

D B MAN REALTY LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31st MARCH, 2011

M. A. PARIKH & CO.

Chartered Accountants
Yusuf Building, 2nd Floor,
Mahatma Gandhi Road,
Fort, Mumbai – 400 001.

Tel No.: 22041018 *22043850 *22029187

Fax: 22874524 *Email : maparikh@eth.net



NOTICE

NOTICE IS HEREBY GIVEN THAT the third Annual General Meeting of the Members of DB Man Realty Limited will be held on Tuesday, 20th September, 2011 at 3.00 P.M. at the Registered Office of the Company at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063 to transact the following business:

AGENDA

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011, the Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. Parag Shah who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Mr. Navin Ajwani who retires by rotation and being eligible offers himself for reappointment.
4. To re-appoint M/s. M.A.Parikh & Co, Chartered Accountants (Reg No.107556W) the retiring auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors.

SPECIAL BUSINESS

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

“RESOLVED THAT Mrs. Sunita Bali who was appointed as Additional Director by the Board of Directors of the Company with effect from 8th March, 2011 pursuant to the Provisions of Section 260 of the Companies Act, 1956 (the Act) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.”


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

“RESOLVED THAT Mr. Salim Balwa who was appointed as Additional Director by the Board of Directors of the Company with effect from 8th March, 2011 pursuant to the Provisions of Section 260 of the Companies Act, 1956 (the Act) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

BY ORDER OF THE BOARD
For **DB MAN REALTY LIMITED**



SUNITA BALI
DIRECTOR



MUMBAI,
DATE: 05.08.2011

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- 2) THE INSTRUMENT OF PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 3) THE RELATIVE EXPLANATORY STATEMENT IN RESPECT OF ITEM NO 5 & 6 IS ANNEXED HERETO.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Mrs. Sunita Bali was appointed as Additional Director at Board Meeting held on 8th March, 2011 and she holds her office up to the date of the Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. The Company has received a notice from a member proposing her as Director pursuant to the provisions of Section 257 of the Companies Act, 1956.

Your Directors recommend the resolution for your acceptance.

Mrs. Sunita Bali, being sister of Mr. Vinod Goenka, Mr. Vinod Goenka may be deemed to be interested in the passing of this resolution.

Mrs. Sunita Bali may also be deemed to be interested in the said resolution.

None of the other Directors is in any way concerned or interested in the said resolution.

ITEM NO.6

Mr. Salim Balwa was appointed as Additional Director at Board Meeting held on 8th March, 2011 and he holds his office up to the date of the Annual General Meeting pursuant to Section 260 of the Companies Act, 1956. The Company has received a notice from a member proposing him as Director pursuant to the provisions of Section 257 of the Companies Act, 1956.

Your Directors recommend the resolution for your acceptance.

None of the Directors other than Mr. Salim Balwa is in any way concerned or interested in the said resolution.

**BY ORDER OF THE BOARD
For DB MAN REALTY LIMITED**



**SUNITA BALI
DIRECTOR**

**MUMBAI,
DATE: 05.08.2011**

Directors' Report

To:
The Members
DB MAN REALTY LIMITED

Your Directors have pleasure in presenting the 3rd Annual Report on the business and operations of the Company along with the audited accounts for the financial year ended 31st March, 2011.

Financial Results:

(Amount Rs.)

Particulars	Standalone		Consolidated	
	F.Y. 2010-11	F.Y. 2009-10	F.Y. 2010-11	F.Y. 2009-10
Gross Income - Interest on Loan	18,44,384	18,93,501	18,44,384	5,61,995
Profit (Loss) before interest, depreciation, amortization and taxation	(20,95,184)	(19,65,639)	(20,96,529)	(33,02,357)
Add: Interest and Finance Charges	(18,44,384)	(18,93,501)	(18,44,384)	(18,93,501)
Add: Depreciation and amortization	(40,657)	(7,544)	(40,657)	(8,971)
Operational Profit (Loss) before tax	(39,80,225)	(38,66,684)	(39,81,570)	(52,04,829)
Provision for Tax/Deferred Tax	-	-	-	(2,973)
Less: Minority Interest	-	-	1,346	2,884
Profit/(Loss) after taxation	(39,80,225)	(38,66,684)	(39,80,224)	(52,04,918)
Balance brought forward	(38,80,775)	(14,091)	(38,80,775)	(14,091)
Balance carried to Balance Sheet	(78,61,000)	(38,80,775)	(78,61,000)	(52,19,009)

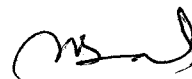
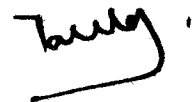
DIVIDEND

In the absence of profits, your directors do not recommend any dividend.

STATUS OF THE COMPANY

The Company continues to be a subsidiary Company of D B Realty Limited

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SUBSIDIARY COMPANY

Your Company has made the disinvestment in the shares of Royal Netra Constructions Pvt. Ltd. and the said Company ceased to be subsidiary of your Company on 18th May, 2010.

FIXED DEPOSIT

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, during the year under review.

DIRECTORS

Mr. Parag Shah retires by rotation at the ensuing annual general meeting and being eligible offers himself for reappointment.

Mr. Navin Ajwani, retires by rotation at the ensuing annual general meeting and being eligible offers himself for reappointment.

Mr. Salim Balwa and Ms. Sunita Bali were appointed as Additional Directors with effect from 8-03-2011 and they hold their offices up to the date of the annual general meeting pursuant to Section 260 of the Companies Act, 1956.

