

M/S. REAL GEM BUILDTECH PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2013

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

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Friday, the 27th September, 2013 at 11.15 a.m. at the Registered Office of the Company at DB House, Gen A.K. Vaidya Marg, Goregoan (E), Mumbai -400063 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2013, Statement of Profit and Loss 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. Salim Balwa, 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 (Reg. No. 106201W) 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 re-imburement 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.”

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. A blank proxy form is annexed to the notice.

**By order of the Board of Directors,
For Real Gem Buildtech Private Limited**

Director

Place: Mumbai
Date: 10.05.2013

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

REAL GEM BUILTECH PRIVATE LIMITED

Regd. Office : DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063. • Tel.: 91-22-4077 8600 • Fax: 91-22-2841 5550 / 2842 1667
E-mail: info@dbg.co.in • Website: www.dbrealty.co.in

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the year ended on 31st March, 2013.

FINANCIAL RESULTS:

Particulars	(Amount in Rs)	
	For the Year Ended 31-03-2013	For the Period Ended 31-03-2012
Total Income	6,58,328	1,55,000
Total Expenditure including Depreciation	13,04,38,185	5,02,13,331
Profit/(Loss) before Tax	(12,97,79,857)	(5,00,58,331)
Less: Provision for Tax	Nil	Nil
Profit/(Loss) after Tax	(12,97,79,857)	(5,00,58,331)

STATUS OF PROJECTS

The Company is developing a project "Orchid Crown" at Prabhadevi. The Company follows Percentage Completion method for recognizing the revenue. However, since the threshold limit of 30%, on the basis of Percentage Completion method is not achieved so far. Therefore the Company has not recognize the revenue for the year ended 31.03.2013.

DIVIDEND:

In the absence of profits, your Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS:

Your Company has not accepted any deposits 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, 2013, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (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, 2013 and of the loss 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

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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:

During the year under review Mr. Rajiv Agarwal, Mr. Salim Balwa, Ms. Sunita Goenka and Mr. Nabil Patel, are continuing as Directors of the Company.

Mr. Salim Balwa, 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.

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 of the Company 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.

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, 1988 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 earning 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 Real Gem Buildtech Private Limited

Director

Director

Date: 10.05.2013
Place: Mumbai

Mehta Chokshi & Shah
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of REAL GEM BUILDTECH PRIVATE LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of **REAL GEM BUILDTECH PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's



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judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Statement Profit and Loss, of the Loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- ii. As required by section 227(3) of the Act, 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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;



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- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration Number: 106201W



(C.M. Shah)
Partner
M.No: 47178

Place: Mumbai

Date: 10 MAY 2013

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 5 (i) 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 fixed assets. No discrepancies were noticed on such verification.
- (c) No fixed assets have been disposed of during the year.

2. Inventories

- (a) The Company is in the business of real estate development and up to the year-end the project undertaken for development and construction is in progress. Inventories comprising of expenditure incurred on acquisition of property rights and development thereof the same was physically verified during the year by the management at reasonable intervals..
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business. As explained to us, no material discrepancies were noticed on such physical verification as compared to the book records.
- (c) In our opinion and according to the information and explanations given to us, the adequate inventory records have been maintained by the Company. The Company is maintaining proper records of inventory in respect of building materials.

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:



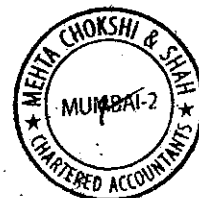
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- (a) The Company has granted unsecured loan to a firm (in which the Company's holding company holds 99%) covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.2,605,450,000/- and the year end balance of loan granted was Rs. 2,581,950,000/-.
 - (b) The above loan is interest free and repayable on demand and does not carry out any other terms and conditions. Since the money has been extended to a firm which is 99% owned by Company's holding company, as such this is not prejudicial to the interest of ultimate shareholders.
 - (c) The said loan granted is repayable on demand. As per information and explanation given to us the repayment has been made as and when demanded and hence the question of irregularity in payment of principal does not arise.
 - (d) Since there is no overdue amount of the above loan, the clause 3 (iii) (d) of the order is not applicable.
 - (e) The Company had taken interest free unsecured loan, repayable on demand, from its Holding Company. The maximum balance outstanding at any time during the year is Rs.211,448,154/- and the said loan is repaid during the year.
 - (f) In our opinion and according to the information and explanations given to us, the terms on which the loans have been taken are prima facie not prejudicial to the interest of the Company.
 - (g) We are informed that the amounts of loans were 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 and for the sale of flats. During the course of our audit, no major weakness has been noticed in the internal control system in respect of the said areas.



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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 contracts or arrangements 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) Where the transactions are in excess of rupees five lakhs, they 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. A firm of Chartered Accountants has been appointed by the management to carry out internal audit. In our opinion, the function is commensurate with the size of the Company and the nature of its business.
8. According to the information and explanation given to us, the company does not meet with the threshold limits laid down in rule 3 of Companies (Cost Accounting Records) Rules, 2011 and therefore is not required to maintain cost records as prescribed by Central Government under section 209 (1) (d) of the Companies Act, 1956.
9. Statutory Dues
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 Provident Fund, Income Tax and Other applicable Statutory Dues with the appropriate authorities except few cases of delay in payment of Provident Fund, Service Tax and ESIC. According to the information and explanations



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given to us, no undisputed amounts payable in respect of the said applicable statutory dues were in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.

