

VANITA INFRASTRUCTURES PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2011

MEHTA CHOKSHI & SHAH

Chartered Accountants
229, Bokadia Mansion,
Princess Street, Mumbai 400 002
Tel. No. : 2205 7309 * 2208 8743 * 66334067
Fax : 2205 5432 * Email : camcs@vsnl.com



NOTICE

Dear Members,

NOTICE is hereby given that the 2nd Annual General Meeting of the members of Vanita Infrastructures Private Limited will be held on Tuesday, the 30th Day of August, 2011 at 11.00 a.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:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company for the year ended 31st March, 2011, Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To appoint Director in place of Mr. Aboobakar M. Shalia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an Ordinary Resolution:

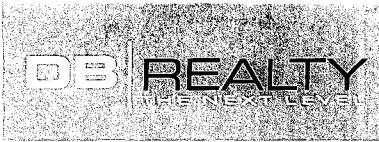
“RESOLVED THAT M/s. Mehta Chokshi & Shah, Chartered Accountants, Mumbai, the Auditors of the Company, who are not disqualified to act as Auditors of the Company under section 224(1B) of the Companies Act, 1956 be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration plus reimbursement of out of pocket expenses, if any, to be incurred by them in connection with the said audit exclusive of other fees payable for other services, if any, to be rendered by them as shall be fixed and agreed between the Statutory Auditors and the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution:**

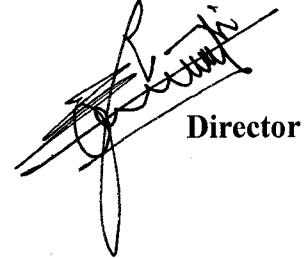
“RESOLVED THAT Mr. Zahid Bangi, who was appointed as an Additional Director of the Company on 01st October, 2010, pursuant to the provisions of

VANITA INFRASTRUCTURE PRIVATE LIMITED



Section 260 of the Companies Act, 1956 and in accordance with the Articles of Association of the Company, and whose term expires at the ensuing Annual General Meeting of the Company and being eligible, for re-appointment as a Director, offered himself be and is hereby appointed as Director of the Company.”

**By order of the Board of Directors,
For Vanita Infrastructures Private Limited**



Director

Place: Mumbai
Date: 30.05.2011

Registered Office:

DB House,
Gen. A.K. Vaidya Marg,
Goregaon (East),
Mumbai – 400063

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be effective, must be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no.3 & 4 of the notice is annexed hereto.

VANITA INFRASTRUCTURE PRIVATE LIMITED



EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

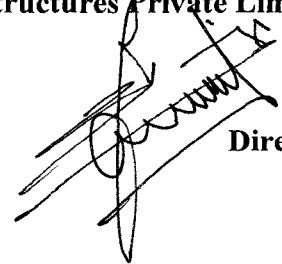
Item No. 4

Mr. Zahid Bangi was appointed as an Additional Director of the Company on 01st October, 2010, pursuant to the provisions of Section 260 of the Companies Act, 1956 and in accordance with the Articles of Association of the Company. Pursuant to the provisions of the said section, his term expires at the ensuing Annual General Meeting of the Company. Mr. Zahid Bangi, being eligible, has offered himself for re- appointment as a Director at the ensuing Annual General Meeting. Your Board recommends his appointment as Director of the Company.

The resolution vide item no. 4 is therefore proposed for approval of the members.

None of the directors except Mr. Zahid Bangi shall be deemed to be concerned or interested in the said resolution.

**By order of the Board of Directors,
For Vanita Infrastructures Private Limited**



Director

Place: Mumbai
Date: 30.05.2011

Registered Office:
DB House,
Gen. A.K. Vaidya Marg,
Goregaon (East),
Mumbai – 400063

VANITA INFRASTRUCTURE PRIVATE LIMITED



DIRECTOR'S REPORT

Dear Members

Your Directors have pleasure in presenting the 2nd Annual Report together with the Audited Accounts of the Company for the year ended on 31st March, 2011.

