

VANITA INFRASTRUCTURE PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2014

MEHTA CHOKSHI & SHAH

Chartered Accountants

Maker Bhavan 3, 214, 2nd floor,

New Marine Lines, Mumbai 400 020

Tel. No. : 2205 7309 * 2208 8743 * 66334067

Fax : 2205 5432 * Email : chetanshah@camcs.in

NOTICE

NOTICE is hereby given that the 5th Annual General Meeting of the members of Vanita Infrastructures Private Limited will be held on Friday, the 26th September, 2014 at 11.15 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, 2014, 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. Zahid Bangi, 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 139 of the Companies Act, 2013 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.”

SPECIAL BUSINESS:

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

“RESOLVED THAT Mr. Suresh Atkur, who was appointed as an Additional Director of the Company on 2nd December, 2013, pursuant to the provisions of Section 260 of the Companies Act, 1956 (Corresponding to Section 161(1) of the Companies Act, 2013) and in accordance with the Articles of Association of the Company, and who holds office up to the date of this Annual General Meeting be and is hereby appointed as Director of the Company whose period office shall be liable to determination by retirement of directors by rotation”

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

Sd/-
Director

Place: Mumbai
Date: 19.05.2014

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. The relative Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of the Special Resolution set out above is annexed hereto.

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013:

Item No. 4

Mr. Suresh Atkur was appointed as an Additional Director of the Company on 2nd December, 2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 (Corresponding to Section 161(1) of the Companies Act, 2013) 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. Suresh Atkur, 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 and/or key managerial persons except Mr. Suresh Atkur and/or their relatives are, in any way, interested or concerned, financial or otherwise in the proposed resolution.

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

Sd/-
Director

Place: Mumbai
Date: 19.05.2014

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



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, 2014.

FINANCIAL RESULTS:

(Amount in Rs)

| Particulars | Year Ended 31-03-2014 | Year Ended 31-03-2013 |
|---|--------------------------|--------------------------|
| Total Income | - | 6,700 |
| Total Expenditure | 67,871 | 75,042 |
| Profit/(Loss) before extraordinary item & Tax | (67,871) | (68,342) |
| Prior Period Item | - | (3,41,500) |
| Profit/(Loss) before Tax | (67,871) | (4,09,842) |
| Current tax | -- | -- |
| Deferred tax | - | - |
| Excess provision of Earlier Year Written Back | - | 1,27,356 |
| Profit/(Loss) for the year | (67,871) | (2,82,486) |

The Company is mainly engaged in the business of construction and development of residential and commercial property and the Company has initiated a project of cluster development in Kamathipura area, Nagpada, Mumbai. The Company is currently under process of acquiring the consent from the tenants.

DIVIDEND:

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

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, 2014, the applicable Accounting Standards had been followed alongwith 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, 2014, and of the profit/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 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:

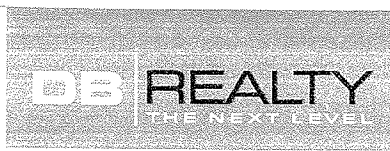
During the year under review, Mr. Zahid Bangi, is continuing as Directors of the Company.

VANITA INFRASTRUCTURE PVT. LTD.

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

CIN : U45202MH2010PTC199461



Mr. Zahid Bangi, 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.

During the Year under review, Mr. Suresh Atkur was appointed as Additional Director by the Board w.e.f. 02.12.2013. Since his terms as an Additional Director expires at the ensuing Annual General Meeting and he being eligible and 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.

During the year under review, Mr. Aboobakar Shalia, resigned as Director of the Company w.e.f. 04.12.2013

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.

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.

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

Sd/-
Director

Sd/-
Director

Place : Mumbai
Date : 19.05.2014

VANITA INFRASTRUCTURE PVT. LTD.

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CIN : U45202MH2010PTC199461

Mehta Chokshi & Shah

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Members of VANITA INFRASTRUCTURE PRIVATE LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of VANITA INFRASTRUCTURE PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. 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 auditors' 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 but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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, 2014;
- 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.