10. The Company has been registered for the period less than five years and hence the clause 4(x) of the order is not applicable.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bank.
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. On the basis of review of utilization of funds pertaining to term loans and related information as made available to us, the term loans taken by the company were applied during the year for the purpose for which they were obtained.



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17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, no funds have been raised on short – term basis and hence, the question of utilizing the same does not arise.
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



(C.M. Shah)

Partner

M.No: 47178

Place: Mumbai

Date: 10 MAY 2013

Balance Sheet as at 31st March 2013

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	3	135,100,000	135,100,000
Reserves and Surplus	4	(294,086,351)	(164,306,493)
Non-current liabilities			
Long-term Borrowings	5	1,734,476,998	-
Other Long term Liabilities	6	-	7,290,274
Long-term Provisions	7	11,376,032	2,504,056
Current liabilities			
Short-term Borrowings	8	-	210,348,154
Trade Payables	9	77,704,654	134,049,619
Other Current Liabilities	10	5,013,963,545	3,543,834,373
Short-term Provisions	11	844,472	158,257
TOTAL		6,679,379,350	3,868,978,240
ASSETS			
Non-current assets			
Fixed Assets			
Tangible Assets	12	133,647,502	175,944,808
Non-current Investments	13	699,600,000	699,600,000
Long-term Loans and Advances	14	702,928,200	701,137,500
Current assets			
Current Investment	15	10,095,169	-
Inventories	16	1,963,730,371	1,697,970,229
Cash and Cash Equivalents	17	37,821,665	20,527,953
Short-term Loans and Advances	18	3,131,535,111	573,776,385
Other Current Assets	19	21,332	21,365
TOTAL		6,679,379,350	3,868,978,240

Significant Accounting Policies and Notes on Financial Statements

1 to 43

As per our attached report of even date

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration No. 106201W

C M Shah
Partner
Membership No. : 47178



For and on Behalf of the Board

Rajiv Agarwal
Director

Nabil Patel
Director

Place : Mumbai
Date : 10th May, 2013

Place : Mumbai
Date : 10th May, 2013

Statement of Profit and Loss for the Year Ended 31st March, 2013

(Amount in Rs.)

Particulars	Note No.	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
Income :			
Revenue from operations		-	-
Other income	20	658,328	155,000
Total Income		658,328	155,000
Expenditure:			
Project Expenses	21	265,760,142	561,565,218
(Increase)/Decrease in Inventories	22	(265,760,142)	(561,565,218)
Employee Benefit Expenses	23	17,071,955	2,452,195
Depreciation and Amortization Expense	12	66,128,715	159,281
Administrative and Other Expenses	24	47,237,516	47,601,855
Total Expenditure		130,438,185	50,213,331
(Loss) Before Tax		(129,779,857)	(50,058,331)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
(Loss) after tax		(129,779,857)	(50,058,331)
Prior Period Expenses		-	-
(Loss) after prior period adjustment carried to Balance Sheet		(129,779,857)	(50,058,331)
Earnings per equity share: (refer note no.34)			
Basic and Diluted		(12,977.99)	(5,005.83)

Significant Accounting Policies and Notes on Financial Statements

1 to 43

As per our attached report of even date

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration No. 106201W

C M Shah
Partner
Membership No. : 47178



For and on Behalf of the Board

Rajiv Agarwal
Director

Nabil Patel
Director

Place : Mumbai
Date : 10th May, 2013

Place : Mumbai
Date : 10th May, 2013

Real Gem Buildtech Private Limited

Cash Flow Statement for the Year Ended 31st March, 2013

(Amount in Rs.)

Particulars	For the Year ended 31st March, 2013		For the Year ended 31st March, 2012	
Cash Flow From Operating Activities:				
Net Profit/(Loss) before taxation and extraordinary items	(129,779,857)		(50,058,331)	
Add: Non-Cash Expenditure				
Provision for Gratuity	560,713		53,453	
Provision for Leave Encashment	1,504,389		45,475	
Depreciation	66,618,429		159,281	
Operating Income before working Capital changes	(61,096,326)		(49,800,122)	
Adjustment for Working Capital Changes				
(Increase)/Decrease in Inventories	(265,760,142)		(561,565,218)	
(Increase)/Decrease Non Current Loans and Advances	(1,790,709)		1,299,935,500	
(Increase)/Decrease Current Loans and Advances	24,191,274		(354,751,364)	
(Increase)/Decrease Other Current Assets	33		(19,251,807)	
Increase/(Decrease) Long Term Provision	6,806,873		(771,380)	
Increase/(Decrease) Other Non Current Liabilities	(7,290,274)		1,827,213	
Increase/(Decrease) Current Liabilities	1,414,470,422		266,459,813	
Cash used in operations	1,109,531,160		582,082,635	
Direct Taxes Paid				
Net Cash Flow From/(Used in) Operating Activities	A	1,109,531,160	582,082,635	
Cash Flow From Investing Activities:				
Fixed Asset Purchased (Including Capital Work in Progress)	(24,321,123)		(50,940,658)	
Loan Given	(2,581,950,000)			
Investment in Shares			(650,000,000)	
Investment in Mutual Fund	(10,095,169)			
Net Cash Flow From/(used in) Investing Activities	B	(2,616,366,292)	(700,940,658)	
Cash Flow From Financing Activities:				
Proceed from Secured Loan	1,734,476,998			
Repayment of Unsecured Loan	(210,348,154)			
Proceeds Of Issue Of Preference Shares Capital			135,000,000	
Net Cash Generated from Financing Activities	C	1,524,128,844	135,000,000	
Net Increase in Cash and Cash Equivalents		17,293,712	16,141,977	
Add: Cash and cash Equivalents (Opening)		20,527,953	4,385,976	
Cash and Cash Equivalents (Closing)		37,821,665	20,527,953	
Cash and cash Equivalents includes:	D			
Cash on hand		200,000	41,503	
Bank Balances and Deposits		37,621,665	20,486,450	
		37,821,665	20,527,953	