FINANCIAL RESULTS:

(Amount in Rs)

Particulars	Year Ended 31-03-2011	Period Ended 31-03-2010
Total Income	83,63,835	--
Total Expenditure	18,80,273	--
Profit/(Loss) before Tax	64,83,562	--
Less: Provision for Tax	26,00,000	--
Profit/(Loss) after Tax	38,83,562	--

CHANGE OF REGISTERED OFFICE OF THE COMPANY:

During the year under review, the Registered Office of the Company was changed from "C-312, Bag-E-Noor Co-op. Hsg. Soc. Ltd., Pathan Wadi, Rani Sati Marg, Malad East, Mumbai -400097" to "DB House, Gen. A. K. Vaidya Marg, Goregaon East, Mumbai-400 063" w.e.f. 01.02.2010.

DIVIDEND:

In order to conserve the resources for future growth of the Company, your Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS:

Your Company has not accepted any fixed deposits from public and as such no amount of principal or interest was outstanding on the date of the Balance Sheet.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is, hereby, confirmed:

- (i) that in the preparation of the annual accounts for the year ended 31st March, 2011, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures;

VANITA INFRASTRUCTURE PRIVATE LIMITED



- (ii) that the Directors had selected such accounting policies and applied them consistently and the Directors had made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as it exists for the year ended 31st March, 2011, and of the profit of the company for that year;
- (iii) that 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;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

DIRECTORS:

Mr. Aboobakar M. Shalia, Director, retires by rotation and being eligible, offers himself for re-appointment subject to approval of Members in the ensuing Annual General Meeting. The Board recommends his re-appointment as Director of the Company.

Mr. Zahid Bangi was appointed as an Additional Director of the Company w.e.f. 01st October, 2010. He, being eligible, has offered himself for appointment as Director at the ensuing Annual General Meeting. The Board recommends his appointment as a Director of the Company.

Mr. Chudman Umredkar and Mrs. Aruna Umredkar, resigned from the Directorship of the Company w.e.f 15th September, 2010, respectively.

Mr. Yunus Umatiya, resigned from the Directorship of the Company w.e.f. 13th October, 2010.

AUDITORS:

The Statutory Auditors of the Company M/s. Mehta, Chokshi & Shah, Chartered Accountants, Mumbai (Reg. No. 106201W) retire at the ensuing Annual General Meeting and being eligible, offer themselves, for re-appointment. The Board recommends their re-appointment as the Auditors of the Company.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees drawing the remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956.

VANITA INFRASTRUCTURE PRIVATE LIMITED

REALTY

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

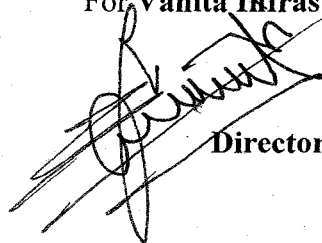
Considering the nature of the business, it is not necessary to give statement showing required particulars in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1998 read with the provisions of Section 217(1) (e) of the Companies Act, 1956 and hence it has not been annexed hereto.

During the year under review, Foreign Exchange earnings and outgo were Nil.

ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the support extended by the Bankers, Office Bearers of the Government Department.

On behalf of the Board of Directors
For **Vanita Infrastructures Private Limited**



Director



Director

Place : Mumbai
Date :30.05.2011

VANITA INFRASTRUCTURE PRIVATE LIMITED

Mehta Chokshi & Shah

CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Members of Vanita Infrastructures Private Limited

1. We have audited the attached Balance Sheet of **Vanita Infrastructures Private 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'), as amended, 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.



: 2 :

- (e) In respect of the directors, on the basis of written representations received from the 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) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together 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 Profit 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 MEHTA CHOKSHI & SHAH
CHARTERED ACCOUNTANTS.
Firm Registration number: 106201W

PLACE: MUMBAI
DATED: 30TH MAY, 2011

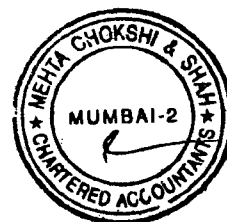


A handwritten signature in black ink, appearing to be "C.M. Shah".

