

M/S. NINE PARADISE ERECTION 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

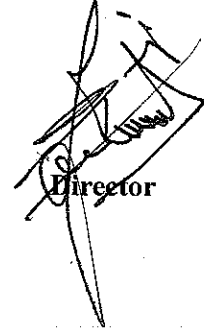
NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Thursday, the 27th September, 2013 at 11.00 a.m. at the Registered Office of the Company at DB House, Gen. A K Vaidya Marg, Goregaon East, Mumbai-400063 to transact the following business:-

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. 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, (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-imbursalment 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.”

**By order of the Board of Directors
For Nine Paradise Erectors Pvt Ltd**



Director

Date: 18.05.2013
Place: Mumbai

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. A blank proxy form is annexed to the notice:

NINE PARADISE ERECTORS PRIVATE LIMITED



DIRECTOR'S REPORT

Dear Members

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)	
	Year Ended 31-03-2013	Year Ended 31-03-2012
Total Income	10,853	9,61,54,341
Total Expenditure including Depreciation	1,24,659	9,62,72,151
Profit/(Loss) before Tax	(1,13,806)	(1,17,810)
Less: Provision for Tax	Nil	Nil
Profit/(Loss) after Tax	(1,13,806)	(1,17,810)

DIVIDEND:

As the Company has not earned any revenue/profits, your Directors do not recommend dividend.

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 period;
- (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.

NINE PARADISE ERECTORS PRIVATE LIMITED

DIRECTORS:

During the year under review, Mr. Suresh Atkur and Mr. Zahid Bangi, are continuing as Directors of the Company.

Mr. Zahid Bavgi, 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.

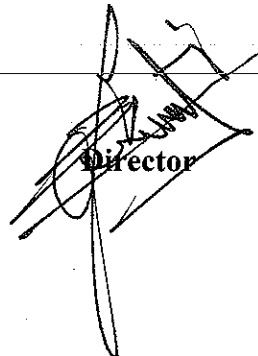
During the year under review, Foreign Exchange earnings and outgo were Nil.

ACKNOWLEDGEMENT:

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

**On behalf of the Board of Directors
For Nine Paradise Erectors Pvt Ltd**

Date: 18.05.2013
Place: Mumbai



Director



Director

NINE PARADISE ERECTORS PRIVATE LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of NINE PARADISE ERECTORS PRIVATE LIMITED

1. Report on the Financial Statements

We have audited the accompanying financial statements of NINE PARADISE ERECTORS 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.

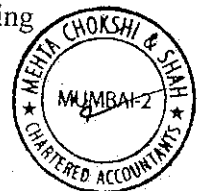
2. Management's Responsibility for the Financial Statements

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 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. An audit also includes evaluating the appropriateness of accounting



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A-101, "AADESHWAR" S.V.P. ROAD, (MANDPESHWAR ROAD), BORIVALI (W), MUMBAI - 400 092.
Tel. 2893 0502 • Telefax : 2893 05 03

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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.

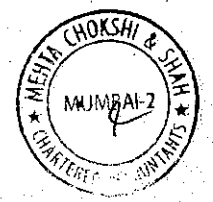
4. Opinion

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 (Auditor's 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;



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- 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

Place: Mumbai
Date: 18 MAY 2013



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

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 project undertaken for development and construction is in progress. The inventory mainly consists of purchase of land.

b) Clause 4(ii)(b) and 4(ii)(c) of the order are not applicable..

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

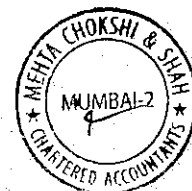
(a) The Company has granted unsecured loans to a Company covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding at any time during the year is Rs. 96,736,507/- and the year-end balance of the said loan is Rs. 85,000,000/-.

(b) The said loan is interest free and repayable on demand. Since the loan is repayable on demand. In our opinion, the said loan is *not prima facie* prejudicial to the interest of the company.

(c) The above loan is repayable on demand. As per information given to us, the loan was repaid as and when demanded and hence the repayment of the above loan is regular.

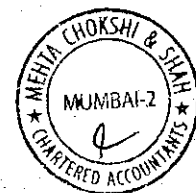
(d) As per information given to us, there was no overdue amount.

(e) The Company has taken interest free unsecured loans, repayable on demand, from its Holding Company and a company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum balance outstanding at any time



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- (f) during the year is Rs. 314,580,688/- and the year-end balance of the said loans is Rs. 304,315,688/-
- (g) In our opinion, the terms on which the loans have been taken are prima facie not prejudicial to the interest of the Company.
- (h) 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. 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.