As per our attached report of even date

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration No. 106201W

C M Shah
Partner
Membership No. : 47178



Place : Mumbai
Date : 10th May, 2013

For and on Behalf of the Board

Rajiv Agarwal
Director

Nabil Patel
Director

Place : Mumbai
Date : 10th May, 2013

Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

1 Company Background

The Company has entered into a Development Agreement with Bhisma Realty Limited (the owner of the land) to develop the property admeasuring 24,809 square meters of land at Prabhadevi, Dadar, Mumbai. In furtherance hereof the company has undertaken development of residential project in the name of "DB Crown"

The Company being a subsidiary of DB Realty Limited has become a "Public Company" with effect from 23rd September, 2009

2. Significant Accounting Policies

2.1 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 consulation 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.

2.2 Accounting policies not specifically referred to otherwise, are consistent with the generally accepted accounting principles in India.

2.3 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.

2.4 Fixed Assets:

Fixed Assets are recorded at their cost of acquisition, net of modvat/cenvat, less accumulated depreciation and impairment losses, if any.

2.5 Depreciation/Amortisation

a) Depreciation on fixed assets other than Sample Flat and Sales Office has been provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

b) Sample flat is written off in three years and proportionately depreciation is charged in the current year.



2.6 Borrowing Cost:

Borrowing costs which have a direct nexus and are directly attributable to the project are charged to the project and other borrowing costs are expensed out as period cost as specified in Accounting Standard (AS 16) on "Borrowing Costs".

2.7 Taxes on Income:

- i. Provision for current tax is made based on the assessable income determined in accordance with the applicable provisions of the Income Tax Act, 1961.
- ii. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable/ virtual certainty that the asset will be realized in future..

2.8 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 reliable 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. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.9 Operating Lease:

Asset acquired on lease where significant portions of the risks and rewards incidental to ownership are retained by the lessor is classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis.

2.10 Contingent Liabilities:

Contingent liabilities are not provided for in this account, and if any the same is reflected in notes to account.

2.11 Employee Benefits:

a. Defined Contribution Plan:

The Company's Contribution paid/payable for the period to Defined Contribution retirement benefit plan is charged to Profit and Loss account or project work in progress, if it is directly related to project.

b. Defined Benefit Plan and other long term benefit:

The Company's liabilities towards Defined Benefit Schemes viz. Gratuity benefits and other long term benefit viz. leave encashment are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the Balance Sheet date. Actuarial gains and losses are recognised in the Profit and Loss account in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent of benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

c. Short term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services.



2.12 Inventories:

Represents expenditure incurred on project undertaken by the company for development and construction of Residential complex. It is valued at lower of cost or net realizable value.

2.13 Revenue Recognition:

The Institute of Chartered Accountants of India has issued Guidance Note on recognition of revenue by Real Estate Developers on 11th February, 2012. To follow the Guidance Note the company has revised its policies on Revenue Recognition as follows. Revenue from construction and development of the Project shall be recognized on the basis of percentage of Completion method. The initial revenue shall be recognized after the work has progressed to the extent of 25% of the total construction cost excluding cost incurred in relation to acquisition of land and its development rights and at least 25% of the saleable project area is secured by contracts or agreements with buyers. Further, revenue shall be recognised out of the secured contracts / agreements only if 10% of the revenue as per the enforceable documents is realised and there is no uncertainty towards realisation of balance amount. However, due to the change in the above accounting policy there is no change in figures of Profit / Loss.

2.14 Investments:

Current Investment are carried at lower of cost and fair value, computed script wise. Non Current Investments are carried stated at cost, less provision, if any. Provision any diminution in the value of Long term investments is made only if decline is other than temporary in their value.

2.15 Foreign Currency Transactions:

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction date. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the period is recognized as income or expense, as the case may be.

