

THE NEXT LEVEL OF GROWTH

D B REALTY LTD.
ANNUAL REPORT 2009-2010

D B REALTY LTD.

D B Realty Ltd. is India's fastest-growing real estate development company. Its commitment to quality and consistent performance has led to an excellence in providing comprehensive solutions for realty projects across the country. Be it Residential complexes, Commercial Parks or Townships; every DB project stands as a testimony to the Group's philosophy of consistently delivering projects high on quality and performance.

Having carved a niche for itself in building state-of-the-art structures, luxury villas and elite malls; D B Realty Ltd. has a repertoire that consists of 30 projects in association with some of the biggest brands and brightest luminaries, both in India and abroad. The company owes its successful reputation to the vision of Mr. Vinod Goenka and Mr. Shahid Balwa, whose families have been in real estate businesses for decades. Their partnership since 1997 has soared from one success to another.

D B Realty's Initial Public Offering that opened on 29th January 2010 attracted high quality investors leading it to be oversubscribed over 3 times. Today D B Realty Ltd. is India's 3rd largest real estate developer with a market capitalisation in excess of Rs. 11,000 crore (USD 2 Billion).

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Corporate Information

Board of Directors

Mr. Karunchandra Srivastava (IAS, retired)

Chairman, Non Executive and Independent Director

Mr. Vinod Goenka

Managing Director, Executive and Non-Independent Director

Mr. Shahid Balwa

Managing Director, Executive and Non-Independent Director

Mr. Shahzaad Dalal

Non-Executive and Non-Independent Director

Mr. Mahesh Gandhi

Non-Executive and Non-Independent Director

Mr. Pravin Rathod

Alternate Director to Mr. Mahesh Gandhi

Mr. Sundaram Rajagopal

Non-Executive and Non-Independent Director

Mr. Michael McCook

Non Executive and Independent Director

Mr. Chandan Bhattacharya

Non-Executive and Independent Director

Vice-President, Company Secretary and Compliance Officer

Mr. S.A.K. Narayanan

email : sak.narayanan@dbg.co.in

Statutory Auditors

M/s Deloitte Haskins & Sells,
Chartered Accountants

General Counsel

Negandhi Shah & Himayatullah,
Advocates & Solicitors

Registered Office

DB House, Gen. A.K. Vaidya Marg,
Goregaon (E), Mumbai – 400063 India
Tel : +91 22 4077 8600
Fax : +91 22 2842 2444
Website : www.dbrealty.in

Board Committees

Audit Committee

Mr. Chandan Bhattacharya
Mr. Karunchandra Srivastava
Mr. Shahid Balwa

Remuneration Committee

Mr. Karunchandra Srivastava
Mr. Shahzaad Dalal
Mr. Chandan Bhattacharya

Shareholders/Investors Grievance Committee

Mr. Chandan Bhattacharya
Mr. Karunchandra Srivastava
Mr. Vinod Goenka

Share Transfer Committee

Mr. Karunchandra Srivastava
Mr. Vinod Goenka
Mr. Chandan Bhattacharya

Finance Committee

Mr. Vinod Goenka
Mr. Shahid Balwa
Mr. Sundaram Rajagopal

Bankers

Oriental Bank of Commerce
Punjab National Bank
Citibank NA
Deutsche Bank
Yes Bank
ICICI Bank

Registrar & Share Transfer Agents

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L.B.S Marg, Bhandup (W), Mumbai 400 078
SEBI Registration No: INR000004058
Tel: + 91 22 2596 0320 Fax: + 91 22 2596 0329
E-mail: dbrealty.ipo@linkintime.co.in
Contact Person: Mr. Vishwas Attavar
Website: www.linkintime.co.in

NOTICE

NOTICE is hereby given that the 4th Annual General Meeting of the members of the Company will be held on Wednesday, the 29th September, 2010 at 3.00 p.m. at Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2010, 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. Mahesh Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sundaram Rajagopal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Michael McCook, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint M/s Deloitte Haskins & Sells, Chartered Accountants (Reg. No. 117366W), the retiring 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 as may be fixed by the Board of Directors.

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions if any of the Companies Act, 1956 and other applicable rules, regulations, guidelines, and other statutory provisions for the time being in force, approval of the Members of the Company be and is hereby granted and the Board of Directors (hereinafter called the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorized to vary the terms referred to in the Company’s Prospectus dated 5th February, 2010, (“Prospectus”) including to vary and/or revise the utilization of the proceeds of the Initial Public Offering (“IPO”) of Equity Shares made in pursuance of the said Prospectus, for purposes other than those mentioned in the Prospectus, including but not limited to funding of the existing / proposed Subsidiaries Joint Ventures, Associates, Firms in which the Company or its Subsidiary (ies) is/are/may become Partner(s)/Member(s) of the Joint Ventures etc. to part finance the construction and development of the existing as well as proposed Projects of the Subsidiaries, Joint Ventures, Associates, Firms in which the Company or its Subsidiary (ies) is/are or may become Partner(s)/Member(s) of the Joint Ventures etc.