C.M. SHAH
PARTNER
M.NO.: 47178

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

1. Fixed Assets
The Company does not have any Fixed Assets and therefore clause 4(i)(a), 4(i)(b) and 4(i)(c) of the order are not applicable.
2. Inventories
 - a) The Company is in the business of real estate development and up to the year-end the company has given advances for purchase of occupancy rights and incurred expenditure towards the project. In the absence of any other inventory the question of physical verification by the management at reasonable intervals does not arise.
 - b) Clause 4(ii)(b) and 4(ii)(c) 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 has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
 - (b) The Company has taken interest free unsecured loans, repayable on demand, from its holding company and one other company listed in the register maintained under section 301 of the Companies Act, 1956. The maximum balance outstanding at any time during the year is Rs. 47,850,000/- and the year-end balance of the said loans is Rs. 47,850,000/-.
 - (c) In our opinion, the terms on which the loans have been taken are prima facie not prejudicial to the interest of the Company. We are informed that the amounts of loans will be repaid by the Company as and when demanded and hence, the question of default in repayment thereof 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 assets and inventory. During the course of our audit, no major weakness has been noticed in the internal control system in respect of the said areas.
5.
 - a. To the best of our knowledge and belief and according to the information and explanations given to us, the transactions that need to be entered into the register in pursuance of Section 301 of the Companies Act, 1956 have so been entered.
 - b. According to the information and the explanations given to us, where such transactions, are in excess of Rs. 5 lacs in respect of each party, the transactions



CHARTERED ACCOUNTANTS

have been made at prices which are prima facie reasonable having regard to the prevailing market prices 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, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable.
7. The Company is not required to have an internal audit system.
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**
 - 9.1 According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts in respect of undisputed statutory dues including Provident Fund, Value Added Tax, Custom Duty and applicable other statutory dues have been regularly deposited with the appropriate authorities except in case of Advance Income Tax.
 - 9.2 According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid statutory dues were in arrears as at March 31, 2011 for a period of more than six months from the date they became payable except with regard to first two installments of advance tax payable amounting to Rs. 11,70,000/- in case of income tax liability.
 - 9.3 According to the information and explanations given to us, there are no disputed dues of Income – tax / Value Added tax / Wealth tax / Service tax / Customs 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 does not have any accumulated losses. Further, the company has not incurred any cash loss during the current as well as in preceding financial year.
11. According to the information and explanations given to us there are no borrowings from financial institutions/banks/debenture holders, hence the question of any defaults in repayment of the dues to them does not arise.
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.

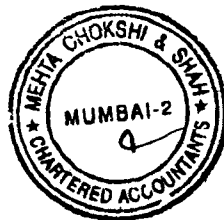


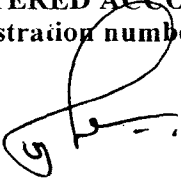
CHARTERED ACCOUNTANTS

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 availed of any term loan and therefore clause 4(xvi) of the said order is 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 and vice versa.
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 MEHTA CHOKSHI & SHAH
CHARTERED ACCOUNTANTS.
Firm Registration number: 106201W

PLACE: MUMBAI
DATED: 30TH MAY, 2011




C.M. SHAH
PARTNER
M.NO.: 47178

VANITA INFRASTRUCTURE PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH , 2011

	SCHEDULE NO.	AS AT 31ST MARCH, 2011		AS AT 31st MARCH, 2010	
			RUPEES		RUPEES
SOURCES OF FUNDS :					
<u>SHARE CAPITAL</u>					
SHARE CAPITAL	1		100,000		100,000
<u>RESERVES & SURPLUS</u>					
PROFIT & LOSS ACCOUNT	2		3,883,562		-
<u>LOAN FUNDS:</u>					
UNSECURED LOAN	3		47,850,000		-
TOTAL			51,833,562		100,000
APPLICATION OF FUNDS :					
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>					
INVENTORIES	4	10,568,721			-
CASH AND BANK BALANCES	5	30,607			10,790
LOANS AND ADVANCES	6	44,375,000			30,090,000
			54,974,328		30,100,790
<u>LESS : CURRENT LIABILITIES AND PROVISIONS :</u>					
CURRENT LIABILITIES	7	1,404,096			30,034,472
PROVISION	8	1,763,616			-
NET CURRENT ASSETS			51,806,616		66,318
<u>MISCELLANEOUS EXPENDITURE</u>					
PRELIMINARY EXPENSES			26,946		33,682
(To the extent not written off or adjusted)					
TOTAL			51,833,562		100,000

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

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AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR MEHTA CHOKSHI & SHAH
CHARTERED ACCOUNTANTS