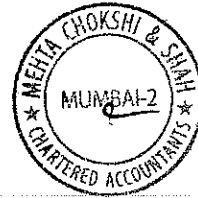
5. Report on Other Legal and Regulatory Requirements

- 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;
 - 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 read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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



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

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

Place: Mumbai
Date: 19th May, 2014

ANNEXURE TO THE AUDITORS' REPORT
(Referred to in paragraph 5 (i) of our report of even date)

1. Fixed Assets

The Company does not have any Fixed Assets and therefore a clause 4(i) of the order is not applicable.

2. Inventories

(a) The Company is in the business of real estate development and up to the year-end the company has incurred certain expenditure towards the project under development. As explained to us, site visit was carried out during the year by the management at reasonable intervals. In our opinion frequency of verification is reasonable.

(b) In our opinion and according to information and explanation given to us, keeping in view the nature of inventory, the procedures of physical verification by way of site visits by the management are reasonable and adequate in relation to size of the company and nature of its business.

(c) On the basis of information and explanation provided to us and based on our audit procedure, the inventory records have been kept properly. As explained to us, no material discrepancies were noticed on physical verification of inventory/project site by the management.

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 and hence clause 4(iii)(a) to 4(iii)(d) of the order are not applicable.

(e) The Company has taken interest free unsecured loan, repayable on demand, from its holding company. The maximum balance outstanding at any time during the year is and year-end balance of the said loan is Rs. 3,91,29,000/-.

(f) In our opinion, the terms on which the loan has been taken are prima facie not prejudicial to the interest of the Company.

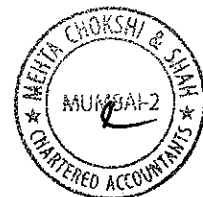
(g) We are informed that the amount of loan will be repaid by the Company as and when demanded and hence, the question of default in repayment thereof does not arise.

4. In our opinion and according to the information and explanations given to us the company does not have any fixed assets nor it has made any sales during the year, however, in respect to inventory, there is an adequate internal control system commensurate with the size of the Company and the nature of its business in respect of inventory. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
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 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 company does not qualify the prescribed criteria as specified in Companies (Cost Accountant Records) Rules, 2011, and therefore is not required to maintain the cost records as prescribed by the section 209(1)(d) of the Act.
9. Statutory Dues
(a) According to the information and explanations given to us and according to the books and records as produced before us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Income tax and other applicable statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the said applicable statutory dues were in arrears as at March 31, 2014 for a period of more than six months from the date they became payable.

Further as explained to us, the provisions for Investor Education and Protection, Provident Fund, Employees State Insurance, Sales Tax, Wealth Tax, Custom Duty, Excise Duty are not applicable to the Company during the year.



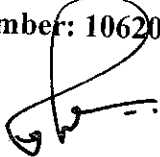
- (b) According to the information and explanations given to us, there are no disputed statutory dues of Income – tax and other applicable statutory dues and hence, the requirements of disclosure with respect to the amounts involved and the forums where the disputes are pending are not applicable.
10. The Company has been registered for the period less than five years and hence the clause 4(x) of the order is not applicable.
 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.
 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.
 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: 19th May, 2014

Vanita Infrastructure Private Limited
Balance Sheet as at 31st March, 2014

(Amount in Rupees)

| Particulars | Note No. | As at 31st March, 2014 | As at 31st March, 2013 |
|-------------------------------|----------|------------------------|------------------------|
| Equity and Liabilities | | | |
| Shareholders' Funds | | | |
| Share capital | 3 | 100,000 | 100,000 |
| Reserves and surplus | 4 | 3,290,929 | 3,358,800 |
| Current liabilities | | | |
| Short-term borrowings | 5 | 39,129,000 | 38,959,000 |
| Trade Payables | 6 | 211,636 | 37,056 |
| Other current liabilities | 7 | 9,655,678 | 9,570,486 |
| Total | | 52,387,243 | 52,025,342 |
| Assets | | | |
| Non-current assets | | | |
| Long-term loans and advances | 8 | 17,500,000 | 17,500,000 |
| Current assets | | | |
| Inventories | 9 | 25,952,084 | 24,948,784 |
| Cash and cash equivalents | 10 | 585,159 | 1,226,558 |
| Short Term Loans and Advances | 11 | 8,350,000 | 8,350,000 |
| Total | | 52,387,243 | 52,025,342 |