The Company has received Notices in writing from a member proposing their appointment as Directors subject to retirement by rotation.

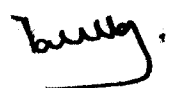
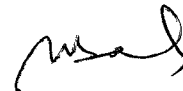
Mr. Rajiv Agarwal ceased to be Director by resignation on 22-04-2011 and the Board places on record its appreciation for the services rendered by him during his tenure of Directorship.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) they 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 the year;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) they had prepared the annual accounts on a going concern basis.

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DB MAN REALTY LIMITED

OBSERVATIONS BY THE AUDITORS:

The Auditors in their report have made certain observations in para 4(e) and 4(f):

With regard to observation in 4(e), we state that the non submission of declaration as on 31, March 2011 of the Directors is due to circumstances which are beyond their control. However in the normal course any such Director shall continue to hold office until the term of office expires.

With regard to observation in 4(f), we state that the Company has not received any official communication from Pimpri Chinchwad Town Development Authority (PCNTDA) and the Company and hence we are not in a position to comment on the same.

SECRETARIAL COMPLIANCE CERTIFICATE

In terms of Section 383A of the Companies Act, 1956 and the rules made there under, the necessary certificate of compliance issued by the Company Secretary in whole-time practice is annexed hereto.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGICAL ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Your Company is not covered by the schedule of industries which are required to furnish the information required in Form A pursuant to Section 217(1) (e) read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, The Company has not imported any technology or carried out any business of export or import and therefore the disclosure requirement against technology absorption are not applicable. The details of Foreign Exchange outgo are as under:

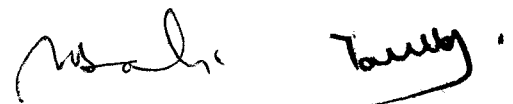
Expenditure in Foreign Currency:

PARTICULARS	AMOUNT (Rs)
Professional Fees	12,20,000

INFORMATION REGARDING EMPLOYEES REALTIONS/ PARTICULARS OF EMPLOYEES:

The Company did not employ during the year any employee whose particulars are required to be furnished pursuant to Section 217(2A) of the Companies Act, 1956 and the Rules made thereunder.

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AUDITORS

M/s. M. A. Parikh & Co., Chartered Accountants, the Statutory Auditors of the Company, holds office upto the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

ON BEHALF OF THE BOARD OF DIRECTORS



PARAG SHAH
DIRECTOR



SUNITA BALI
DIRECTOR

Date: 24-5-2011
Place: Mumbai

COMPLIANCE CERTIFICATE U/S 383A (1) OF COMPANIES ACT, 1956

CIN: U45400MH2008PLC186121

Nominal Capital: Rs. 5 Crores

The Members
DB MAN REALTY LIMITED
DB House, Gen. A.K. Vaidya Marg,
Goregaon (East),
Mumbai 400063

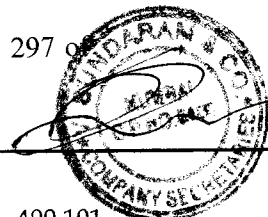
We have examined all the registers, records, books and papers of DB Man Realty Limited, as required to be maintained under the Companies Act, 1956 (The Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us, by the Company, its officers and agents, we certify that in respect of the aforesaid financial year.

- 1] The Company has kept and maintained all registers as stated in Annexure "A" to this certificate as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
- 2] The Company has duly filled the forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
- 3] The Company, being a Public Limited Company, has the minimum prescribed paid-up capital and requisite number of members during the said financial year.
- 4] The Board of Directors duly met 12 times held on 10th April 2010, 11th May 2010, 18th May 2010, 01st June 2010, 28th July 2010, 06th October 2010, 28th October 2010, 06th December 2010, 04th January 2011, 08th March 2011, 17th March 2011 and 31st March 2011 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed including the circular resolution passed, in the Minutes Book maintained for the purpose.
- 5] The Company was not required to close its Register of Members during the financial year.
- 6] The Annual General Meeting for the financial year ended on 31st March 2010 was held on 28th September, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7] No Extra-Ordinary General Meeting was held during the financial year.
- 8] The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Companies Act, 1956.
- 9] The Company has not entered into contracts falling within the purview of Section 297 of the Companies Act, 1956.

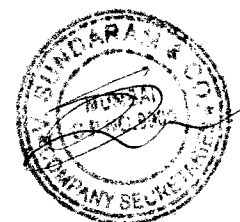
STAR COMPUTERS (Certified Filing Centre)

51, Evershine Moon, 71 EMP Opp. Valley of Flowers, Thakur Village, Kandivli (East), Mumbai - 400 101.