C.M. SHAH
PARTNER
M.NO 47178



PLACE : MUMBAI
DATED : 30 MAY 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Aboobaker Shalia
DIRECTOR

PLACE : MUMBAI
DATED : 30 MAY 2011

Zahid Banji
DIRECTOR

VANITA INFRASTRUCTURE PRIVATE LIMITED

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

I. INCOME

INTEREST INCOME
(Tax deducted at source Rs.836,384/-, Previous year Rs. NIL)

TOTAL

II. EXPENDITURE

PROJECT RELATED EXPENSES
(INCREASE)/DECREASE IN INVENTORIES
ADMINSTRATIVE & OTHER EXPENSES
PRELIMINARY EXPENSES WRITTEN OFF

TOTAL

PROFIT / (LOSS) BEFORE TAX

PROVISION FOR TAX

PROFIT / (LOSS) AFTER TAX

BALANCE OF EARLIER YEAR BROUGHT FORWARD

BALANCE CARRIED FORWARD TO BALANCE SHEET

EARNING PER SHARE (EPS):
BASIC & DILUTED

NUMBER OF SHARES USED IN COMPUTING EPS
(of Rs.10 each) (Refer Note No. 5 of Schedule 12)

SCHEDULE NO.	YEAR ENDED 31st MARCH, 2011	YEAR ENDED 31st MARCH, 2010
	RUPEES	RUPEES
	8,363,835	-
	8,363,835	-
9	10,568,721	-
10	(10,568,721)	-
11	1,873,537	-
	6,736	-
	1,880,273	-
	6,483,562	-
	(2,600,000)	-
	3,883,562	-
	-	-
	3,883,562	-
	388.36	-
	10,000	10,000

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

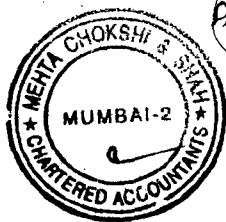
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AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR MEHTA CHOKSHI & SHAH
CHARTERED ACCOUNTANTS

C.M. SHAH
PARTNER
M.NO 47178

PLACE : MUMBAI
DATED : 30 MAY 2011



FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Aboobaker Shalia
DIRECTOR

PLACE : MUMBAI
DATED : 30 MAY 2011

Zahid Bangi
DIRECTOR

VANITA INFRASTRUCTURE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2011.

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2011	FOR THE YEAR ENDED 31ST MARCH, 2010
A Cash Flow From Operating Activities:		
Profit/(Loss) Before Tax	6,483,562	-
<u>Less: Preliminary Expenditure</u>		
Preliminary Expenses Written Off	6,736	(33,682)
	6,490,298	(33,682)
<u>Working Capital Adjustments</u>		
Increase/(Decrease) in Current Liabilities	(28,630,376)	30,034,472
(Increase)/Decrease in Inventories	(10,568,721)	-
(Increase)/Decrease Loans & Advances	(14,285,000)	(30,090,000)
Less: Interest Income	(8,363,835)	-
Cash From Operating Activities	(55,357,634)	(89,210)
Less: Taxes paid	(836,384)	-
Net Cash generated/(used) from Operating Activities	A (56,194,018)	(89,210)
B Cash Flow From Investing Activities:		
Interest Income on advances	8,363,835	-
Net Cash generated/(used) from Investing Activities	B 8,363,835	-
C Cash Flow From Financing Activities:		
Loan from Holding Company	47,850,000	-
Proceeds from issue of shares	-	100,000
Net Cash generated/(used) from Financing Activities	C 47,850,000	100,000
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	19,817	10,790
Cash and Cash Equivalents (Opening)	10,790	-
Cash and Cash Equivalents (Closing)	30,607	10,790
<u>Cash and cash Equivalents includes:</u>		
Cash on hand	30,607	900
Bank Balances	-	9,890
	30,607	10,790

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR MEHTA CHOKSHI & SHAH
 CHARTERED ACCOUNTANTS

C.M. SHAH
 PARTNER
 M.NO 47178



PLACE : MUMBAI
 DATED: 30 MAY 2011

FOR AND ON BEHALF OF THE BOARD OF
 DIRECTORS

Aboobaker Shalia
 DIRECTOR

Zahid Bangi
 DIRECTOR

PLACE : MUMBAI
 DATED: 30 MAY 2011

YANITA INFRASTRUCTURE PRIVATE LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011.