Significant Accounting Policies and Notes on Financial Statements 1 to 26

As per our attached report of even date

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

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



For and on behalf of the Board

(Suresh Atkur)
Director

(Zahid Bangi)
Director

Place : Mumbai
Date : 19/05/2014

Place : Mumbai
Date : 19/05/2014

Vanita Infrastructure Private Limited

Statement of Profit And Loss for the year ended 31st March, 2014

(Amount in Rs.)

| Particulars | Note No. | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
|--|----------|-------------------------------------|-------------------------------------|
| Income: | | | |
| Revenue from operations | | - | - |
| Other Income | 12 | - | 6,700 |
| Total Revenue | | - | 6,700 |
| Expenditure: | | | |
| Project Related Expenses | 13 | 1,003,300 | 14,222,689 |
| (Increase)/ Decrease in Inventories | 14 | (1,003,300) | (14,222,689) |
| Other expenses | 15 | 67,871 | 75,042 |
| Total Expenses | | 67,871 | 75,042 |
| Profit/ (Loss) before extraordinary item & tax | | (67,871) | (68,342) |
| Prior Period Item | | - | (341,500) |
| Profit/ (Loss) before tax | | (67,871) | (409,842) |
| Tax expense: | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Excess Provision of Earlier Year Written Back | | - | 127,356 |
| Profit/(Loss) for the year | | (67,871) | (282,486) |
| Earnings per equity share(Refer Note No.19) Basic and Diluted | | (6.79) | (28.25) |

Significant Accounting Policies and Notes on Financial Statements

1 to 26

As per our attached report of even date

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

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



Place : Mumbai
Date : 19/05/2014

For and on behalf of the Board

(Suresh Atkur)
Director

(Zaid Bangi)
Director

Place : Mumbai
Date : 19/05/2014

Vanita Infrastructure Private Limited

Cash Flow Statement for the year ended 31st March, 2014

| Particulars | | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
|--|----------|--|--|
| Cash Flow From Operating Activities: | | | |
| Profit / (Loss) Before Tax | | (67,871) | (409,842) |
| <u>Adjustment for</u> Interest Income | | - | - |
| Operating Income before working Capital changes | | (67,871) | (409,842) |
| <u>Working Capital Adjustments</u> | | | |
| Increase / (Decrease) in Trade Payables | | 174,580 | (13,819) |
| Increase / (Decrease) in Other Current Liabilities | | 85,192 | 904,341 |
| (Increase)/Decrease in Inventories | | (1,003,300) | (14,222,689) |
| (Increase)/Decrease Loans & Advances | | - | 13,525,000 |
| Cash From Operating Activities | | (811,399) | (217,009) |
| Less: Taxes paid | | - | - |
| Net Cash generated/(used) from Operating Activities | A | (811,399) | (217,009) |
| Cash Flow From Investing Activities: | | | |
| Net Cash generated/(used) from Investing Activities | B | - | - |
| Cash Flow From Financing Activities: | | | |
| Loan from Holding Company | | 170,000 | 180,000 |
| Net Cash generated/(used) from Financing Activities | C | 170,000 | 180,000 |
| Net Increase/ (Decrease) in Cash & Cash Equivalents (A + B + C) | | (641,399) | (37,009) |
| Cash and Cash Equivalents (Opening) | | 1,226,558 | 1,263,567 |
| Cash and Cash Equivalents (Closing) | | 585,159 | 1,226,558 |
| <u>Cash and cash Equivalents includes:</u> | | | |
| Cash on hand | | 34,297 | 40,947 |
| Bank Balances | | 550,862 | 1,185,611 |
| | | 585,159 | 1,226,558 |

As per our attached report of even date

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

C.M. Shah
Partner
M.No. 47178



Place : Mumbai
Date : 19/05/2014

For and on behalf of the Board

(Suresh Atkur)
Director

Place : Mumbai
Date : 19/05/2014

(Ajay Bangi)
Director

1 Company Background

The Company is mainly engaged in business of construction and development of residential and commercial property. In furtherance thereof the company has initiated a project of cluster development in Kamathipura area, Nagpada, Mumbai. The company is currently under process of acquiring the consent from tenants. In this regard, legal & professional fees and other administrative expenses incurred for the project have been included in Project Work in Progress.

2 Statement of 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 notified under Companies Act, 1956 read with the General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

2.2 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.