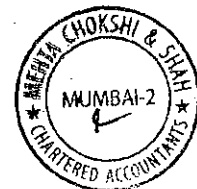
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8. The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of the activities carried on by the Company.
9. Statutory Dues
 - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts in respect of undisputed statutory dues including Provident Fund, Value Added Tax, Custom Duty and applicable other statutory dues have been regularly deposited with the appropriate authorities and no undisputed amounts payable in respect of aforesaid statutory dues were in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no disputed dues of Income – tax / Value Added tax / Wealth tax / Service tax / 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 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.



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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.

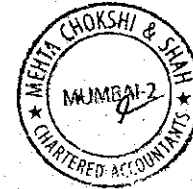
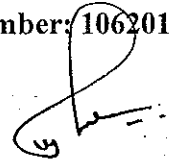


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21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been 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: 18 MAY 2013

Nine Paradise Erectors Private Limited

Balance Sheet as at 31st March, 2013

(Amount in Rs.)

Particulars		As at 31st March, 2013	As at 31st March, 2012
Equity and Liabilities			
Shareholders' funds			
Share Capital	3	100,000	100,000
Reserve and Surplus	4	(499,197)	(385,391)
Non-current liabilities			
Other Long term liabilities	5	-	5,596
Current liabilities			
Short-term borrowings	6	304,315,688	304,980,688
Trade payables	7	329,445	945,239
Other Current Liabilities	8	8,782,160	18,713,638
Total		313,028,096	324,359,770
Assets			
Non-current assets			
Non-current investment	9	700	700
Current assets			
Inventories	10	219,301,873	218,704,481
Cash and cash equivalents	11	15,908	116,677
Short-term loans and advances	12	93,709,615	105,537,912
Total		313,028,096	324,359,770

Significant accounting policies and notes on
Financial statements

1 to 28

As per our attached report of even date

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

Name : C M Shah
Partner
Membership No. : 47178



Place : Mumbai
Date : 18th May, 2013

For and on Behalf of the Board

(Suresh Atkur)
Director

(Sahid Bangi)
Director

Place : Mumbai
Dated: 18th May, 2013

Nine Paradise Erectors Private Limited

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	13	10,853	96,154,341
Total Income		10,853	96,154,341
Expenditure :			
Project Expenses	14	597,392	1,603,850
(Increase)/Decrease In Inventories	15	(597,392)	(1,603,850)
Finance costs		-	96,154,341
Other expenses	16	114,008	114,362
Share of Loss from Limited Liability Partnership		651	3,448
Prior Period Expenses		10,000	-
Total expenses		124,659	96,272,151
Profit/(Loss) before tax		(113,806)	(117,810)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Profit/ (Loss) for the year		(113,806)	(117,810)
Earnings per share: (refer note no. 19)			
Basic and Diluted		(11.38)	(11.78)

Significant accounting policies and notes on
Financial statements

1 to 28

As per our attached report of even date

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

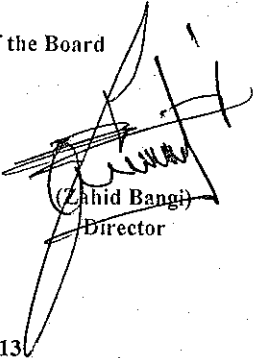
Name : C M Shah
Partner
Membership No. : 47178



Place : Mumbai
Date : 18th May, 2013

For and on Behalf of the Board


(Suresh Atkur)
Director


(Zahid Bangi)
Director

Place : Mumbai
Dated: 18th May, 2013

Nine Paradise Erectors 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:		
Profit / (Loss) Before Tax	(113,806)	(117,810)
Adjustment		
Interest received	-	(96,154,341)
Bad debts written off	(5,596)	
Interest Paid	-	96,154,341
Working Capital Adjustments		
Increase/(Decrease) in current liabilities	(10,547,272)	(94,670,997)
Increase/(Decrease) in Inventories	(597,392)	(1,603,850)
Cash from Operating Activities	(11,264,066)	(96,392,657)
Less: Taxes paid	-	9,615
Net Cash generated/(used) from Operating Activities	(11,264,066)	(96,402,272)
Cash Flow From Investing Activities:		
Investment made		
Loan Granted	11,828,297	703,819,622
Interest received	-	96,163,956
Net Cash generated/(used) from Investing Activities	11,828,297	799,983,578
Cash Flow From Financing Activities:		
Loan Accepted /Repaid	(665,000)	(607,661,093)
Interest Paid	-	(96,154,341)
Net Cash generated/(used) from Financing Activities	(665,000)	(703,815,434)
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(100,769)	(234,128)
Add: Cash & Cash Equivalents (Opening)	116,677	350,805
Cash & Cash Equivalents (Closing)	15,908	116,677
Cash and cash Equivalents includes:		
Cash on hand	13,483	4,402
Bank Balances	2,425	112,275
	15,908	116,677