RESOLVED FURTHER THAT the expenditure incurred by the Company, out of the proceeds of the IPO on objects, other than those more specifically stated in the Section “Objects of the Issue” in the Prospectus dated 5th February, 2010, at the discretion of the Management, inclusive of those expenditures stated in the Report of the Monitoring Agency upto 31st March, 2010 be and is hereby approved and ratified.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things, deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Directors or any other Officer(s) /Authorised Representative(s) of the Company to give effect to the aforesaid resolution.

7. To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 163 of the Companies Act, 1956 (the Act) and other provisions, as applicable, of the Act, the Company hereby approves that the Register of Members, the Index of Members and copies of Annual Returns prepared under Section 159 together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act or any one or more of them, be kept at the office of Company’s Registrars and Share Transfer Agent, viz., M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 instead of being kept at the Registered Office of the Company.

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NOTES:

1. A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The proxies to be effective should be deposited at the registered office of the Company not less than Forty Eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

2. The explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of the Businesses under Item nos. 6 and 7 set out above and the details under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Directors proposed to be appointed/re-appointed at the Annual General Meeting, is annexed hereto.
3. In case of joint holders attending the meeting, only joint holder who is higher in the order of names will be entitled to vote.
4. Corporate members intending to send authorized representatives to attend the Meeting are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
5. Members desirous of having any information regarding Accounts are requested to address their queries to the Company at least seven days before the date of the Meeting, so that requisite information is made available at the Meeting.
6. Members who hold shares in electronic form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 24th September, 2010 to Wednesday, 29th September, 2010 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
8. Members are requested to intimate the Registrar and Share Transfer Agents of the Company- Link Intime India Pvt Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, immediately of any change in their address and/or the Bank Mandate details in respect of Equity shares held in physical mode and to their Depository Participants (DPs) in respect of Equity shares held in dematerialized form.
9. All the Documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered Office at DB House, Gen A.K. Vaidya Marg, Goregoan (E), Mumbai - 400063 on all working days of the Company between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
10. Members/Proxies are requested to bring the attendance slip duly filled in.
11. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
12. For security reasons, no gadgets, mobile phones, cameras, article/baggage will be allowed at the venue of the Meeting. The Members/attendees are strictly requested not to bring any gadgets, mobile phones, cameras, article/baggage etc. to the venue of the Meeting.
13. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been admitted in both NSDL and CDSL to enable shareholders to hold and trade in the shares in dematerialized/electronic form. In view of the numerous advantages offered by the depository system, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
14. Pursuant to the Initial Public offering of Equity shares, the Company had, in respect of certain shares allotted therein, in view of mismatch in particulars of those allottees, parked the same in a demat suspense account. The aggregate number of shares so lying initially were 23,439 Equity Shares of 89 Investors. Since then, 70 investors for 22,193 Equity Shares have already approached for transfer during the year which has been done. The aggregate number of the shareholders as at the year end whose shares were lying in demat suspense account was 19 for 1,246 Equity shares and as on date 896 Equity shares of 11 Shareholders are lying in the demat suspense account.

By order of the Board

For D B Realty Limited

Place: Mumbai

Date: 28th July, 2010

(S A K Narayanan)

Company Secretary

Registered Office:

DB House, Gen. A. K. Vaidya Marg,
Goregaon (E), Mumbai – 400 063.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

ITEM NO. 6:

The Members at the Annual General Meeting held on 14th September, 2009 approved the Initial Public Offer (“IPO”) of the Equity Shares of the Company. Accordingly, the Company had made the IPO through 100% book building route pursuant to the Prospectus dated 5th February, 2010, (“Prospectus”). The said IPO opened for subscription on 29th January, 2010 and closed on 2nd February, 2010. The IPO comprised issuance of 3,20,51,282 equity shares of Rs.10 each of the Company for cash at a price of Rs.468 per equity share (including a share premium of Rs.458 per equity share) aggregating to Rs. 1,500 crore. The issue comprised a net issue to the Public of 3,20,51,282 equity shares.