2.3 Inventories

Project Work in Progress represents expenditure incurred on project undertaken by the Company for development and construction of Residential complex, net of recoveries, if any.

2.4 Revenue Recognition

The Institute of Chartered Accountants of India has issued Guidance Note on recognisaton 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.

2.5 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.

2.6 Contingent Liabilities

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

2.7 Cash Flow Statement

Cash Flow are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.8 Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

2.9 Cash and cash equivalents

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



Vanita Infrastructure Private Limited
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, 2014 | | As at 31st March, 2013 | |
|--|------------------------|---------------|------------------------|---------------|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| Authorised | | | | |
| Equity Share | | | | |
| 10000 Equity Shares of Rs.10/- each | 10,000 | 100,000 | 10,000 | 100,000 |
| | 10,000 | 100,000 | 10,000 | 100,000 |
| Issued | | | | |
| Equity Share | | | | |
| 10000 Equity Shares of Rs.10/- each | 10,000 | 100,000 | 10,000 | 100,000 |
| | 10,000 | 100,000 | 10,000 | 100,000 |
| Subscribed & Paid up | | | | |
| Equity Share | | | | |
| 10000 Equity Shares of Rs.10/- each fully paid | 10,000 | 100,000 | 10,000 | 100,000 |
| Total | 10,000 | 100,000 | 10,000 | 100,000 |

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

3.2 Reconciliation of the Outstanding Number of Shares

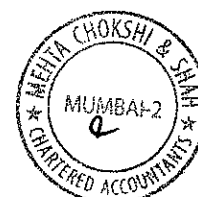
| Particulars | Equity Shares As at 31st March, 2014 | | Equity Shares As at 31st March, 2013 | |
|--|--------------------------------------|---------------|--------------------------------------|---------------|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| Equity Shares outstanding at the beginning of the year | 10,000 | 100,000 | 10,000 | 100,000 |
| Add: Equity Shares Issued during the year | - | - | - | - |
| Less: Equity Shares bought back during the year | - | - | - | - |
| Equity Shares outstanding at the end of the year | 10,000 | 100,000 | 10,000 | 100,000 |

3.3 Detail of Number of Shares held by the Holding Company

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

3.4 Details of Shareholders Holding more than 5% Shares

| Name of Shareholder | As at 31st March, 2014 | | As at 31st March, 2013 | |
|---------------------------------------|------------------------|--------------|------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Equity Share | | | | |
| D B Realty Limited (and its nominees) | 10,000 | 100% | 10,000 | 100% |
| Total | 10,000 | | 10,000 | |



Vanita Infrastructure Private Limited
Notes Forming Part of Financial Statements

4 Reserves and Surplus

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|--|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Surplus/(Deficit) in the Statement of Profit and Loss | | |
| Opening balance | 3,358,800 | 3,641,286 |
| Add: (Loss) for the year | (67,871) | (282,486) |
| Total | 3,290,929 | 3,358,800 |

5 Short Term Borrowings

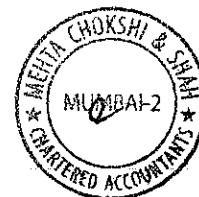
| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|--|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Unsecured Loan | | |
| From Holding Company (Repayable on demand) | 39,129,000 | 38,959,000 |
| Total | 39,129,000 | 38,959,000 |

6 Trade Payables

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|---|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Micro Small and Medium Enterprises (Refer Note No.24) | - | - |
| Others | 211,636 | 37,056 |
| Total | 211,636 | 37,056 |

7 Other Current Liabilities

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|--|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Advance received against Tenancy Rights - Tata Colony (Refer Note No.23) | 8,650,000 | 8,650,000 |
| Statutory Dues | 106,061 | 93,836 |
| Outstanding Expenses | 899,617 | 826,650 |
| Total | 9,655,678 | 9,570,486 |



Vanita Infrastructure Private Limited
Notes Forming Part of Financial Statements

8 Long Term Loans and Advances

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|---|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Advance Against Purchase of Land/Property (Refer Note No.21) | 3,450,000 | 3,450,000 |
| Advance Against Purchase of Tenancy Rights (Refer Note No.21) | 14,050,000 | 14,050,000 |
| Total | 17,500,000 | 17,500,000 |