Tel.: 2870 8704 / 6595 0175 • E-mail : starco@vsnl.net



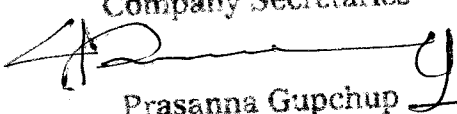
- 10] The Company has made the required entries in the register maintained under Section 301 of the Companies Act, 1956.
- 11] As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Boards of directors, members or Central Government.
- 12] The Company has not issued any duplicate or split share certificates during the financial year.
- 13] During the financial year under review;
 - (i) There was transfer of shares during the financial year.
 - (ii) The Company has not deposited any amount in a separate bank as no dividend was declared during the financial year
 - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
 - (iv) The Company did not have any moneys lying in unpaid/ unclaimed dividend account and therefore, the provisions relating to transfer to Investor Education and Protection Fund do not apply to the Company, during the financial year.
 - (v) The Company has duly complied with the requirements of Section 217 of the Act.
- 14] The Board of Directors is duly constituted and there were appointment of three Additional Directors and resignation of a Director during the year.
- 15] The Company has not appointed Managing Director and the Executive Director during the financial year.
- 16] The Company has not appointed any sole-selling agents during the financial year.
- 17] The Company was not required to obtain approval of the Central Government/Registrar of Companies and/or such authorities prescribed under the various provisions of Act during the financial year.
- 18] The Directors have disclosed their interest in other firms/companies to the Board of Directors, however the Company has not received written representations from two Directors regarding their disqualification pursuant to the provisions of the Act, and the rules made thereunder. However none of the Directors is disqualified from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- 19] The Company has not issued equity shares during the financial year.
- 20] The Company has not bought back any shares during the financial year.
- 21] The Company was not required to redeem any preference shares or debentures during the financial year as they were not issued.
- 22] There were no transaction necessitating the Company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23] The Company has not accepted/invited public deposits falling within the purview of Section 58A of the Act, during the financial year.



- 24] The Company has complied with the provisions of Section 293(1) (a) and (d) of the Act.
- 25] The Company has not made any loans and investment or given any guarantee or provided Securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
- 26] The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office from one state to another during the year under review.
- 27] The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
- 28] The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the year under scrutiny.
- 29] The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
- 30] The Company has not altered its Articles of Association during the financial year.
- 31] There was no prosecution initiated against. No fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
- 32] The Company has not received any money as security from its employees during the financial year.
- 33] The Company has not deducted any contribution towards Provident Fund & ESI during the financial year, as both are not applicable to the Company.

Place: Mumbai
Date: 24th May, 2011

For V. Sundaram & Co.
Company Secretaries


Prasanna Gupchup
Partner CP No. 9900

COMPLIANCE CERTIFICATE U/S 383A (1) OF COMPANIES ACT, 1956
DB MAN REALTY LIMITED

Annexure A

REGISTERS AND RECORDS

- a) Register of members under Section 150.
- b) Register and returns under Section 163.
- c) Minutes book of general meeting and Board meetings.
- d) Books of accounts under Section 209.
- e) Register of Directors, Managing Director, Manager and Secretary u/s 303.
- f) Register of Directors' shareholding under Section 307
- g) Assets Register
- h) Register of charges
- i) Register of Investment

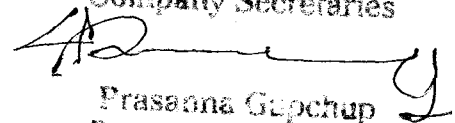
Annexure B

Forms and Returns as filed by the Company with the Ministry of Corporate Affairs Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2011.

Form No.	Section	Filing Date	Purpose	Whether filed within the prescribed time	If delay in filing, whether requisite additional fees paid
32	303(2)	10.06.10	Appointment/ Resignation of Directors	No	Yes
32	303(2)	07.10.10	Appointment/ Resignation of Directors	Yes	N.A.
23	192	31.05.10	Registration of Resolution(s)	No	Yes
23	192	25.10.10	Registration of Resolution(s)	Yes	N.A.
66	383A	07.10.10	Compliance Certificate for the Year 2010	Yes	N.A.
23AC	220	12..10.10	Balance Sheet, Profit & Loss Account for year ended 2010	Yes	N.A.
20B	159	30.10.10	Annual Return for the Year 2010	Yes	N.A.

Place: Mumbai
Date: 24th May, 2011

For V. Sundaram & Co.
Company Secretaries


Prasanna Gupchup
Partner CP No. 9900

M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Members of D B Man Realty Limited

1. We have audited the attached Balance Sheet of D B Man Realty Limited ('the Company') as at March 31, 2011 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 here-in-above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. Attention is drawn to Note No. C.1 of Schedule 14 forming part of the Audited Accounts for the year ended March 31 2011 with respect to the opinion framed by the Management of the Company vis-a-vis non active suspension of construction activity in relation to the Project and



therefore, the Company has continued to allocate interest cost to Project Work-In- Progress. These aspects being of commercial in nature, we have relied upon the opinion of the Company in this regard.

(e) In respect of two directors, the Company has not received written representations regarding their disqualification as on March 31, 2011 from being appointed as a director in terms of clause (g) of the sub section (1) of the section 274 of the Companies Act, 1956. In respect of the balance directors, on the basis of written representations received from them as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the director is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

(f) Attention is drawn to the following:

In the press report dated 13th May 2011 it is reported that the State Government has decided to cancel the additional floor space index (FSI) to be granted to the Company upon execution of the Development Agreement for the purpose of developing and constructing an Eco Friendly Affordable Township at Sector 12 at Bhosari, Pune on a public private partnership basis for which Letter of Allotment dated 25th August 2009 has been issued by Pimpri Chinchwad New Town Development Authority (PCNTDA). As against the same, the Company expects the execution of Development Agreement with PCNTDA in due course of time and the Financial Statements have been prepared accordingly. For the purpose reference is drawn to Note No. C.1 of Schedule 14 forming part of the Audited Accounts for the year ended 31st March 2011. These aspects being of commercial in nature we have relied upon the opinion of the Company in this regard.