The IPO of the Company was planned with certain objects, more particularly stated and described under section titled “Objects of the Issue” in the Prospectus, as were considered appropriate by the management at that point of time. The Objects as stated in the Prospectus are (1) to meet expenses of construction and development of certain of the Company’s projects – Rs. 1,044.17 crores (2) to pre-pay the loan taken from IDFC – Rs.80 crores and (3) for meeting expenses towards general corporate purposes – Rs. 314.83 crores. As further disclosed in the Prospectus, the fund requirements were based on the then prevailing conditions and were subject to change on account of changes in the external circumstances or costs, business situations etc. and in the event of variations in the actual utilization of funds earmarked for the purpose, increased fund requirements for a particular purpose may be financed by surplus funds, if any available in respect of the other purposes for which funds are being raised in the IPO. It was further disclosed in the prospectus that in the light of the evolving, increasingly competitive and dynamic market that your company is operating in, it may be necessary to revise the estimates, from time to time, on account of new projects, modifications in existing developments and initiatives that your Company may pursue including industry consolidation opportunities and your Company may also reallocate expenditure to newer projects or those with earlier completion dates in the case of delays in your company’s Ongoing and Forthcoming Projects. All this may require rescheduling of expenditure programmes, starting projects which are not currently planned and increasing or decreasing in the expenditure for a particular project or land development rights in relation to current plans, at the discretion of the management of your Company.

Your Company has incurred certain expenses on projects not specifically earmarked for utilization out of the proceeds of the IPO, by utilizing the funds not immediately required for earmarked projects. The funds so utilized include repayment of Loans of the Subsidiaries, firm in which your Company is a major partner and also advances to other subsidiary Company / firm whose project implementation is in progress. The Funds of the IPO proceeds not immediately deployed on Projects is invested in instruments of Mutual Funds.

The Monitoring Agency in its Report for the half year ended 31st March, 2010 comprising the period commencing from the date of hand over of funds in IPO to the Company till 31st March, 2010, has mentioned that the details of expenditure incurred on other ongoing projects not mentioned in the objects of the issue should be placed before shareholders in the Annual General Meeting for their ratification.

In terms of the Legal Opinion obtained by the Company, consequent on the information provided in the Prospectus, the Company may change the utilization of the IPO Proceeds, in the best interest of the Company and its shareholders upon an approval of the Board of Directors subject to statements made in the Prospectus and compliance with the listing agreement.

Your Directors have approved the actual utilization of IPO proceeds, in the best interests of the Company and its Shareholders and have considered that the same be placed before the shareholders for their ratification and also seek the approval for such user of IPO funds, as and when exigency arises, as a matter of good Corporate practice. Your Directors recommend the resolution for your approval and adoption.

None of the Directors of the Company is concerned or interested in the resolution under Item No. 6 of the Notice.

ITEM NO. 7:

As per Section 163 of the Companies Act, 1956 certain Registers and Documents viz. Register of Members, Index of Members and copies of Annual Returns prepared under Section 159 together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Companies Act, 1956 or any one or more of them, which are normally required to be kept at the Registered Office of the Company may be kept at any other place within the city, town or village in which the registered office is situated if such other place has been approved by a special resolution passed by the Members in General Meeting. M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 is the Company’s Registrar and Share Transfer Agent

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To meet the day to day requirements for shareholders' queries and other activities relating to transfers, transmissions etc., it is imperative that these documents are shifted to the Company's Registrar and Share Transfer Agents. Hence the approval of the Members is sought in terms of Section 163 of the Companies Act, 1956 for keeping the aforementioned registers and documents at the office of the Registrar and Share Transfer Agent as stated in the resolution. The Board of Directors recommend the resolution as proposed in the Notice for Member's approval.

None of the Directors of the Company is concerned or interested in the resolution under Item No. 7 of the Notice.

**By order of the Board
For D B Realty Limited**

**Place: Mumbai
Date: 28th July, 2010**

**(S A K Narayanan)
Company Secretary**

Registered Office:

DB House, Gen. A. K. Vaidya Marg,
Goregaon (E), Mumbai – 400 063.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT /REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT ENTERED INTO WITH THE STOCK EXCHANGES)**