9 Inventories

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|---|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Opening Inventories | 24,948,784 | 10,726,095 |
| Add: Project Expenses incurred during the year* | 1,003,300 | 14,222,689 |
| Total | 25,952,084 | 24,948,784 |

than cost

10 Cash and Cash Equivalents

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|---------------------|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Balances with banks | 550,862 | 1,185,611 |
| Cash on hand | 34,297 | 40,947 |
| Total | 585,159 | 1,226,558 |

11 Short Term Loans and Advances

| Particulars | As at 31st March, 2014 | As at 31st March, 2013 |
|---|------------------------|------------------------|
| | Amount in Rs. | Amount in Rs. |
| Advance Against Purchase of Tenancy Rights - Tata Colony (Refer Note No.23) | 8,350,000 | 8,350,000 |
| Total | 8,350,000 | 8,350,000 |



Vanita Infrastructure Private Limited
Notes Forming Part of Financial Statements

12 Other Income

| Particulars | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
|------------------------------------|--|--|
| | Amount in Rs. | Amount in Rs. |
| Sundry Credit Balance Written back | - | (6,700) |
| Total | - | (6,700) |

13 Project Related Expenses

| Particulars | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
|--|--|--|
| | Amount in Rs. | Amount in Rs. |
| Land Acquisition Expenses-WIP (See note no. 21) | - | 13,175,000 |
| Printing & Stationery Expenses | - | 36,471 |
| Professional Fees | 1,002,000 | 1,008,318 |
| Rates & Taxes | 1,300 | 2,900 |
| Total | 1,003,300 | 14,222,689 |

14 (Increase)/ Decrease in Inventories

| Particulars | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
|-----------------------|--|--|
| | Amount in Rs. | Amount in Rs. |
| Opening Balance | 24,948,784 | 10,726,095 |
| Less: Closing Balance | 25,952,084 | 24,948,784 |
| Total | (1,003,300) | (14,222,689) |

15 Other Expenses

| Particulars | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
|--|--|--|
| | Amount in Rs. | Amount in Rs. |
| Legal, Professional and Statutory Fees | 6,666 | - |
| Payment to Auditors | 25,843 | 31,902 |
| General Expenses | 210 | 6,978 |
| Internet Expense | - | 29,566 |
| Profession Tax - Company | 2,500 | 2,500 |
| Miscellaneous Expenses | 3,399 | 4,096 |
| Printing & Stationery | 29,253 | - |
| Total | 67,871 | 75,042 |



Vanita Infrastructure Private Limited
Notes Forming Part of Financial Statements

16 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 2(71) of the Companies Act, 2013, the Company is a deemed public company. The Company continues to use the word "Private Limited" as permitted by law.

17 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 AS-18 are given below:

| Name of Related Party | Relationship |
|-------------------------------------|--|
| 1. DB Realty Limited | Holding Company |
| 2.DB (BKC) Realtors Private Limited | Associate of Holding Company |
| 3. Dynamix Realty | Entities controlled by Holding Company |

| Key Management Personnel | Designation |
|--|-------------|
| 1.Mr. Zahid Bangi | Director |
| 2.Mr. Aboobakar Shalia (Resigned on 04.12.2013) | Director |
| 3.Mr. Suresh Aikur (Appointed on 02.12.2013) | Director |

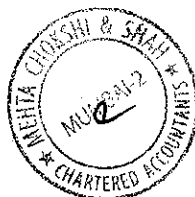
The above related parties were identified by the management and relied upon by the auditors.

The following transactions were carried out with related parties during the year:

| Nature of Transaction | (Amount in Rs.) | | |
|---|----------------------|-------------------|--|
| | With Holding Company | Fellow Subsidiary | Entities controlled by Holding Company |
| 1. Loans accepted | | | |
| D B Realty Limited | | | |
| Opening Balance | 38,959,000 | - | - |
| | (38,779,000) | (-) | (-) |
| Loans taken during the year | 170,000 | - | - |
| | (180,000) | (-) | (-) |
| Loans repaid during the year | - | - | - |
| | (-) | (-) | (-) |
| Closing Balance | 39,129,000 | - | - |
| | (38,959,000) | (-) | (-) |
| 2. Advance received against Tenancy Rights | | | |
| D B (BKC) Realtors Private Limited | | | |
| Opening Balance | - | 8,650,000 | - |
| | (-) | (8,650,000) | (-) |
| Advance taken during the year | - | - | - |
| | (-) | (-) | (-) |
| Advance repaid during the year | - | - | - |
| | (-) | (-) | (-) |
| Closing Balance | - | 8,650,000 | - |
| | (-) | (8,650,000) | (-) |
| 3. Reimbursement of Expenses | | | |
| Dynamix Realty | | | |
| Opening Balance | - | - | - |
| | (-) | (-) | (-) |
| Expenses incurred during the year | - | - | 95,322 |
| | (-) | (-) | (73,784) |
| Expenses repaid during the year | - | - | 95,508 |
| | (-) | (-) | (73,784) |
| Closing Balance | - | - | 186 |
| | (-) | (-) | (-) |