(g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

(i) In the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2011;

(ii) In the case of the Profit and Loss Account, of the Loss for the year ended on that date, and

(iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.



For M.A.Parikh & Co.
Chartered Accountants
(Registration No. 107556W)

Partner

Name: Dhaval B Selwadia
Membership No. 100023

Mumbai, Dated: 24th May 2011

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

1. Fixed Assets

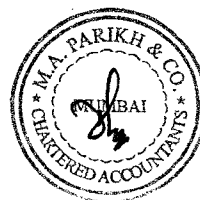
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed Assets have been physically verified by the management as of the year-end. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) No fixed assets have been disposed off during the year.

2. Inventories

The Company is in the business of real estate development. As upto the year end, the Company has not purchased construction materials as also not commenced any construction activity. Therefore, the requirements of Clause 4(ii) of the Order are not applicable.

3. In respect of the loans, secured or unsecured, granted or taken by the Company to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, according to the information and explanations given to us:

- (a) The Company had granted unsecured loan to a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum balance outstanding at any time during the year is Rs. 11,17,04,151/- and the year-end balance was Rs. Nil.
- (b) The said loan was with interest and repayable on demand. Since loan was repayable on demand, the question of overdue amount does not arise.
- (c) According to the information and explanations given to us, the rate of interest and the other terms and conditions of the said loan were prima facie not prejudicial to the interest of the Company.
- (d) The Company has taken unsecured loans from four companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum balance outstanding at any time during the year is Rs. 65,97,50,562/- and the year-end balance of the said loans was Rs. 62,75,85,493/-.
- (e) The said loans are with interest and repayable on demand. According to the information and explanations given to us, the rate of interest and other terms and conditions of the said loans are prima facie not prejudicial to the interest of the Company.
- (f) Since the said loans and interest thereon is repayable on demand, the question of repayment being regular does not arise.



4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed asset. During the course of our audit, no major weakness has been noticed in the internal control system in respect of the said area. During the year, there were no transactions for purchase of inventory and for sale of units.
5. In respect of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of a contract or an arrangement referred to in Section 301 of the Companies Act, 1956, that needed to be entered into the register required to be maintained under the said section have been so entered.
 - (b) The transaction has been made at price which is prima facie reasonable having regard to the prevailing market price at the relevant time.
6. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable.
7. *The Company does not have a separate internal audit system.* In the opinion of the management of the Company, having regard to the activities of the Company during the year, separate internal audit system was not called for as the internal control procedures and systems in vogue were adequate.
8. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the activities carried on by the Company.
9. Statutory Dues
 - (a) According to the information and explanations given to us and according to the books and records as produced before us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Income Tax, Service Tax and Other applicable Statutory Dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the applicable statutory dues were in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no disputed dues of Income - tax / Value Added tax / Wealth tax / Service tax / Custom duty / Excise duty / Cess and hence, the requirements of disclosure with respect to the amounts involved and the forums where the disputes are pending are not applicable.



10. The Company, as upto the end of the financial year under report, is registered for a period of less than five years from the date of its incorporation and consequently, the requirements of Clause 4(x) of the Order, with respect to position of accumulated losses and incurrence of cash losses, are not applicable.
11. The Company has neither taken any loans from banks or financial institutions nor issued any debentures. Therefore, the requirements of Clause 4(xi) of the Order are not applicable.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the requirements of Clause 4(xii) of the Order are not applicable.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the requirements of Clause 4(xiii) of the Order are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the requirements of Clause 4(xiv) of the Order are not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the requirements of Clause 4(xv) of the Order are not applicable.
16. The Company has not obtained any term loan. Therefore, the requirements of Clause 4(xvi) of the Order are not applicable.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short - term basis have not been utilized for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the requirements of Clause 4(xviii) of the Order are not applicable.
19. The Company has not issued any debentures. Therefore, the requirements of Clause 4(xix) of the Order are not applicable.
20. The Company has not raised any monies by way of Public Issue. Therefore, the requirements of Clause 4(xx) of the Order are not applicable.



21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For M.A.Parikh & Co.
Chartered Accountants
(Registration No. 107556W)**



Dhaval B. Selwadia

**Partner
Name: Dhaval B. Selwadia
Membership No. 100023**

Mumbai, Dated:- 24th May 2011

DB MAN REALTY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

Particulars	Schedules	As at 31st March, 2011	As at 31st March, 2010
		Rupees	Rupees
SOURCES OF FUNDS:			
Shareholders' Funds			
Share Capital	1	10,000,000	10,000,000
Loan Funds			
Unsecured Loans	2	627,585,493	652,573,925
TOTAL		637,585,493	662,573,925
APPLICATION OF FUNDS:			
Fixed Assets			
Gross Block	3	141,980	71,080
Less: Accumulated Depreciation		48,201	7,544
Net Block		93,779	63,536
Investments	4	-	350,000
Current Assets, Loans And Advances			
Inventories	5	630,583,058	544,793,100
Cash And Bank Balances	6	25,919	4,204,511
Loans And Advances	7	783,781	112,093,501
		631,392,758	661,091,112
Less: Current Liabilities And Provisions			
Current Liabilities	8	1,358,566	2,746,999
Provisions	9	403,479	64,499
		1,762,045	2,811,498
Net Current Assets		629,630,713	658,279,614
Profit And Loss Account		7,861,000	3,880,775
TOTAL		637,585,493	662,573,925