2.16 Impairment of Assets:

Pursuant to Accounting Standard (AS-28) Impairment of Assets, the Company assessed its fixed assets for impairment as at March 31, 2013 and concluded that there has been no significant impaired fixed assets that needs to be recognised in the books of account



Notes Forming Part of Financial Statements

3 Share Capital

3.1 Details of Authorised, Issued, Subscribed and Paid up Share Capital

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised				
Equity Shares of Rs.10/- each	500,000	5,000,000	500,000	5,000,000
0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each	13,500,000	135,000,000	13,500,000	135,000,000
Total	14,000,000	140,000,000	14,000,000	140,000,000
Issued				
Equity Shares of Rs.10/- each	10,000	100,000	10,000	100,000
0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each	13,500,000	135,000,000	13,500,000	135,000,000
Total	13,510,000	135,100,000	13,510,000	135,100,000
Subscribed and Paid up				
Equity Shares of Rs.10/- each fully paid	10,000	100,000	10,000	100,000
0.1% Redeemable Cumulative Preference Shares (RCPS) of Rs.10/- each fully paid	13,500,000	135,000,000	13,500,000	135,000,000
Total	13,510,000	135,100,000	13,510,000	135,100,000

All of the above equity shares carry equal voting rights and there are no restrictions/preferences attached to any of the above share.

Note:- Terms of issue of RCPS:

The company may redeem the RCPS any time on or after expiry of 3 years from the date of allotment i.e. 1,500,000 shares on August 1, 2011 and 12,000,000 shares on September 6, 2011 to a maximum upto 20 years in not more than five lots. The RCPS shall carry cumulative preferential dividend @ 0.1% p.a.

3.2 Reconciliation of the outstanding number of shares

Particulars	Equity Shares		Equity Shares	
	As at 31st March, 2013		As at 31st March, 2012	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Addition: Shares Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

Particulars	Preference Shares		Preference Shares	
	As at 31st March, 2013		As at 31st March, 2012	
	Number	Amount in Rs.	Number	Amount in Rs.
Shares outstanding at the beginning of the year	13,500,000	135,000,000	-	-
Addition: Shares Issued during the year	-	-	13,500,000	135,000,000
Less: Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13,500,000	135,000,000	13,500,000	135,000,000

3.3 Details of number of shares held by the Holding Company

10,000 Equity Shares (Previous year 10,000) are held by D B Realty Limited (and its nominees), the holding company.

1,35,00,000 0.1% Redeemable Cumulative Preference Shares (Previous year 1,35,00,000) are held by D B Realty Limited, the holding company.

3.4 The details of share holders being holding company and of share holders holding more than 5% Shares

Name of Shareholder	As at 31st March, 2013		As at 31 March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
D B Realty Limited and its nominees	10,000 Equity Shares	100%	10,000 Equity Shares	100%
D B Realty Limited	1,35,00,000 Preference shares	100%	1,35,00,000 Preference shares	100%



Real Gem Buildtech Private Limited

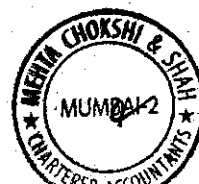
Notes Forming Part of Financial Statements

4 Reserves and Surplus

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Profit and Loss Account		
Opening balance	(164,306,493)	(114,248,162)
Add: Loss for the year	(129,779,857)	(50,058,331)
Total	(294,086,351)	(164,306,493)

5 Long-Term Borrowing

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Secured Loan		
Term Loan		
-From HDFC Bank	1,734,476,998	
1. Secured by Exclusive mortgage overall the right, title, interest, claims, benefits and' entitlements whatsoever in the unsold flats / units / Saleable Area being constructed (including car parking area, future FSI and other entitlements in connection therewith) and coming to the share of the Borrower / Mortgagor-1 under the said Agreements (including without limitation, any other deed, document, agreement or instrument in relation thereto) and in the project called "D B Crown"(construction both present and future) on freehold and leasehold land admeasuring 24,809.76 sq. mtrs situate at Gokhale Road (South), Dadar, Mumbai - 400 025 and bearing Final Plot No. 1043 of TPS IV, Mahim Division bearing C.S. no. 1123,with construction thereon present and future.		
2. Exclusive charge I security interest over the receivables / book debts / cash flows / revenues / rentals (including booking amounts), Escrow Account / Designated Account (or other accounts), insurance proceeds. Obligor Contracts etc. pertaining to the aforesaid property/ies in favour of HDFC in such form and manner as may be required by the Lender.		
3. Personal guarantee of Mr. Vinod Goneka		
4. Corporate guarantee of D B Realty Limited		



Repayment Schedule

The company will repay a certain percentage of all sales receipts towards principal repayment from the 1st month from the date of the first disbursement at HDFC's option, this percentage receivable is subject formula for such percentage calculation. However, the company will ensure that the maximum principal outstanding from the date of the first disbursement of the loan does not exceed as per the schedule below.

