

M/S. N A ESTATES PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2012

MEHTA CHOKSHI & SHAH

Chartered Accountants

229, Bokadia Mansion,

Princess Street, Mumbai 400 002

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

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N. A. ESTATES PRIVATE LIMITED

Regd Office: DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063

NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Members of N. A. Estates Private Limited will be held on Saturday, 1st September, 2012 at 2.00 p.m at the Registered Office of the Company at DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063 to transact the following business:

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 the Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ishaq Balwa who retires from office by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

“RESOLVED THAT M/s. Mehta Chokshi & Shah, Chartered Accountants, Mumbai (Reg. No.106201W) the retiring Auditors of the Company, who are not disqualified to act as Auditors of the Company u/s 224(1B) of the Companies Act, 1956, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors in consultation with the said auditors plus reimbursement of out of pocket expenses, if any, to be incurred by them in connection with the said audit exclusive of other fees payable for other services, if any, to be rendered by them.”

**By Order of the Board
For N. A. Estates Private Limited**


**Suresh Atkur
Director**

**Mumbai,
Date: 16-05-2012**

- NOTES:**
- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER
 - 2) THE INSTRUMENT OF PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

N. A. ESTATES PRIVATE LIMITED

Regd Office: DB House, Gen. A. K. Vaidya Marg, Goregaon (East), Mumbai - 400 063

DIRECTORS' REPORT

Your Directors are pleased to present the 16th Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2012.

OPERATION

Your Company has undertaken a residential project at Sukhlaji Street, Tardeo, Mumbai and up to year end the project undertaken for development and construction is in progress.

FINANCIAL RESULTS:

PARTICULARS	(Amount in Rs.)	
	F.Y. 2011-12	F Y 2010-11
Gross Income	-	-
Less: Expenditure	59,204	1,14,342
Profit/(Loss) before taxation	(59,204)	(1,14,342)
Less : Tax provision	-	-
Profit/(Loss) after taxation	(59,204)	(1,14,342)
Balance brought forward	(1,14,342)	-
Balance carried to Balance Sheet	(1,73,546)	(1,14,342)

DIVIDEND

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

STATUS OF THE COMPANY

The Company continues to be a subsidiary Company of D B Realty Limited and by virtue of provision of section 3(i)(iv)(c) of the Companies Act, 1956, the Company is a public Company.



DIRECTORS:

Mr. Salim Balwa who acted as an alternate Director to Mr. Ishaq Balwa, Director, vacated his office in terms of Section 313 of the Companies Act, 1956 with effect from 3rd December, 2011. The Board wishes to place on record its grateful appreciation and acknowledgement for the valuable contributions rendered by Mr. Salim Balwa during his tenure as alternate Director of the Company.

Mr. Ishaq Balwa, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the Accounts for the year ended on 31st March, 2012, 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 made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Loss of the Company for that period;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the Accounts for the financial year ended on 31st March, 2012 on a going concern basis.

FIXED DEPOSIT

During the year ended 31st March, 2012, the Company has not accepted any fixed deposit.

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

The particulars as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

PARTICULARS OF EMPLOYEES

There is no employee in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

AUDITORS

M/s. Mehta Chokshi & Shah, Chartered Accountants, the Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible offer themselves for reappointment.

You are requested to appoint the Auditors for the year 2012-2013 and fix their remuneration.

**On Behalf of the Board of Directors
for N.A. Estates Private Limited**


**Ishaq Balwa
Director**


**Suresh Atkur
Director**

**Mumbai,
Date: 16.05.2012**

Mehta Chokshi & Shah
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

**To the Members of,
N A Estates Private Limited**

1. We have audited the attached Balance Sheet of **N A ESTATES PRIVATE LIMITED** ("the Company") as at 31st March, 2012 and the Statement of Profit and Loss and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('Order'), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 here-in-above, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books;
 - c. the Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;



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A-101, "AADESHWAR" S. V. P. ROAD, (MANDPESHWAR ROAD), BORIVALI (W), MUMBAI - 400 092.
Tel. 2893 0501 • Telefax : 2893 0503

- d. in our opinion, the Balance Sheet, the statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable;
- e. in respect of the directors, on the basis of written representations received from them as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the director is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f. in our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with significant accounting policies and notes thereon, give the information required by The Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- (ii) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date and;
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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



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

Place: Mumbai
Date: 16th May, 2012



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

1. Fixed Assets

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

2. Inventories

(a) The Company is in the business of real estate development and up to the year-end the project undertaken for development and construction is in progress. As explained to us, Inventories comprising of expenditure incurred on acquisition of property rights and development thereof were 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, keeping in view the nature of inventory, the procedures of physical verification followed by the management were 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 physical verification of inventory by the management.