Notes to Accounts

14

In terms of our report of even date attached

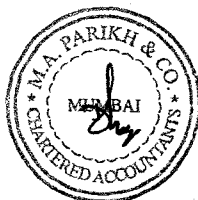
For M.A.PARIKH & CO
Chartered Accountants

Dhaval B. Schwadia

PARTNER
Name : Dhaval B. Schwadia
Membership No: 100023

Place : Mumbai
Dated :

24 MAY 2011



FOR AND BEHALF OF BOARD OF DIRECTORS

Parag Shah *Ms. Sunzta Balz*
DIRECTOR DIRECTOR
MR. PARAG SHAH MS. SUNZTA BALZ

Place : Mumbai
Dated :

24 MAY 2011

DB MAN REALTY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Particulars	Schedules	Year Ended 31st March, 2011	Year Ended 31st March, 2010
		Rupees	Rupees
INCOME			
Interest On Loan (Gross) (Tax deducted at Source- Rs.184,439/- Previous year:Rs.189,350/-)		1,844,384	1,893,501
TOTAL		1,844,384	1,893,501
EXPENDITURE			
Project Expenses	10	85,789,958	544,793,100
(Increase)/ Decrease In Inventories	11	(85,789,958)	(544,793,100)
Establishment Expenses	12	3,939,568	3,859,140
Financial Charges	13	1,844,384	1,893,501
Depreciation	3	40,657	7,544
TOTAL		5,824,609	5,760,185
(Loss) For The Year		(3,980,225)	(3,866,684)
Add: Balance Brought Forward		(3,880,775)	(14,091)
BALANCE CARRIED TO BALANCE SHEET		(7,861,000)	(3,880,775)

Basic and Diluted Earning per Equity Share align="right">(3.98) align="right">(11.43)

Face Value per Equity Share align="right">10 align="right">10

Notes to Accounts align="center">14

In terms of our report of even date attached

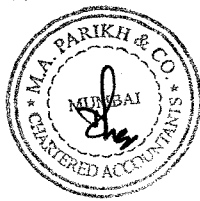
For M.A.PARIKH & CO
Chartered Accountants



PARTNER
Name : Dhaval B. Schwadia
Membership No: 100023

Place : Mumbai
Dated :

24 MAY 2011



FOR AND BEHALF OF BOARD OF
DIRECTORS

 
DIRECTOR DIRECTOR

MR. PARAG SHAH MS. SUNITA BHATT

Place : Mumbai
Dated :

24 MAY 2011

DB MAN REALTY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	YEAR ENDED 31ST MARCH, 2011	YEAR ENDED 31ST MARCH, 2010
	Rupees	Rupees
A Cash flow from Operating Activities		
Net (Loss) for the year	(3,980,225)	(3,866,685)
<u>Adjustments for</u>		
Provision for Gratuity	140,837	23,685
Provision for Leave Encashment	198,143	40,814
Interest Income	(1,844,384)	(1,893,501)
Interest Expenses	71,031,638	37,051,779
Depreciation	40,657	7,544
Operating loss before Working Capital Changes	65,586,666	31,363,636
<u>Working Capital Changes:</u>		
Inventories	(85,789,958)	(544,793,100)
Loans and Advances	(209,992)	(200,000)
Current Liabilities	(1,388,434)	2,741,484
Cash flow from Operating Activities	(21,801,718)	(510,887,980)
Less: Direct Taxes Paid	(184,439)	(189,350)
Net Cash flow from Operating Activities	(21,986,157)	(511,077,330)
B Cash flow from Investing Activities		
Sale / (Investment) in Equity Shares	350,000	(350,000)
Purchase of Fixed Assets	(70,900)	(71,080)
Loan Granted/(Received back) to/from Subsidiary Company	111,704,151	(111,704,151)
Interest Received	1,844,384	1,893,501
Net Cash flow from Investing Activities	113,827,635	(110,231,730)
C Cash flow from Financing Activities		
Issue of Equity Shares	-	9,900,000
Unsecured Loans (Repaid)/Obtained	(24,988,432)	652,573,926
Interest Paid	(71,031,638)	(37,051,779)
Net Cash flow from Financing Activities	(96,020,070)	625,422,147
Net Increase in Cash and Cash Equivalents	(4,178,592)	4,113,087
Opening Balance of Cash and Cash Equivalents	4,204,511	91,424
Closing Balance of Cash and Cash Equivalents	25,919	4,204,511
<u>Cash and Cash Equivalents includes:</u>		
Cash In Hand	25,919	7,930
Balance with Scheduled Bank	-	4,196,581
	25,919	4,204,511

In terms of our report of even date attached

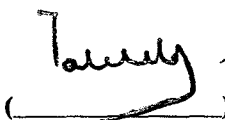
For M.A.PARIKH & CO
Chartered Accountants




PARTNER
Name: Dhaval B. Schwadia
Membership No: 100023



FOR AND BEHALF OF BOARD OF
DIRECTORS


DIRECTOR
MR. PARAG SHAH


DIRECTOR
MS. SUNITA BAVE

Place : Mumbai
Dated :

24 MAY 2011

Place : Mumbai
Dated :

24 MAY 2011

DB MAN REALTY LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE 1:
SHARE CAPITAL:

Authorized Capital:

5,000,000 Equity Shares of Rs. 10/- each (Previous year 50,00,000)

Issued, Subscribed and Paid up:

10,00,000 Equity Shares of Rs. 10/- each, fully paid - up
(Previous year 10,00,000)