At the end of 56th Month : Rs.240.00 Crore

At the end of 57th Month : Rs.180.00 Crore

At the end of 58th Month : Rs.120.00 Crore

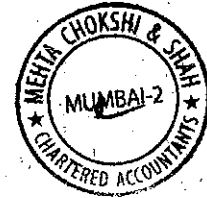
At the end of 59th Month : Rs.60.00 Crore

At the end of 60th Month : Rs.Nil

or earlier at HDFC's option

Total

1,734,476,998



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

6 Other Long-Tem Liabilities

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Contractor Retention Money	-	7,290,274
Total	-	7,290,274

7 Long-Tem Provisions

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Provision for employee benefits (unfunded)		
Gratuity	5,367,094	1,145,881
Leave Encashment	6,008,938	1,358,175
Total	11,376,032	2,504,056

8 Short-Term Borrowings

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
<u>Unsecured (repayable on demand)</u>		
From Holding Company	-	210,348,154
From Others	-	-
Total	-	210,348,154



Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

9 Trade Payables

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Micro, Small and Medium Enterprises (Refer note no. 40)	-	-
Others	77,704,654	134,049,619
Total	77,704,654	134,049,619

10 Other Current Liabilities

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Advance Received Towards Flat Bookings	4,135,317,734	2,621,688,214
Amount refundable against cancellation of Flat Bookings	16,000,000	46,100,000
Contractor Retention Money	7,343,530	-
Interest accrued and due on Borrowing	19,456,613	-
Payable to erstwhile share holder	50,000,000	50,000,000
Statutory Liabilities	24,380,597	24,685,382
Salary Payable	7,143,031	3,114,591
Outstanding Expenses	25,435,926	59,436,622
Payable to Project Partner	728,886,114	738,809,564
Total	5,013,963,545	3,543,834,373

11 Short-Term Provisions

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Provision for employee benefits (unfunded)	-	-
Gratuity	140,712	1,327
Leave Encashment	703,760	156,930
Total	844,472	158,257

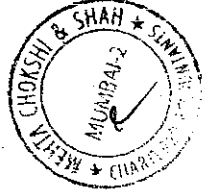


Real Gem Buildtech Private Limited

Notes Forming Part of Financial Statements

12 Fixed Assets

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1st April, 2012	Additions	Balance as at 31st March, 2013	Balance as at 1st April, 2012	Depreciation charge for the year	Balance as at 31st March, 2013	Balance as at 31st March, 2012	
a Tangible Assets								
Sample Flat (see note no. 2.3b)	174,907,887	23,637,540	198,545,427	159,281	66,128,715	66,287,996	132,257,432	174,748,506
Office equipment	1,163,953	-	1,163,953	282,893	122,556	405,449	758,504	881,060
Computers and Related Equipments	821,952	683,582	1,505,534	506,810	367,158	873,968	631,566	315,142
Total	176,893,792	24,321,122	201,214,914	948,984	66,618,429	67,567,413	133,647,502	175,944,808
Previous Year	1,891,236	175,002,556	176,893,792	448,670	500,314	948,984	175,944,808	1,442,566



Notes Forming Part of Financial Statements

13 Non-Current Investments

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
(Trade) (Unquoted)		
a) Investment in Equity Shares 3,10,000 (P.Y.: 3,10,000) Equity Shares of Rs.10 each fully paid up in Saraf Chemicals Limited	49,600,000	49,600,000
b) Investment in Preference Shares <u>Investment in Fellow Subsidiary</u> 6,50,000 (P.Y.: 6,50,000) 0.01% Redeemable Optionally Convertible Cumulative Preference Shares in DB Mig Realtors & Builders Private Limited fully paid up.	650,000,000	650,000,000
Total	699,600,000	699,600,000

14 Long-Term Loans and Advances

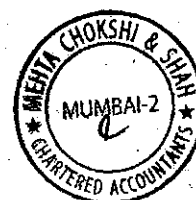
Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Security Deposits (Unsecured, considered good)		
-to Project Partner	700,000,000	700,000,000
-to Others	2,928,200	1,137,500
Total	702,928,200	701,137,500

15 Current Investment

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
(Non Trade) (Unquoted)		
Investment in Mutual Fund Reliance Liquidity Fund-DDDR(Mutual Fund) (10,090 units of Rs.1,000.51 each fully paid up)	10,095,169	-
Total	10,095,169	-

16 Inventories

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
(As valued and certified by Management)		
Opening Inventories	1,697,970,229	1,136,405,011
Add:-Project related expenses during the year	265,760,142	561,565,218
Total	1,963,730,371	1,697,970,229



Notes Forming Part of Financial Statements

17 Cash and Cash Equivalents

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Cash in Hand	200,000	41,503
Balance with Banks in current account	35,773,112	18,781,265
Balance with Bank held as Margin Money/Security/Guarantee	1,848,553	1,705,185
Total	37,821,665	20,527,953

18 Short-Term Loans and Advances

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
(Unsecured, considered good)		
Related parties		
Loan Given (refer note no.32)	2,581,950,000	-
Amount Receivable for transfer of Flat (refer note no.28)	154,391,352	-
Interest accrued and due (refer note no.28 & 32)	6,431,946	-
Advance Recoverable in cash or in kind or for values to be received (refer note no.29 & 32)	18,409,368	-
Others		
Mobilisation and Material Advance	278,833,845	324,326,696
Security Deposits to project partner		200,000,000
Trade Advance	71,829,583	29,915,572
Advance Recoverable in cash or in kind or for values to be received	10,563	32,242
Staff Loan	652,442	107,800
Prepaid Expenses	221,199	68,962
Service Tax and Interest Receivable	18,040,723	19,291,611
Tax Deducted at source	764,090	33,503
Total	3,131,535,111	573,776,385

