



AKRUTI NIRMAN LIMITED

Registered Office: AkruTi Trade Centre, Road No. 7,
Marol MIDC, Andheri (East), Mumbai – 400 093.

Unaudited Financial Results (Provisional) for the Fourth Quarter ended March 31, 2007

(Rs. in crores)				
Sr	Particular	Quarter ended 31/3/2007 (Unaudited)	Year ended 31/3/2007 (Unaudited)	Year ended 31/3/2006 (Audited)
1	Net Sales/Income from Operations	92.68	177.86	199.40
2	Other Income	7.33	10.46	2.10
3	Total Expenditure			
	a. (Increase)/Decrease in stock-in-trade	6.77	(47.13)	17.64
	b. Cost of construction	15.00	101.41	101.33
	c. Staff cost	2.76	6.72	0.57
	d. Other expenditure	3.15	18.66	4.37
4	Interest	6.32	20.09	6.70
5	Depreciation	1.87	6.52	4.78
6	Profit before tax (1+2-3-4-5)	64.14	82.05	66.11
7	Provision for taxation			
	- Current Income tax	7.10	8.93	4.16
	- Wealth tax	-	0.01	-
	- Deferred Income tax	(0.19)	(0.58)	(0.28)
	- Fringe benefit tax	0.05	0.23	0.04
8	Net Profit after tax (6-7)	57.18	73.46	62.19
9	Paid-up equity share capital	66.70	66.70	48.00
10	Reserves excluding revaluation reserves	-	-	58.79
11	Earnings per share - basic and diluted	8.89	11.84	13.36
12	Aggregate of Public Shareholding			
	- Number of shares	67,00,000	67,00,000	-
	- Percentage of shareholding	10.04	10.04	-

Notes :

1. The above results which have been reviewed by the Audit Committee and taken on record by the Board of Directors at their respective meetings held on April 26, 2007, are subject to Limited Review by the Auditors of the Company.
2.
 - a. The Initial Public Offering (IPO) of the Company's Equity Shares aggregating Rs. 361.80 crores closed for subscription on January 19, 2007 and was oversubscribed 81.5 times. In terms of the Prospectus dated January 24, 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 Bombay Stock Exchange Limited and The National Stock Exchange of India Limited on February 7, 2007.
 - b. Consequent to the IPO, the issued, subscribed and paid-up share capital of the Company stands increased to Rs.66.70 crores as at March 31, 2007 and an amount of Rs. 355.10 crores was credited to the Securities Premium Account.
 - c. As stated in the Prospectus, the share issue expenses amounting to Rs. 30.91 crores have been charged against available balance in the Securities Premium Account (SPA). After this adjustment, the closing balance in the SPA is Rs.324.18 crores.
3. The Company has a single segment namely 'Builders and Developers'. Therefore, the Company's business does not fall under different business segments as defined in the Accounting Standard AS-17 on 'Segment Reporting' issued by The Institute of Chartered Accountants of India.

4. Other income for the quarter and year ended March 31, 2007 includes Rs.3.03 crores being interest and dividend earned from temporary parking of IPO proceeds in deposits and liquid mutual funds.
5. Details of utilisation of funds received from IPO of equity shares, as per Clause 43 of the Listing Agreement :

Particulars	Projected utilisation as per prospectus dated January 24, 2007 (Rs. in crores)	Actual utilisation as on March 31, 2007 (Rs. in crores)
- acquisition of land / rights in land or development rights *	150.00	7.29
- repayment of loan	25.00	28.25
- development and construction cost for projects under development *	30.00	5.86
- expenses relating to IPO	25.21	30.91
- general corporate purposes	18.30	18.00
Total	248.51	90.31

* 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, which is expected to be completed by second week of May 2007.

The balance unutilized funds out of Rs.361.80 crores raised through Initial Public Offer have been temporarily deployed in fixed deposits and other short term investments, pending utilisation for the objects of the Issue.

6. This being the first year of publishing quarterly financial results pursuant to IPO, the figures for the corresponding quarter of the previous year have not been given.
7. During the quarter under review :
 - a. the Company acquired 9,000 equity shares of Rs.10 each in the share capital of Almighty Impex Private Limited (AIPL), amounting to 18 % of the paid-up share capital of AIPL. The Company also acquired 23,500 equity shares of Rs.10 each in the share capital of Adhivitiya Properties Limited (ADPL), 200 equity shares of Rs. 10 each in the share capital of Arnav Properties Limited (ARPL) and 22,500 equity shares of Rs.10 each in the share capital of Akulpita Construction Limited (AKCL), all three being subsidiaries of the Company. Consequent to the aforesaid acquisition, ADPL, ARPL and AKCL became wholly owned subsidiaries of the Company.
 - 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 had subsequently reduced to below 35 % before the close of the quarter.
8. 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 is recognised on the basis of the percentage of completion method.

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 contracts 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 contracts 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 variation in revenue recognised for the year ended March 31, 2007 due to the stage of progress of the projects as at the close of the year.

The effect of such change on the revenue recognised for the quarter under review is given below :

Particulars	(Rupees in crores)	
	Quarter ended March 31, 2007 for % completion	Quarter ended March 31, 2007 for completed building project method
Net Sales/ Income from Operations	92.68	133.04
Other Income	7.33	7.33
Increase / (Decrease) in inventories	(6.78)	(22.17)
Total Income	93.23	118.20
Cost of construction and other expenses	20.91	37.70
Interest	6.32	6.32
Depreciation	1.87	1.87
Total Expenditure	29.10	45.89
Profit before Tax	64.13	72.31

9. Status of investors' complaints for the quarter ended March 31, 2007 :

Opening : Nil ; Received : 768 ; Resolved : 732 ; Closing : 36.

For and on behalf of the Board

Place : Mumbai
Dated : April 26, 2007

Vyomesh M. Shah
Managing Director