(Out of the above, 510,000 Equity Shares are held by Holding
Company D B Realty Limited) (Previous Year 510,000)

SCHEDULE 2:

UNSECURED LOANS:

From Holding Company
From Shareholders

TOTAL

TOTAL

TOTAL

As at 31st March,2011	As at 31st March,2010
Rupees	Rupees
50,000,000	50,000,000
50,000,000	50,000,000
10,000,000	10,000,000
10,000,000	10,000,000
325,028,108	349,184,320
302,557,385	303,389,605
627,585,493	652,573,925



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DB MAN REALTY LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH.2011

SCHEDULE : 3

FIXED ASSETS (AT COST LESS DEPRECIATION)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As On 01.04.10 Rs.	Additions Rs.	As At 31.03.2011 Rs.	As On 01.04.10 Rs.	Provided For The Year Rs.	As At 31.03.2011 Rs.	As At 31.03.2011 Rs.	As At 31.03.10 Rs.
Office Equipments	29,150	-	29,150	374	4,003	4,377	24,773	28,776
Computers	41,930	70,900	112,830	7,170	36,654	43,824	69,006	34,760
Total Rupees	71,080	70,900	141,980	7,544	40,657	48,201	93,779	63,536
Previous Year	-	71,080	71,080	-	7,544	7,544	63,536	-



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DB MAN REALTY LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

SCHEDULE 4:

INVESTMENTS:

Long Tem (Unquoted - Trade)

Subsidiary Company:

In Equity Shares of Rs. 100 each fully paid-up of Royal
Netra Constructions Private Limited
(Current Year: Nil , Previous Year: 3500)

TOTAL

SCHEDULE 5:

INVENTORIES:

(At cost, as valued and certified by the management)
Project Work-In-Progress

TOTAL

SCHEDULE 6:

CASH AND BANK BALANCES:

Cash on Hand

Balance with Scheduled Bank (In a Current Account)

TOTAL

SCHEDULE 7:

LOANS AND ADVANCES:

(Unsecured - Considered Good)

Loan to Subsidiary Company

Advances recoverable in cash or in kind or for value to be received

Tax Payments

TOTAL

SCHEDULE 8:

CURRENT LIABILITIES

Sundry Creditors

- Micro Enterprises and Small Enterprises

- Others

Other Liabilities

TOTAL

SCHEDULE 9:

PROVISIONS:

Gratuity

Leave Encashment

TOTAL

	As at 31st March, 2011	As at 31st March, 2010
	Rupees	Rupees
	-	350,000
TOTAL	-	350,000
	630,583,058	544,793,100
TOTAL	630,583,058	544,793,100
	25,919	7,930
	-	4,196,581
TOTAL	25,919	4,204,511
	-	111,704,151
	409,992	200,000
	373,789	189,350
TOTAL	783,781	112,093,501
	200,144	377,147
	1,158,422	2,369,852
TOTAL	1,358,566	2,746,999
	164,522	23,685
	238,957	40,814
TOTAL	403,479	64,499



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DB MAN REALTY LIMITED

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

**SCHEDULE 10:
PROJECT EXPENSES**

Upfront fees paid for the Project
Direct Cost of Construction
Construction Overhead
- Salaries & Allowances
- Staff Welfare & Amenities
- Other Construction Overheads
Financial Charges (Refer Schedule No. 13)

TOTAL

**SCHEDULE 11:
(INCREASE)/ DECREASE IN INVENTORIES:**

Balance as of commencement of the year
Project work in progress

Less:

Balance as of end of the year
Project work in progress

TOTAL

**SCHEDULE 12:
ESTABLISHMENT EXPENSES**

Payment to and Provision for Employees
- Salaries & Allowances
- Staff Welfare & Amenities
Rent Expenses
Repairs & Maintenances
Legal & Professional Charges
Donations
Advertisement and Publicity
Printing, Stationery and Telephone Expenses
Coveyance, Travelling & Vehicle Expenses
Remuneration to Auditors' (Audit Fees including service tax)
Miscellaneous Expenses

TOTAL

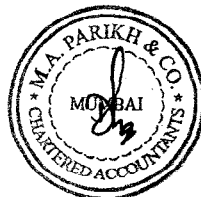
**SCHEDULE 13:
FINANCIAL CHARGES**

Interest on Unsecured Loans
Other Finance Charges

Less: Transferred to Project Expenses

TOTAL

Year Ended 31st March, 2011	Year Ended 31st March, 2010
Rupees	Rupees
-	500,000,000
7,905,152	3,239,998
4,830,701	-
9,354	-
2,532,742	25,000
70,512,009	41,528,102
85,789,958	544,793,100
544,793,100	-
630,583,058	544,793,100
(85,789,958)	(544,793,100)
2,170,317	1,791,894
4,202	4,574
1,253,724	759,947
7,240	1,150
11,279	403,258
-	200,000
-	250,000
110,238	18,194
118,255	312,069
52,944	33,407
211,369	84,647
3,939,568	3,859,140
71,031,638	37,051,779
1,324,755	6,369,824
72,356,393	43,421,603
70,512,009	41,528,102
1,844,384	1,893,501



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DB MAN REALTY LIMITED

SCHEDULES FORMING PART OF ACCOUNTS

SCHEDULE 14:

NOTES TO ACCOUNTS

A. NATURE OF OPERATIONS:

The Company is a Special Purpose Vehicle formed by D B Realty Limited, Conwood Agencies Private Limited, Man Infraconstruction Limited and Ajwani Infraconstruction Private Limited, for the purpose of developing and constructing an Eco Friendly Affordable Township at Sector 12 at Bhosari, Pune on a public private partnership basis for which Letter of Allotment dated 25th August 2009 is issued by Pimpri Chinchwad New Town Development Authority (the Project).