SCHEDULE 1:

SHARE CAPITAL

AUTHORISED CAPITAL

10,000 Equity Shares of Rs. 10/- each

TOTAL

ISSUED, SUBSCRIBED & PAID UP CAPITAL

10,000 Equity Shares of Rs. 10/- each, fully paid up

(Out of the above 9,999 shares are held by Holding Company DB Realty Limited and 1 share by nominee of DB Realty Limited

TOTAL

SCHEDULE 2:

PROFIT AND LOSS ACCOUNT

Opening Balance

Addition during the year

TOTAL

SCHEDULE 3:

UNSECURED LOAN

From Holding Company

Other inter-corporate loan

TOTAL

SCHEDULE 4:

INVENTORIES:

(As certified and valued by the management)

Project Work In Progress

Opening Balance

Add: Addition during the year

TOTAL

SCHEDULE 5:

CASH AND BANK BALANCES:

Cash on Hand

Balance with Scheduled Bank in Current Account

TOTAL

SCHEDULE 6:

LOANS AND ADVANCES

Unsecured Considered good

Advance Against Purchase of Land/Property

Advance for Purchase of Flat

Advance Recoverable in Cash or Kind

Others Advances

TOTAL

	31ST MARCH, 2011	31ST MARCH, 2010
	RUPEES	RUPEES
	100,000	100,000
TOTAL	100,000	100,000
	100,000	100,000
TOTAL	100,000	100,000
	-	-
TOTAL	3,883,562	-
	39,200,000	-
	8,650,000	-
TOTAL	47,850,000	-
	-	-
TOTAL	10,568,721	-
	30,607	900
	-	9,890
TOTAL	30,607	10,790
	24,475,000	-
	-	90,000
	-	30,000,000
	19,900,000	-
TOTAL	44,375,000	30,090,000

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SCHEDULE 7:**CURRENT LIABILITIES**

Sundry Creditors
 Other Advances Received
 Duties and Taxes
 Provision for Expenses
 Bank Balance due to Reconciliation

	211,514	34,472
	-	30,000,000
	22,096	-
	56,884	-
	1,113,602	-
TOTAL	1,404,096	30,034,472
	1,763,616	-
TOTAL	1,763,616	-

SCHEDULE 8:**PROVISION**

Provision for Tax -Net of TDS

TOTAL**VANITA INFRASTRUCTURE PRIVATE LIMITED****SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011.****SCHEDULE 9:****PROJECT EXPENSES**

Conveyance, Travelling & Vehicle Expenses
 Printing & Stationery Expenses
 Professional Fees
 Commission & Brokerage
 Rates & Taxes
 Site Expenses

	31ST MARCH, 2011	31ST MARCH, 2010
	35,578	-
	5,220,363	-
	4,561,335	-
	100,000	-
	84,440	-
	567,005	-
TOTAL	10,568,721	-
	-	-
	10,568,721	-
TOTAL	(10,568,721)	-
	634	-
	6,267	-
	33,090	-
	991,000	-
	842,546	-
TOTAL	1,873,537	-

SCHEDULE 10:**(INCREASE)/DECREASE IN INVENTORIES:**

Opening balances
 Less : Closing Inventories

TOTAL**TOTAL****SCHEDULE 11:****ADMINISTRATIVE AND OTHER EXPENSES**

Interest on TDS
 Legal, Professional & Statutory Fees
 Audit Fees
 Donation
 General Expenses

TOTAL

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YANITA INFRASTRUCTURE PRIVATE LIMITED

SCHEDULE 12:

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. NATURE OF OPERATIONS & BACK GROUND

The Company is mainly engaged in business of construction and development of residential and commercial property. In furtherance thereof the same company has initiated a project of cluster development in Kamathipura , Naggada , Mumbai and incurred expenses towards the same.

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 the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory Committee, Accounting Standards, under the Companies (Accounting Standard Rules), 2006 referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2 Use of Estimates

The preparation of Financial Statement requires management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, the disclosure of Contingent Liabilities on the date of financial statements and the reported amount of expenses during the year reported. Actual results could differ from those estimates. Any revision to estimates is recognized in accordance with the requirements of respective Accounting Standard.