(c) In our opinion and according to the information and explanations given to us, the adequate inventory records have been maintained by the Company.

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

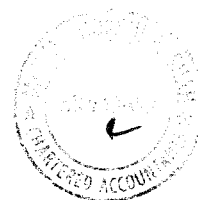
(a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

(b) The Company has taken interest free unsecured loans, repayable on demand, from its Holding Company. The maximum balance outstanding at any time during the year is Rs. 7,63,92,287/- and the year-end balance of the said loans is Rs. 7,63,92,287/-

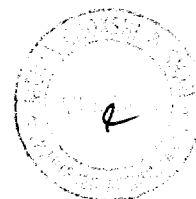
(c) In our opinion, the terms on which the loans have been taken are prima facie not prejudicial to the interest of the Company. We are informed that the amounts of loans will be repaid by the Company as and when demanded and hence, the question of default in repayment thereof does not arise.



4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of 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.
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. According to the information and explanations given to us, the company does not meet with the threshold limits laid down in rule 3 of the Companies (Cost Accounting Records) Rules, 2011 and therefore are not required to maintain cost records as prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.
9. Statutory Dues
 - 9.1 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, Value Added Tax, Custom Duty and Other applicable Statutory Dues with the appropriate authorities except the Company has yet to deposit Property Tax of Rs. 60,361,701/-. 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, 2012 for a period of more than six months from the date they became payable except in case of Property Tax of Rs. 59,490,230/-.

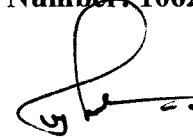


- 9.2 According to the information and explanations given to us, there are no disputed dues of Income – tax / Value Added tax / Wealth tax / Service tax / Customs duty / Excise duty / Cess and hence, the requirements of disclosure with respect to the amounts involved and the forums where the disputes are pending are not applicable.
10. The Company's accumulated loss exceeds fifty percent of the Net worth of the company as at the year end. Further, the company has incurred cash losses in the current financial year as well as in previous financial year.
11. According to the information and explanations given to us there are no borrowings from financial institutions/banks/debenture holders, hence the question of any defaults in repayment of the dues to them does not arise.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the requirements of Clause 4(xii) of the Order are not applicable.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the requirements of Clause 4(xiii) of the Order are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the requirements of Clause 4(xiv) of the Order are not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the requirements of Clause 4(xv) of the Order are not applicable.
16. The Company has not availed of any term loan and therefore clause 4(xvi) of the said order is not applicable.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short – term basis have not been utilized for long term investment and vice versa.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the requirements of Clause 4(xviii) of the Order are not applicable.



19. The Company has not issued any debentures in the current year. 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: 16th May, 2012



NA Estates Private Limited
Balance Sheet as at 31st March, 2012

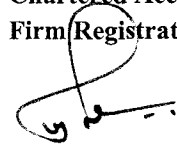
(Amount in ₹)

	Note No.	As at 31st March, 2012	As at 31st March, 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	100,000	100,000
Reserves and surplus	4	(173,546)	(114,342)
Non-current liabilities			
Long-term borrowings	5	7,000,000	7,000,000
Current liabilities			
Short-term borrowings	6	76,392,287	75,888,065
Trade payables	7	366,435	-
Other current liabilities	8	61,470,188	1,756,178
Total		145,155,364	84,629,901
ASSETS			
Current assets			
Inventories	9	145,117,848	84,457,487
Cash and cash equivalents	10	37,516	172,414
Total		145,155,364	84,629,901