B. SIGNIFICANT ACCOUNTING POLICIES

1 Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("GAAP") under the historical cost convention on an accrual basis, to comply in all material aspects with the applicable mandatory Accounting Standards and the relevant provisions of the Companies Act, 1956.

2 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

3 Fixed Assets and Depreciation

Fixed Assets are capitalized at cost of acquisition inclusive of expenses incidental thereto relevant in bringing the asset to its present location and condition. Depreciation on fixed assets has been provided for on written down value method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.

4 Inventories

Project Work- In- Progress represents cost incurred in relation to development and construction of the Project. Direct expenses are taken as the cost of the Project. It is valued at lower of cost or net realizable value.

5 Investment

Long term investment is valued at cost less provision for permanent diminution in value, if any.

6 Borrowing Cost

Borrowing costs which have a direct nexus with the Project, being a qualifying asset, are allocated to the cost of the Project. Other borrowing costs are expensed out as period cost.

7 Revenue Recognition

Revenue from construction and development of the Project is recognized on the basis of Percentage of Completion method. The initial revenue shall be recognised after the work has progressed to the extent of 30% of the total work involved, however subject to minimum threshold limit of incurrence of 20% of construction cost excluding cost incurred in relation to acquisition of land and its development rights.

8 Employee Benefits

Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

Provision for gratuity and leave encashment is made on the basis of an actuarial valuation done by an independent valuer as of year-end.

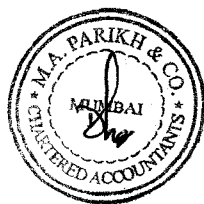
9 Operating Lease

Lease rentals under an operating lease in respect of an Office Premise are charged off to the Profit & Loss Account in accordance with the terms of the lease agreement.

10 Taxes on Income

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with income tax) and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the year.)

The deferred tax charge or credit and the corresponding tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.



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11 **Provision and Contingent Liabilities**

Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

12 Accounting policies not specifically referred to above are consistent with the generally accepted accounting principles followed by the Company.

C. **NOTES TO ACCOUNTS**

1 The Company as per the Letter of Allotment (LOA) dated 25th August 2009 had to execute a Development Agreement with Pimpri Chinchwad New Town Development Authority (PCNTDA), which is pending for execution as of date as the necessary terms and conditions are not being finalised by PCNTDA. Hence, the Company has not started any construction activity in relation to the Project. This event, in the opinion of the Management of the Company, can not be equated with active suspension of construction activity in relation to the Project. Therefore, interest cost incurred during the year on borrowings utilised for the Project continues to be allocated to Project Work in Progress. Further, the Company has received letter dated 19.03.2011 from PCNTDA for renewal of Bank Guarantee, which has been extended upto 7th October, 2011. The Company expects execution of Development Agreement in due course of time.

2 Bank Guarantee for bid security provided by banks - Rs. 10,00,00,000 (Previous Year Rs.10,00,00,000).

3 **Contingent Liabilities not Provided For**

Particulars	For the Year Ended	For the Year Ended
	31.03.2011	31.03.2010
	Rs.	Rs.
Claim made against the Company not acknowledged as debt relating to Service Tax on lease rentals in respect of an Office Premise	156,554	31,310

4 **Expenditure incurred in Foreign Currency**

Particulars	For the Year Ended	For the Year Ended
	31.03.2011	31.03.2010
	Rs.	Rs.
Professional Fees Paid	12,20,000	-

5 In the opinion of the Board of Directors, Current Assets, Loans and Advances are stated at a value to be realised in the ordinary course of business. Provisions are made for all known liabilities and the same are adequate.

6 As regards deferred tax, the Company will account the same when there is a reasonable/ virtual certainty for recognition thereof in accordance with Accounting Standard -22 dealing with Accounting for Taxes on Income.

7 **Segment Reporting:**

Keeping in view the object of the Company as that of developing and constructing the Project, it has only one reportable segment and hence separate disclosure requirements of AS-17 Segment Reporting are not applicable.

8 **Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

Particulars	For the Year Ended	For the Year Ended
	31.03.2011	31.03.2010
	Rs.	Rs.
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date	-	-
Interest accrued on the amount due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (other than Interest) beyond the appointed date during the year/ period	-	-
Interest paid to suppliers under MSMED Act (other than section 16)	-	-
Interest paid to suppliers under MSMED Act (section 16)	-	-
Interest due and payable to suppliers under MSMED Act for payments already made	-	-
Interest accrued and remaining unpaid at the end of the period/ year to suppliers under MSMED Act	-	-

Note: The above information is compiled by the Company on the basis of the information made available by vendors and the same has been relied upon by the Auditors.



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- 9 As per Accounting Standard-15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard is given below:

Defined Benefit Plan:

The present value of obligation is determined based on actuarial valuation done by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

I Reconciliation of opening and closing balances of Defined Benefit obligation.