3 Accounting Policies not specifically referred to above are consistent with the Generally Accepted Accounting Principles followed by the Company.

4 Inventories

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

5 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.

6 Impairment of Assets

Management periodically assesses using internal sources whether there is an indication that an asset may be impaired. The impairment occurs where the carrying value exceeds the recoverable amount. The impairment loss to be expensed out is determined as the excess of carrying amount over the higher of the assets net selling price or present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal.

7 Revenue Recognition

Revenue from construction and development of the Project is recognized on the basis of Percentage of Completion method. The initial revenue was recognised after the work had 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 Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reasonable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date and adjusted to reflect the current best estimates.

9 Contingent Liabilities

Contingent Liabilities are not provided for in the account , and if any, the same is disclosed in notes to accounts.

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 the 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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C NOTES TO ACCOUNTS

1 The Company is a subsidiary of D B Realty Limited, which has become a "public company" w.e.f. 23rd September 2009. Therefore, the Company has become a private company which is a subsidiary of a public company and accordingly, by virtue of provision of section 3(1)(iv)(c) of the Companies Act, 1956, the Company is a public company. The Company continues to use the word "Private Limited" as permitted by law.

2 Related Party Disclosure as per Accounting Standard-18

As per Accounting Standard 18 'Related Party Disclosures' the disclosure of transactions with the related parties as defined in in AS-18 are given below.

Name of Related Party	Relationship
1. DB Realty Ltd.	Holding Company
2.DB (BKC) Realtors Private Limited(MK MALLS)	Subsidiaries/Associates of Holding Company
3. Neelkamal Realtors Towers Pvt. Ltd	
4.Real Gem Build tech Pvt Ltd	

Key Management Personnel	Designation
1.Mr.Zahid Bangi	Director
2.Mr. Abubakar Selia	Director

The above related parties were identified by the management and relied upon by the auditors.

The following transactions were carried out with related parties during the period.

Nature of Transaction	(Amount in Rs.)	
	Subsidiaries/Associates of Holding Company	
1. Loans accepted		
Opening Balance		30,000,000
Loans taken during the year	196,813,684	
	(60,000,000)	
Loans repaid during the year	178,963,684	
	(30,000,000)	
Closing Balance	47,850,000	
	(30,000,000)	
2. For purchase of Flat		
Opening Balance		90,000
Amount paid		-
	(90,000)	
Amount received back		90,000
		-
Closing Balance		(90,000)

Figures in the brackets denote figures belonging to previous period.

There were no transaction with the Key Management Personnel during the year.

3 Auditor Fees

Particulars	For the year ended 31.3.2011	For the year ended 31.3.2010
Statutory audit fees	10,000	10,000
Certification fees	20,000	-
Service tax on above	3,090	1,030
Total	33,090	11,030

4 Segment Reporting:

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

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5 **Earnings Per Share**

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

	As on 31.03.2011	As on 31.03.2010
Net Profit/(Loss) for the during the year / period as per the Profit & Loss Account	3,883,562	-
Weighted average number of shares outstanding during the year / period	10,000	10,000
Basic and Diluted Earnings Per Share	388	-
Face Value Per Equity Share	10	10

6 **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	-	-
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	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers	-	-

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 Statutory Auditors.

- 7 Acting upon the request of Statutory Auditors, the AOP has employed direct confirmation procedure for verification of balances of certain parties from/to whom unsecured loans have been taken/granted as well as of balances held in bank and balances of Sundry Creditors. However, no confirmations have been received from such parties till date. In the opinion of the Members of the AOP, 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 same are adequate.
- 8 **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.
- 9 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.
- 10 Previous period figures have been regrouped and reclassified wherever necessary to make them comparable with current year figure.

SIGNATURES TO SCHEDULE 1 TO 12

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR MEHTA CHOKSHI & SHAH

CHARTERED ACCOUNTANTS

C.M SHAH
PARTNER
M.NO.47178



PLACE: MUMBAI

DATED: 30 MAY 2011

FOR AND ON BEHALF OF THE BOARD OF DIRECTOR

ABUBAKER SHALIA
DIRECTOR

ZAHID BANGI
DIRECTOR

PLACE: MUMBAI

DATED: 30 MAY 2011