Significant Accounting Policies and Notes on Financial Statements 1 to 24

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

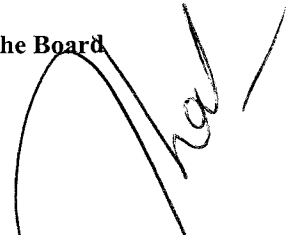


Place : Mumbai
Date : 16 MAY 2012

For and on behalf of the Board



(Suresh Atkur)
Director



(Ishaq Balwa)
Director

Place : Mumbai
Date : 16 MAY 2012

NA Estates Private Limited

Statement of Profit and Loss for the year ended 31st March, 2012

(Amount in ₹)

Particulars	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
Income:			
Revenue from Operations		-	-
Total Revenue		-	-
Expenditure:			
Project Expenses	11	60,660,361	34,731,007
(Increase)/Decrease in Inventories	12	(60,660,361)	(34,731,007)
Other Expenses	13	59,204	114,342
Total Expenses		59,204	114,342
Profit/(Loss) before Tax		(59,204)	(114,342)
Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Profit/(Loss) for the year		(59,204)	(114,342)
Earnings per equity share:			
-Basic and Diluted (Refer Note No.18)		(59.20)	(114.34)

**Significant Accounting Policies and Notes on
Financial Statements**

1 to 24

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 : 16 MAY 2012

For and on behalf of the Board

(Suresh Atkur)
Director

(Ishaq Balwa)
Director

Place : Mumbai
Date : 16 MAY 2012

N A Estates Private Limited

Cash Flow for the year ended 31st March, 2012

(Amount in ₹)

	Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
(A)	Cash Flow From Operating Activities:		
	Net loss before taxation and extraordinary items	(59,204)	(114,342)
	Adjustments for:		
	Miscellaneous Expenditure	-	92,701
	Operating Income before working Capital changes	(59,204)	(21,641)
	Adjustment for :		
	(Increase)/Decrease Inventories	(60,660,361)	(84,457,487)
	Increase/(Decrease) Current Liabilities	60,584,667	1,756,178
	Cash used in operations	(134,898)	(82,722,950)
	Income Tax paid	-	-
	Net Cash Generated/(used) from Operating Activities	(134,898)	(82,722,950)
(B)	Cash Flow From Investing Activities:		
	Investment	-	49,726,480
	Net Cash Generated/(used) from Investing Activities	-	49,726,480
(C)	Cash Flow From Financing Activities:		
	Borrowings (Net)	-	33,074,065
	Capial Introduced/(withdrawals)	-	-
	Net Cash Generated/(used) from Financing Activities	-	33,074,065
	Net Increase in Cash and Cash Equivalents [A+B+C]	(134,898)	77,595
	Add: Cash and cash Equivalents (Opening)	172,414	94,819
	Cash and cash equivalents (Closing)	37,516	172,414
(D)	Cash and cash Equivalents includes:		
	Cash on hand	1,182	2,634
	Bank Balances	36,334	169,780
		37,516	172,414

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 : 16 MAY 2012

For and on behalf of the Board

(Suresh Atkur) (Ishaq Balwa)
Director Director

Place : Mumbai
Date : 16 MAY 2012

NA Estates Private Limited

Notes Forming Part of Financial Statements

1. Company Background

The Company is in the business of Real Estate Development. In furtherance thereof, it has incurred expenses towards its proposed residential project at Sukhlaji Street, Tardeo, Mumbai.

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

2.2 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the year 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.

2.3 Inventories

Project Work In Progress represents initial expenditure incurred on project undertaken by the Company for development and construction of Residential complex, net of recoveries, if any. It is valued at lower of cost or net realizable value.



2.4 Revenue Recognition

Revenue from sale of incomplete properties is recognized on the basis of percentage of completion method, determined on the basis of physical proportion of the work completed, as certified by the Company's technical personnel, in relation to a contract or a group of contracts within a project, only after the work has progressed to the extent of 30% of the total work involved. Revenue recognized in the aforesaid manner is further subject to minimum threshold limit of 20% of construction cost excluding cost incurred in acquisition of land and its development rights. Costs of construction / development are charged to the profit and loss account in proportion with the revenue recognized during the year. The balance costs are carried as part of 'Project Work in Progress' under inventories.

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 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.

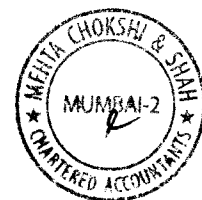
2.6 Contingent Liabilities

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

2.7 Taxes on Income

2.7.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.

2.7.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.