	(Amount in Rupees)	
	Gratuity (Un-Funded)	
	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
Defined Benefit obligation at the beginning of the year	23,685	-
Current Service Cost	160,570	23,685
Interest Cost	14,740	-
Benefit paid	-	-
Actuarial (gain)/loss	(34,473)	-
Defined Benefit obligation at the end of the year	164,522	23,685

II Expense recognized during the year

	(Amount in Rupees)	
	Gratuity (Un-Funded)	
	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
Current Service Cost	160,570	23,685
Interest Cost	14,740	-
Actuarial (gain)/loss	(34,473)	-
Net Cost	140,837	23,685

III Actuarial assumptions

	Gratuity (Un-Funded)	
	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
	Discount Rate	8.00%
Rate of Escalation in Salary	10.00%	10.00%

Notes

- 1 The obligation towards Gratuity is unfunded and therefore, the following disclosures are not given:
a Reconciliation of Opening and Closing Balances of fair value of plan assets
b Details of Investments
- 2 The obligation of Leave Encashment is provided for on an actuarial valuation done by an independent valuer and the same is unfunded. The amount recognized in the Profit & Loss Account for the year is Rs.2,38,957/- (Previous Year Rs. 40,814/-)

10 Related Party Disclosures:

A List of Related Parties

Holding Company

DB Realty Limited

Subsidiary Company

Royal Netra Constructions Private Limited (upto 17th May,2010)

Enterprises Over Which Directors Exercise Significant Influence

Man Infraconstruction Limited
Conwood Agencies Private Limited
Ajwani Infrastructures Private Limited
Conwood Constructions & Dev.Pvt.Ltd
K.G.Enterprises
Man Projects Limited
Man Ajwani Infraconstruction Ltd



B Transactions with Related Parties and Outstanding Balances as of Year end

Nature of Transaction	Holding Company	Subsidiary Company	Enterprises Over Which Directors Exercise Significant Influence
Loans Taken			
Opening Balance	349,184,320	-	303,389,605
	(-)	(-)	(-)
Taken During the Year	47,728,108	-	36,257,385
	(349,184,320)	(-)	(303,389,605)
Repaid During the Year	71,884,320	-	37,089,605
	(-)	(-)	(-)
Closing Balance	325,028,108	-	302,557,385
	(349,184,320)	(-)	(303,389,605)
Interest on Loans Taken			
Interest Expense	36,753,836	-	34,277,802
	(19,346,467)	(-)	(17,705,312)
Loans Granted			
Opening Balance	-	111,704,151	-
	(-)	(-)	(-)
Granted During the Year	-	1,844,384	-
	(-)	(111,704,151)	(-)
Repaid	-	113,548,535	-
	(-)	(-)	(-)
Closing Balance	-	(111,704,151)	-
	(-)	(111,704,151)	(-)
Interest on Loans Granted			
Interest Income Received	-	1,844,384	-
	(-)	(1,893,501)	(-)
Project			
Project Expenses	-	-	959,494
	(-)	(-)	(-)
Expenses Recovered from the Company			
Bank Guarantee Commission	-	-	1,324,755
	(-)	(-)	(829,824)
Charges for Use of Premises by the Company			
Rent Paid	-	-	1,253,724
	(-)	(-)	(308,247)
Electricity Charges	-	-	163,219
	(-)	(-)	(37,167)
Water Charges	-	-	7,727
	(-)	(-)	(-)
Closing Balance	-	-	51,623
	(-)	(-)	(37,167)

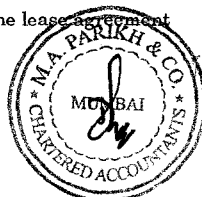
Notes:

- (i) The aforesaid related parties are as identified by the Company and relied upon by the Auditors.
(ii) Figures in bracket refer to previous period's figures

11 Operating Lease:

Particulars	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
	Rs.	Rs.
Lease payments recognized in the Profit and Loss account	1,253,724	308,247
Future Lease Payments		
(a) Not later than one year.	-	1,285,382
(b) Later than one year but not later than five years.	-	1,155,433
(c) Later than five year	-	-
Total of future lease payments	-	2,440,815

Note: There are no exceptional/restrictive covenants in the lease agreement



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- 12 **Earnings Per Share**
As per AS-20, "Earning Per Share", the disclosure of Company's EPS is as follows.

	<i>Amount in Rs.</i>	
	For the Year Ended 31.03.2011	For the Year Ended 31.03.2010
Net Profit/(Loss) for the during the year / period as per the Profit & Loss Account	(3,980,225)	(3,866,684)
Basic / Weighted average number of shares outstanding during the year	1,000,000	338,192
Basic and Diluted Earnings Per Share	(3.98)	(11.43)
Face Value Per Equity Share	10	10

- 13 Management is of the view that the activities of the Company, being in the nature of construction and development of the Project, the requirements of Para No. 3(i)(a), 3(ii)(a), 4-C and 4-D(a) & (b) of Part II of Schedule VI to the Companies Act, 1956 are not applicable.
- 14 Previous period's figures have been re-grouped and re-classified where necessary.

Signature to Schedules 1 - 13

In terms of our report of even date attached

FOR M.A.PARIKH & CO.
Chartered Accountants

Dhaval B. Schwadia

PARTNER
Name: Dhaval B. Schwadia
Membership No. 180023

Place : Mumbai
Dated :

24 MAY 2011



FOR AND BEHALF OF BOARD OF
DIRECTORS

Parag Shah *Ms. Sunita Balz*
DIRECTOR DIRECTOR

MR. PARAG SHAH MS. SUNITA BALZ

Place : Mumbai
Dated :

24 MAY 2011