19 Other Current Assets

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Interest Accrued but not due on Fixed Deposit	21,332	21,365
Total	21,332	21,365



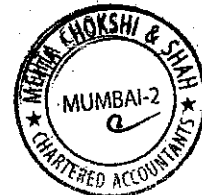
Notes Forming Part of Financial Statements

20 Other Income

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Dividend	250,171	155,000
Scrap Sale	408,157	-
Total	658,328	155,000

21 Project related expenses

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Payment to and Provision for employees:		
a) Salaries, Wages and Bonus	40,058,391	16,992,636
b) Contribution to Provident Fund and Other	695,797	349,904
c) Staff Welfare and Other Amenities	7,850,351	1,605,535
Rates and Taxes	1,162,301	1,270,686
Site Expenses	196,617,072	643,205,774
Legal and Professional Fees	43,866,262	9,388,018
Telephone Expenses	516,213	302,704
Interest/Finance Charges Paid (Net)	73,552,961	19,056,315
Travelling and Conveyance Expenses	958,151	350,495
Security Charges	1,368,441	2,090,718
Printing and Stationery	776,134	639,505
General Expenses	125,737	239,021
Depreciation	489,714	341,033
	368,037,524	695,832,345
Less: Project Expenses Recovered	(102,277,382)	(134,267,127)
Total	265,760,142	561,565,218



Notes Forming Part of Financial Statements

22 (Increase)/Decrease in Inventories

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Opening Inventories	1,697,970,229	1,136,405,011
Less: Closing Inventory- Project Work in Progress	1,963,730,371	1,697,970,229
Total	(265,760,142)	(561,565,218)

23 Employee benefit expenses

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Salaries, Wages and Bonus	14,074,570	2,148,842
Contribution to Provident Fund and Other	244,469	39,110
Staff Welfare and other amenities	2,752,916	264,243
Total	17,071,955	2,452,195

24 Administrative and Selling expenses

Particulars	For the Year Ended 31st March, 2013	For the Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Payment to Auditors	1,116,499	920,494
Bank Charge	30,705	14,650
Company Profession Tax	2,500	2,500
Travelling and Conveyance Expenses	1,293,058	3,633,793
Donation	-	26,000
Filing Fees	-	1,260,350
Miscellaneous Office Expenses	2,533,529	1,154,605
Interest on TDS and Service Tax	471,767	16,331
Telephone Expenses	172,071	89,231
Printing and Stationery	258,711	123,552
Legal and Professional Fees	2,954,804	250,221
Rent	6,427,297	1,515,601
Sales Promotions and Publicity	31,864,628	38,584,863
Sundry Debit balance Written off	31,626	-
Loss by theft	80,321	-
Foreign Exchange Loss	-	9,665
Total	47,237,516	47,601,855



25. The Company is a subsidiary of D B Realty Limited, which has become a "Public Company" w.e.f. 23rd September 2009. Therefore, w.e.f. the said date, 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.

26. **Contingent Liability:**

Particulars	(Amount in Rs.)	
	As At 31 st March, 2013	As at 31 st March, 2012
A. Arrears of Dividend on 0.1% Redeemable Cumulative Preference Shares (RCPS)	213,197	78,197
B. The company is a co borrower of loan taken from Reliance Capital Limited by its Holding Company during the year. In case of default by the holding company, the company is jointly & severally liable for repayment of the principal & interest. Contingent liability in respect of above.	610,000,000	-

27. Keeping in view the parameters as per Guidance Note on Recognition of Revenue by the Real Estate Developers and AS 2 "Valuation of Inventories for valuing Project-Work-In- Progress (WIP) of Real Estate Developers", the expenses incurred in the nature of administrative overheads which did not contribute in bringing Project WIP to its present location an condition have been charged off to the profit and loss account for the period as period cost.

28. **Re: Amount Receivable on Transfer of Flats**

Due to slow progress of the projects of certain group entities, some customers of the group entities requested to cancel their allotment and allot the flat in "DB Crown". Also amount paid by the customer till date be transferred and shown as paid for flat in "DB Crown". Consequently, amount paid by the above customers to the group entities is receivable by the company from respective group entities and accordingly interest is charged to the group entities on outstanding amount.

29. **Re: Amount Receivable in cash or in kind for values to be received**

During the year Bennett Coleman and Company Limited has entered into an agreement with the company and its group entities for providing advertising services in various medias. As per terms of the agreement, part consideration is to be paid in cash and part consideration is to be paid by allotting two flats in "DB Crown" (Non-cash component).

Non cash component of advertising of project of group companies is shown as receivable from the respective group entities and consequently total non cash component of the company as well as group company is included in 'advance received' towards flat booking under 'Other Current Liabilities'.

