Accounting Standard AS-21 on Consolidated Financial Statements has become applicable to the Company for the first time for the financial year ended March 31, 2007. Hence the figures for the consolidated financial results of the previous year have not been given.
2. The Company has an investment in Brainpoint Infotech Limited (formerly known as Brainpoint Infotech Private Limited) where the shareholding exceeds 50%. The same is in the nature of temporary investment and has therefore, not been considered for consolidation. Further, Akruiti Centre Point Infotech Limited (formerly known as Akruiti Centre Point Infotech Private Limited) which, was consolidated in the previous year has also not been consolidated due to the same reason.

For and on behalf of the Board

Place : Mumbai  
Dated : July 4, 2007

**Vyomesh M. Shah**  
**Managing Director**