NA Estates Private Limited

Notes Forming part of Financial Statements

3 Share Capital

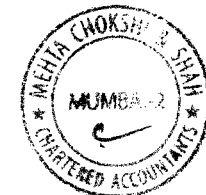
3.1 Details of Authorised, Issued, Subscribed and Paid-up Share Capital

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Number	₹	Number	₹
<u>Authorised</u>				
Equity Shares of ₹ 100 each	10,000	1,000,000	10,000	1,000,000
	10,000	1,000,000	10,000	1,000,000
<u>Issued</u>				
Equity Shares of ₹ 100 each	1,000	100,000	1,000	100,000
	1,000	100,000	1,000	100,000
<u>Subscribed & Paid up</u>				
Equity Shares of ₹ 100 each fully paid up	1,000	100,000	1,000	100,000
Total	1,000	100,000	1,000	100,000

All of the above Shares contain 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		Equity Shares	
	As at 31st March, 2012		As at 31st March, 2011	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	1,000	100,000	1,000	100,000
Add : Shares Issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,000	100,000	1,000	100,000



3.3 Detail of number of shares held by holding company

1,000 Equity Shares (Previous year 1,000) 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, 2012		As at 31st March, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
DB Realty Limited(and its nominees)	1,000	100%	1,000	100%



N A Estates Private Limited
Notes Forming part of Financial Statements

4 Reserves & Surplus

Particulars	As at 31st March, 2012	As at 31st March, 2011
	₹	₹
Profit and Loss Account		
Opening balance of Profit and Loss account	(114,342)	-
Add: Profit/(Loss) for the year	(59,204)	(114,342)
Closing Balance	(173,546)	(114,342)

5 Long Term Borrowings

Particulars	As at 31st March, 2012	As at 31st March, 2011
	₹	₹
<u>Unsecured</u>		
Debentures	7,000,000	7,000,000
0% Compulsory Convertible Debentures of ₹100 each convertible on or before 22nd September, 2013(Held by the Holding Company DB Realty Limited)		
#Convertible at the option of DB Realty Limited		
Total	7,000,000	7,000,000

6 Short Term Borrowings

Particulars	As at 31st March, 2012	As at 31st March, 2011
	₹	₹
<u>Unsecured</u>		
From Holding Company(repayable on demand)	76,392,287	75,888,065
Total	76,392,287	75,888,065



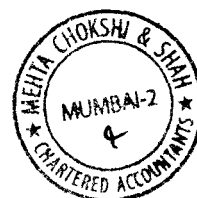
NA Estates Private Limited
Notes Forming part of Financial Statements

7 Trade Payables

Particulars	As at 31st March, 2012	As at 31st March, 2011
	₹	₹
Micro, Small and Medium Enterprises (Refer Note No.: 20)	-	-
Others	366,435	-
Total	366,435	-

8 Other Current Liabilities

Particulars	As at 31st March, 2012	As at 31st March, 2011
	₹	₹
Statutory Liability	115,787	-
Outstanding Expenses	61,354,401	1,756,178
Total	61,470,188	1,756,178



N A Estates Private Limited
Notes Forming part of Financial Statements

9 Inventories

Particulars	As at 31st March, 2012	As at 31st March, 2011
	₹	₹
(As valued and certified by a Director)		
Opening Inventories	84,457,487	-
Add: Project Expenses incurred during the year	60,660,361	34,731,007
Add: Investment in property converted into Project Inventory	-	49,726,480
Total	145,117,848	84,457,487

10 Cash and Cash Equivalents

Particulars	As at 31st March, 2012	As at 31st March, 2011
	₹	₹
Balance with Bank in Current Account	36,334	169,780
Cash in Hand	1,182	2,634
Total	37,516	172,414



N A Estates Private Limited

Notes Forming part of Financial Statements

11 Project Expenses

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
	₹	₹
Compensation paid to Tenants	531,500	32,875,825
Rates & Taxes	58,568,883	1,792,818
Miscellaneous Expenses	456,978	62,364
Professional Fees	1,103,000	-
Total	60,660,361	34,731,007

12 (Increase)/Decrease in Inventories

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
	₹	₹
Opening Inventories	84,457,487	-
Less: Closing Inventories	145,117,848	34,731,007
Total	(60,660,361)	(34,731,007)