30. As per AS-15, "Employee Benefits", the disclosure of employee benefits as defined in AS is given below.

Defined Benefit Plan

Consequent to the adoption of Accounting Standard on Employee Benefits (AS-15), the Company has accounted the present value of gratuity obligation (Non-Funded) 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 additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for compensated absences (Non-funded) is recognized in the same manner as gratuity.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2013:

30.1 Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	(Amount in Rs)	
	As at 31 st March, 2013	As at 31 st March, 2012
Liability at the beginning of the period	1,147,208	1,196,798
Interest cost	97,513	74,448
Current Service cost	2,228,779	618,168
Benefits paid	-	(532,388)
Actuarial (gain)/loss on obligations	2,034,306	(209,818)
Liability at the end of the period	5,507,806	1,147,208

30.2 Reconciliation of fair value of plan assets and obligations:

Particulars	(Amount in Rs)	
	As at 31 st March, 2013	As at 31 st March, 2012
Liability at the end of the period	5,507,806	1,147,208
Fair value of Plan Assets at the end of the period	-	-
Difference	(5,507,806)	(1,147,208)
Amount Recognised in the Balance Sheet	(5,507,806)	(1,147,208)

30.3 Expense recognized during the period:

Particulars	(Amount in Rs)	
	As at 31 st March, 2013	As at 31 st March, 2012
Current service cost	2,228,779	618,168
Interest cost	97,513	74,448
Expected Return on Plan Assets	-	-
Actuarial (Gain) or Loss	2,034,306	(209,818)
Expenses Recognised in Profit & Loss	4,360,598	482,798

30.4 Actuarial Assumptions:

Mortality Table	LIC (1994-96)
Discount rate (per annum)	8.00%
Rate of escalation in salary (per annum)	15%

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

31. 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.



32. Related Parties Disclosure:

As per Accounting Standard 18 (AS-18) 'Related Party Disclosure', the disclosure of transactions with the related parties as defined in AS-18 is given below.

<u>Name of the related party</u>	<u>Relationship</u>
D B Realty Limited	Holding Company
D B MIG Realtors & Builders Private Limited	Fellow Subsidiaries
Neelkamal Realtors Tower Pvt. Ltd	
Gokuldharm Real Estate Development company Private Limited	
Mira Real Estate Developers	
Suraksha DB Realty	Entities Jointly Controlled by Holding Company
Dynamix Realty	
Turf Estate JV	
Shree Shantinagar Venture	
KG Enterprises	Enterprise where individuals i.e. KMP and their relatives have significant influence other than those mentioned above.
Conwood Construction & Developers Pvt. Ltd.	
Eon Aviation Pvt. Ltd.	
Pony Infrastructure & Contractors Limited	
Neelkamal Realtors & Builders Private Limited	
BD & P Hotels India Private Limited	
Mr. Rajiv Agarwal	Key Management Personnel (Directors)
Mr. Salim Balwa	
Ms. Sunita Goenka	
Mr. Nabil Patel	Whole Time Director

Note: The above related parties are identified by the management and relied upon by the auditors. However there were no transactions with the key Management Personnel during the year.



The details of transactions with the related parties are as under:

(Amount in Rs)

Description	With Holding Company	With Fellow Subsidiary	Entities Jointly Controlled by Holding Company	Enterprise/LLP's where individuals i.e. KMP and their relatives have significant influence other than those mentioned above	With relative of Key Management Personnel
Loans Accepted					
Opening balance as on 1st April, 2012	210,348,154	-	-	-	-
	(397,221,650)	(-)	(-)	(-)	(-)
Taken during the year	5,175,000	-	-	-	-
	(502,750,074)	(-)	(-)	(-)	(-)
Repaid during the year	215,523,154	-	-	-	-
	(689,623,570)	(-)	(-)	(-)	(-)
Closing Balance as on 31st March, 2013	-	-	-	-	-
	(210,348,154)	(-)	(-)	(-)	(-)
Advance Received					
Opening balance as on 1st April, 2012	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Taken during the year	-	-	-	584,558	-
	(-)	(-)	(-)	(-)	(-)
Repaid during the year	-	-	-	584,558	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance as on 31st March, 2013	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Advance Given					
Opening balance as on 1st April, 2012	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Given during the year	-	75,975,007	2,805,036,497	-	-
	(-)	(-)	(-)	(-)	(-)

Returned during the year	-	16,940,032	121,298,174	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance as on 31 st March, 2013	-	59,034,975	2,683,738,323	-	-
	(-)	(-)	(-)	(-)	(-)
<u>Trade Payables</u>					
Opening balance as on 1st April, 2012	-	-	-	-	-
	(-)	(-)	(-)	(51,628)	(-)
Expenses incurred during the period	-	-	-	7,783,938	-
	(-)	(-)	(-)	(5,148,311)	(-)
Expenses repaid during the period	-	-	-	6,714,521	-
	(-)	(-)	(-)	(5,129,939)	(-)
Closing Balance as on 31 st March, 2013	-	-	-	1,069,417	-
	(-)	(-)	(-)	(-)	(-)
<u>Reimbursement of Expenses</u>					
Opening balance as on 1st April, 2012	-	-	31,626	-	-
	(-)	(-)	(31,626)	(-)	(-)
Expenses incurred during the year	3,286,798	15,010,644	35,410	946,340	-
	(10,116)	(37,569)	(20,335,973)	(7,397,119)	(-)
Expenses repaid during the year	701,198	557,292	233,578	-	-
	(10,116)	(37,569)	(20,335,973)	(7,397,119)	(-)
Closing Balance as on 31 st March, 2013	2,585,600	14,453,352	166,542	946,340	-
	(-)	(-)	(31,626)	(-)	(-)
Hire Charges paid for Use of aircrafts	-	-	-	926,783	-
	(-)	(-)	(-)	(3,496,510)	(-)
Rent, Electricity and Water Expenses	-	-	-	6,857,155	-
	(-)	(-)	(-)	(1,651,801)	(-)
Interest Received	-	4,664,867	2,481,740	-	-
	-	(-)	(-)	-	-
Interest Paid	-	-	-	-	-
	(19,200,074)	(-)	(-)	(-)	(-)