As per our attached report of even date

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

Name : C M Shah
Partner
Membership No. : 47178

Place : Mumbai
Date : 18th May, 2013



For and on Behalf of the Board

(Suresh Atkur)
Director

(Zahid Bangi)
Director

Place : Mumbai
Date : 18th May, 2013

Nine Paradise Erectors Private Limited

Notes Forming Part of Financial Statements

1 Company Background

The Company has entered into a Agreement of Assignment dated 09.04.2010 towards acquiring 55% share in a property situated at Rippon Road, Cross Land, Madanpura, Mumbai Central, Mumbai admeasuring approximately 7015.94 sq. meters with a intention to develop and construct Residential buildings. However the final rights of the property will get transferred only after the disposal of the suit pending before Bombay High Court. Considering the precedents in similar cases ,the company is hopeful of favorable ruling in its favour.

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 prescribed by the Central Government, in consolation 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 accounting principles followed 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 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.

2.4 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.

2.5 Revenue Recognition :

The Institute of Chartered Accountants of India has issued Guidance Note on "Recognisation of Revenue by Real Estate Developers" on 11th February, 2012.in consensus with AS-9 Revenue Recognition. 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.

2.6 Provisions:

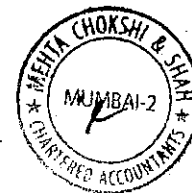
A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined 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.

2.7 Contingent Liabilities:

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

2.8 Taxes :

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



Notes Forming Part of Financial Statements

3 Share Capital

3.1 Details of Authorised, Issued, Subscribed & 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 Share				
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				
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				
Equity Shares of Rs.10/- each	10,000	100,000	10,000	100,000
	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 share

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
Add : 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

3.3 Detail of number of share held by 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 The details of shareholders holding more than 5% shares

Name of Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	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	



Notes Forming Part of Financial Statements

4 Reserves & Surplus

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Profit and Loss Account		
Opening balance of Profit & Loss account	(385,391)	(267,581)
Add : (Loss) for the period /year	(113,806)	(117,810)
Total	(499,197)	(385,391)

5 Other Long Term Liabilities

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Contractor Retention money	-	5,596
Total	-	5,596

6 Short Term Borrowings

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Unsecured Loan (Repayable on demand)		
From Holding Company	217,185,000	217,850,000
From a Fellow Subsidiary	87,130,688	87,130,688
Total	304,315,688	304,980,688

7 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. 23)	-	-
Others	329,445	945,239
Total	329,445	945,239



Notes Forming Part of Financial Statements

8 Other Current Liabilities

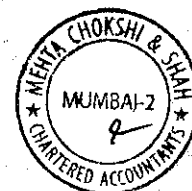
Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Statutory Liability	11,769	9,628,898
Advance received against purchases of occupants rights (Tata Colony) (Refer note no.26)	8,700,000	8,700,000
Current Account with Limited Liability Partnership	70,391	69,740
Outstanding Expenses	-	315,000
Total	8,782,160	18,713,638

9 Non-current investment

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
(a) In Limited Liability Partnership		
DB Realty and Shreepati Infrastructure LLP (Towards 0.06% share in Profit/Loss)(Previous Year 0.06%)	600	600
(b) In Partnership Firm		
M/s. Sneh Developers (Towards 1% share in Profit/Loss)(Previous Year 1%) [Refer note no. 22]	100	100
Total	700	700

10 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	218,704,481	217,100,631
Add: Site expenses incurred during the year	597,392	1,603,850
Total	219,301,873	218,704,481



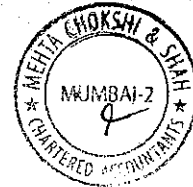
Notes Forming Part of Financial Statements

11 Cash And Cash Equivalents

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Cash in hand	13,483	4,402
Balances with banks	2,425	112,275
Total	15,908	116,677

12 Short-Term Loans And Advances

Particulars	As at 31st March, 2013	As at 31st March, 2012
	Amount in Rs.	Amount in Rs.
Loans and advances to related parties	85,000,000	96,762,544
Advances recoverable in cash or in kind or for value to be received (Refer note no. 26)	8,700,000	8,700,000
Advance Tax and Tax deducted at sources	9,615	75,368
Total	93,709,615	105,537,912



Notes Forming Part of Financial Statements

13 Other Income

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Interest Income	-	96,154,341
Sundry Creditors Written Back	5,596	-
Interest on Income tax refund	5,257	-
Total	10,853	96,154,341

14 Project Related Expenses

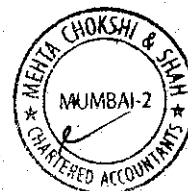
Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Legal & Professional fees	(315,000)	583,950
Construction Expenses	-	2,230
Security Charges	912,392	1,017,670
Total	597,392	1,603,850

15 (Increase)/Decrease In Inventories

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Opening Inventories	218,704,481	217,100,631
Less: Closing Inventories	219,301,873	218,704,481
Total	(597,392)	(1,603,850)

16 Other Expenses

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
	Amount in Rs.	Amount in Rs.
Tour Travel and Conveyance	11,556	1,115
Auditor's Remuneration	90,336	66,798
Professional Fees	6,318	1,400
Miscellaneous Expenses	5,798	45,049
Total	114,008	114,362



17 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.