13 Other Expenses

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
	₹	₹
Miscellaneous Expenses	5,608	48,850
Printing, Stationery, Postage & Telegram Expenses	8,800	1,390
Legal & Professional Fees	31,436	26,318
Audit Fees	13,360	24,118
Preliminary Expenses written off	-	13,666
Total	59,204	114,342



14. The Company is a subsidiary of D B Realty Limited, which has become a “Public company” w.e.f. 23rd September 2009. Therefore, the Company has become a private company which is a subsidiary of a public company and accordingly, by virtue of provision of section 3(1)(iv)(c) of the Companies Act,1956, the Company is a public company. The Company continues to use the word “Private Limited” as permitted by law.
15. The Board of Directors vide its resolution dated 27.07.10 has decided to develop the property situated at Sukhlaji Street, Tardeo, Mumbai and therefore approved the transfer of its investment in the said property having a book value of ₹ 4,97,26,480/- to Inventory as project expense.
16. 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 and condition have been charged off to the profit and loss account for the year as period cost.
17. **Breakup of Auditors’ Remuneration:**

(Amount in ₹)

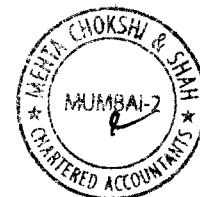
Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
- Audit Fees	6,742	6,618
- Taxation Matter	-	-
- Others	6,618	17,500
- Service Tax	1,236	NIL
Total	13,360	24,118

18. **Earnings per Share:**

As per AS- 20 “Earning Per Share”, the Company’s EPS is as under

(Amount in ₹)

	31st March, 2012	31st March, 2011
Net Profit/(Loss) after tax as per Profit & Loss Account	(59,204)	(1,14,342)
Weighted average number of equity shares outstanding	1,000	1,000
Basic and Diluted Earnings per share	(59.20)	(114.34)
Face Value per Equity Share	100	100



19. Related Parties Disclosure as per AS-18:

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

Name of the Related Party	Relationship
Ishaq Balwa	KeyManagement Personnel(Director)
Suresh Atkur	KeyManagement Personnel(Director)
D B Realty Limited	Holding Company
Dynamix Realty	Entity Controlled by Holding Company

The above related party is identified by the management and have been relied upon by the auditors. However there were no transactions with the Key Management Personnel.

Nature of Transaction	(Amount in ₹)	
	With Holding Company	Entity Controlled by Holding Company
D B Realty		
Loans accepted opening balance	7,58,88,065 (1,00,00,000)	- (-)
Loans accepted	11,80,298 (6,58,88,065)	- (-)
Repayment of Loan accepted	6,76,076 (NIL)	- (-)
Closing balance of loan accepted	7,63,92,287 (7,58,88,065)	- (-)
Dynamix Realty		
Reimbursement of Expenses	- (-)	6,823 (-)

Figures in the brackets denote figures pertaining to 31st March, 2011.

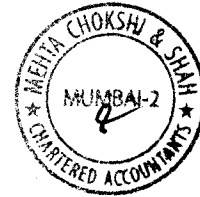


20. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
	₹	₹
<ul style="list-style-type: none"> • 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. 	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>-</p>

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.

21. Balances of Trade Payables in the financial statements are subject to confirmations.



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 disclosures requirements of AS-17 Segment Reporting are not applicable.

23. The amount in the Balance Sheet and Profit & Loss Account are rounded off to nearest rupee.

24. Previous year figures have been regrouped and reclassified wherever necessary to make them comparable with current year figures.

Signatures to Notes 1 to 24

As per our attached report of even date

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

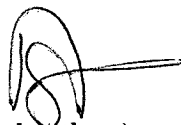


C.M. Shah
Partner
M.No. 47178



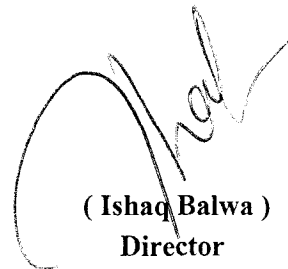
Place : Mumbai
Date : 16 MAY 2012

For and on behalf of the Board



(Suresh Atkur)
Director

Place : Mumbai
Date : 16 MAY 2012



(Ishaq Balwa)
Director