33. Operating Lease:

As per Accounting Standard 19 (AS-19) 'Leases', the disclosure of transactions with the respect to lease of premises is disclosed as follows:

(Amount in Rs)		
Particulars	For the Year ended 31 st March, 2013	For the Period ended 31 st March, 2012
Lease payments recognized in the profit and loss account	6,427,297	1,515,601
Future Lease Payments		
a Not later than one year	6,232,391	533,031
b Later than one year but not later than five years.	20,355,337	328,929
c Later than five years	--	--
Total of Future Lease Payments	26,587,728	861,960

34. Earnings per Share:

As per Accounting Standard-20 (AS -20) 'Earning per-Share', the Company's EPS is as follows.

(Amount in Rs)		
Particulars	As at 31 st March, 2013	As at 31 st March, 2012
Net Profit/(Loss) after tax as per Profit & Loss Account	(129,779,857)	(50,058,331)
Weighted average number of equity shares outstanding	10,000	10,000
Basic and Diluted Earnings per share	(12,977.99)	(5,005.83)
Face Value per Equity Share	10	10

35. Deferred Tax Liabilities/ (Assets):

The company has not accounted for deferred tax assets taking prudence as consideration as per AS-22 regarding future available profit to be set off against deferred tax assets.

The Components of Unrecognized Deferred Tax-Assets/Liabilities are as follows:

(Amount in Rs)		
Particulars	As at 31st March 2013	As at 31st March 2012
Deferred Tax Assets		
Amount Disallowed u/s 43B of Income Tax Act, 1961	3,776,136	822,655
Carried forward business loss	122,573,997	7,1416,641
Related to Fixed assets	-	-
Total A	126,350,132	72,239,296-
Deferred Tax Liability		
Related to Fixed Assets	40,969,166	27,043,153
Total B	40,969,166	27,043,153
Net Deferred Tax Assets (A-B)	85,380,967	45,196,142
Less: Net DTA Opening	45,196,142	31,298,601
DTA to be generated during the year	40,184,824	13,897,541

Note:- As per the requirement of accounting standard in absence of virtual certainty/ reasonable certainty regarding future taxable income, no deferred tax asset have been recognized.



36. As per the terms of the Development Agreement and Supplementary Agreement entered into by the company with Bhishma Realty Limited (Bhishma), a proportionate expenditure incurred towards the project by the company has to be recovered from Bhishma. Accordingly, the company has raised a total debit notes of Rs. 992,093,494/- towards Bhishma's share of project costs, mobilisation advance, etc., However Bhishma has raised certain objections to the extent of Rs 58,204,492/-. The company is in negotiations with Bhishma Realty Limited for recovery / reaching a settlement of the same.

37. **Breakup of Auditor's Remuneration:**

Particulars	(Amount in Rs)	
	For the Year Ended 31 st March, 2013	For the Year Ended 31 st March, 2012
- Audit Fees	5,50,000	3,50,000
- Taxation Matter	40,000	40,000
- Certification Fees	4,76,000	4,38,000
Total	1,066,000	8,28,000

Auditors remuneration disclosed above is excluding service tax.

38. **Expenditure in Foreign Currency:**

Description	(Amount in Rs)	
	For the Year Ended 31 st March, 2013	For the Year Ended 31 st March, 2012
Architect Fees	970,000	-
Foreign Travelling Expenses	72,530	-

39. **Value of imports on CIF basis in respect of:**

Description	(Amount in Rs)	
	For the Year Ended 31 st March, 2013	For the Year Ended 31 st March, 2012
Capital Goods	-	1,265,952/-

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

Particulars	(Amount in Rs)	
	For the Year ended 31 st March, 2013	For the Year ended 31 st March, 2012
• 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 already made.	-	-
• Interest accrued and remaining unpaid at the end of the 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 Statutory Auditors.

41. Trade Payables, Contractors' Retention Money and Mobilisation Advance in the Financial Statements are subject to confirmation. As per the contention of the management the same are good for payment/recovery.
42. Previous year figures have been regrouped and reclassified wherever necessary to make them comparable with current year figures.
43. The amount in the Balance Sheet and Profit and Loss Account are rounded off to nearest rupee.

Signatures to Notes 1 to 43

As per our attached report of even date

For Mehta Chokshi & Shah
Chartered Accountants
Firm Registration No. 106201W


C M Shah
Partner
Membership No. : 47178



Place : Mumbai
Date : 10th May, 2013

For and on Behalf of the Board


(Rajiv Agarwal)
Director

Place : Mumbai
Date : 10th May, 2013


(Nabil Patel)
Director