Figures in the brackets denote figures belonging to previous year.

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



18 Break-up of Auditors' Remuneration

| Particulars | (Amount in Rs.) | |
|----------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March,2014 | For the year ended 31st March,2013 |
| Statutory audit fees | 7,500 | 10,000 |
| Certification fees | 18,000 | 18,000 |
| Others | - | 441 |
| Service tax on above | 3,152 | 3,461 |
| Total | 28,652 | 31,902 |

19 Earnings Per Share

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

| Particulars | (Amount in Rs.) | |
|---|---------------------------------------|---------------------------------------|
| | For the year ended 31st March,2014 | For the year ended 31st March,2013 |
| Net (Loss) for the year as per the Statement of Profit & Loss | (67,871) | (282,486) |
| Weighted average number of shares outstanding during the year | 10,000 | 10,000 |
| Basic and Diluted Earnings Per Share | (6.79) | (28.25) |
| Face Value Per Equity Share | 10 | 10 |

- 20 Short Term Borrowings, Trade Payables, Other Current Liabilities, Short Term Loans and Advances and Long Term Loans and advances in the financial statements are subject to confirmation. As per the contention of the management the same are good for payment or recovery.
- 21 The company has paid Rs.30,675,000 to various tenants for Purchase of Land/Tenancy Rights. Out of the above amount, the company has entered into Memorandum of Understanding (MOU) for purchase of land for Rs.13,175,000/- and the same amount has been transferred to inventory as "Land Acquisition Expenses", however, the company is yet to enter and register conveyance deed for the same. The remaining amount for which the company has not entered into MOU has been shown under "Long Term Loans and Advances".
- 22 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.
- 23 The Company on behalf of DB (BKC) Realtors Pvt. Ltd. has advanced Rs.86,50,000/- towards acquisition of occupancy rights of the occupants situated at Tata Colony, Bandra Kurla Complex, Mumbai. As per the Memorandum of Understanding entered into by the company with DB (BKC) Realtors Pvt. Ltd., the company has been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to DB (BKC) Realtors Pvt. Ltd. as and when so directed. In these accounts the amounts received from DB (BKC) Realtors Pvt. Ltd. has been shown as current liability and the amount so advanced has been classified as Advances. The necessary adjustment entries shall be passed in the year in which the occupancy rights are retransferred to DB (BKC) Realtors Pvt. Ltd. Further, as per the MOU liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is to be borne by DB (BKC) Realtors Pvt. Ltd.



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

| Particulars | For the year ended 31st March, 2014 | For the year ended 31st March, 2013 |
|--|--|--|
| | Amount in Rs. | Amount in 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.

- 25 The amount in the Balance Sheet and Statement of Profit and Loss are rounded off to nearest rupee.
- 26 Previous Year's figures have been regrouped and reclassified wherever necessary to make them comparable with current year figures.

Signatures to Notes 1 to 26

As per our attached report of even date

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

C.M Shah
Partner
M.No.47178

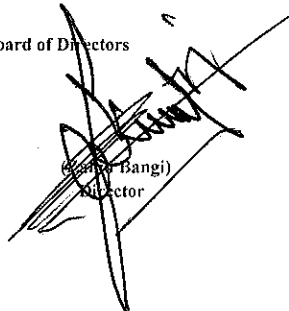
Place: Mumbai
Date: 19/05/2014



For and on behalf of the Board of Directors


(Suresh Arifur)
Director

Place: Mumbai
Date: 19/05/2014


(Suresh Bangi)
Director