18 In absence of any timing difference, no provision for deferred tax needs to be made. In view of loss no provision for current tax has been provided

19 Earnings Per Share

As per AS-20 "Earning Per Share", the Company's EPS is as under

(Amount in Rupees)

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Net Loss after tax as per Profit & Loss Account	(113,806)	(117,810)
Weighted average number of shares outstanding during the year	10,000	10,000
Basis and Diluted Earning Per Share	(11.38)	(11.78)
Face Value Per Equity Share	10	10

20 Breakup of Auditor's Remuneration

(Amount in Rupees)

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Audit Fees	30,000	30,000
Certification matters / Taxation	50,000	30,000
Out of Pocket Expenses	448	-
Service Tax	9,888	6,798
Total	90,336	66,798

21 Related Party Disclosures:

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:

A. List of Related Parties

Sr. No.	Name and Relationship of the Related Party
(A)	Holding Company DB Realty Limited
(B)	Entities Jointly Controlled by Holding Company Dynamix Realty D B Realty and Shreepati Infrastructure LLP Gokuldharm Real estate Development Company Pvt.Ltd.
(C)	Enterprises where individuals i.e. KMP and their relative have Significant Influence. DB (BKC) Realtors Pvt.Ltd Nihar Construction Private Limited
(D)	Key Management Personnel (Directors) Suresh Atkur Zahid Bangi

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.



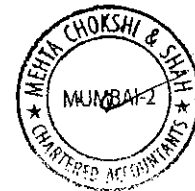
B. The details of transactions with the related parties are as under:

(Amount in Rs.)

Sr. No.	Description	Holding Company	Enterprises owned or significantly influenced by Holding Company or Key Management Personnel or their relatives	Fellow Subsidiary Companies
(i)	Loan Accepted			
	Opening Balance	217,850,000	-	87,137,688
		(112,050,000)	(-)	(800,598,781)
	Loan Accepted during the period (including interest)	11,035,000	-	-
		(105,800,000)	(-)	(96,154,341)
	Repayment of Loan accepted (including interest)	11,700,000	-	-
		-	(-)	(809,615,434)
	Closing Balance	217,185,000	-	87,137,688
		(217,850,000)	(-)	(87,137,688)
(ii)	Advance Received towards purchase of Tenancy Rights			
	Opening Balance	-	8,700,000	-
		(-)	(8,700,000)	(-)
	Advance received during the period (including interest)	-	-	-
		(-)	(-)	(-)
	Repayment of Advance Received during the period (including interest)	-	-	-
		(-)	(-)	(-)
	Closing Balance	-	8,700,000	-
		(-)	(8,700,000)	(-)
(ii)	Loans Granted			
	Opening Balance	-	96,736,507	-
		(-)	(800,591,781)	(-)
	Loans granted during the period (including interest)	-	-	-
		(-)	(96,144,726)	(-)
	Loans repaid during the period (including interest)	-	11,736,507	-
		(-)	(800,000,000)	(-)
	Closing Balance	-	85,000,000	-
		(-)	(96,736,507)	(-)
(iii)	Share of Loss in LLP/Partnership Firms			
		-	-	651
		(-)	(-)	(3,448)

Figures in bracket represent previous year's figures

22 Due to non availability of audited financial statements of M/s Sneh Developers, the Share of Loss in LLP/Firm is not provided in the financial statements.



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

(Amount in Rupees)

Particulars	Year Ended 31st March, 2013	Year Ended 31st 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.	-	-
Total		

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

24 Sundry balances in the financial statements are subject to confirmations.

25 **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.

26 The Company on behalf of DB (BKC) Realtors Pvt. Ltd. has advanced Rs.87,00,000/- 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 on account of DB (BKC) Realtors Pvt. Ltd.

27 The amount in the Balance Sheet and Statement of Profit and Loss Account are rounded off to nearest rupee.

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

Signatures to notes to financial statements 1 to 28

As per our attached report of even date

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

Name : C M Shah
Partner
Membership No. : 47178
Place : Mumbai
Date : 18th May, 2013



For and on Behalf of the Board

(Suresh Aikur)
Director

Place : Mumbai
Date : 18th May, 2013