Name of the Director	Mahesh Manilal Gandhi	Sundaram V Rajagopal	Michael B McCook
Date of Birth	08.12.1952	08.06.1967	25.04.1948
Date of Appointment	26.04.2007	20.06.2007	28.06.2008
Expertise in specific Functional Area	Over 30 years of experience in Asset Management, investment banking and corporate finance	Over 16 years of experience in Real Estate in United States, Europe and India	Over 33 years of experience in Real Estate industry in various aspects of real estate investment and managing asset classes; senior Investment officer of California public employees retirement system; Managing Director of operations in Newport Beach based Real Estate firm in North California
Qualification	Bachelor of Science; Master in Financial Management; Master in Law; Diploma in Journalism	Bachelor in Civil Engineering (Univ of Texas); Master in Structural Engineering (Univ of California); Master of Business Administration (Harward)	Masters in Business Management (Univ of Loyola, Marymount); Masters in Business Administration Univ of San Diego)
Directorship in other Public Companies as on 31.3.2010	1) Maharaja Heritage Resorts Limited 2) Apodis Hotels & Resorts Limited	Nil	Apodis Hotels & Resorts Limited
Chairman/Membership of Committee in other Public Limited Companies	Nil	Nil	Nil
No of Shares held in the Company	NIL	NIL	NIL

None of the Directors in the Board is related to any other Director.

Directors' Report

To
The Members
D B REALTY LIMITED

Your Directors have pleasure in presenting the 4th Annual Report on the business and operations of the Company along with the audited accounts for the financial year ended 31st March, 2010.

Financial Highlights

(Amount Rs.)

Particulars	Standalone		Consolidated	
	F.Y. 2009-10	F Y 2008-09	F.Y.2009-10	F.Y.2008-09
Gross sales and other receipts	2,848,038,342	2,906,281,427	9,803,387,276	4,712,318,283
Profit before interest and finance charges, depreciation, amortization and taxation	2,691,099,639	2,777,982,556	3,946,597,276	2,325,851,234
Interest and Finance Charges	356,540,385	193,135,918	726,113,259	746,815,160
Depreciation and amortization	54,159,213	28,361,960	95,535,595	73,895,869
Operational profit before tax	2,280,400,041	2,556,484,678	3,124,948,422	1,505,140,205
Provision for Tax	(6,500,000)	(1,970,051)	(413,258,359)	(66,944,730)
Less: Minority Interest	-	-	191,856,961	21,544,948
Add:Share of Profit/(Loss) in Associates (Net)	-	-	(63,061)	113,074
Profit after taxation	2,273,900,041	2,554,514,627	2,519,770,041	1,416,763,601
Balance brought forward	2,420,351,444	(134,163,183)	1,199,194,498	(217,569,103)
Balance carried to Balance Sheet	4,694,251,485	2,420,351,444	3,718,964,539	1,199,194,498
Net Worth	30,970,129,497	9,094,403,551	30,486,479,364	8,108,576,872

Major Events

During the year under review, your Company has successfully launched its Initial Public Offer of 32,051,282 Equity Shares of Rs. 10/- each for cash at a price of Rs. 468/- per Equity Share, through Book Building process resulting in aggregate gross IPO proceeds of Rs.15,000 million. The Issue constituted upto 13.18% of the post Issue paid-up capital. The IPO opened on 29th January, 2010 and closed on 2nd February, 2010 and was oversubscribed by 2.63 times. The Equity Shares of the Company were listed in Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE) and the trading in the shares of the Company commenced on 24th February, 2010 on both the stock exchanges. Prior to IPO, the following pre-launch activities were completed by the Company during the year under review:

- (a) The Company was converted as a public limited company and the name was changed to D B Realty Limited, pursuant to the shareholders' resolution dated September 5, 2009 and a fresh certificate of incorporation dated September 23, 2009 was received from Registrar of Companies, Mumbai;
- (b) The Company also increased its authorized share capital from Rs. 125,000,000 divided into 11,000,000 Equity Shares and 1,500,000 convertible cumulative preference shares of Rs. 10 each to Rs. 3,000,000,000 divided into 298,500,000 Equity Shares and 1,500,000 preference shares of Rs.10 each;
- (c) The Company converted the outstanding 810,000 Compulsorily convertible preference shares of Rs.10 each issued at a premium of Rs. 3,990 per share into 810,000 Equity Shares of Rs.10 each and 9,37,500 compulsorily convertible debentures of Rs.5,600 each into 937,500 Equity Shares of Rs.10 each at a premium of Rs.5,590 per Share which were earlier held by different Private Equity Investors/body corporate; and
- (d) The Company also issued and allotted bonus shares on 26.09.2009 in the ratio of 20 new fully paid up equity shares for each equity share held by the Shareholders by capitalizing part of the amount standing to the credit of Security Premium Account.

Performance Review

Post global economic crisis in the 3rd quarter, 2008, the Real Estate Industry witnessed a turn around and in early March, 2009, on the back of the Government's stimulus in the form of easing liquidity and allowing real estate companies to restructure the debt, your Company could position itself for better performance. Your Company is having strong presence in and around Mumbai, which has a significant shortage of developable open land and this underlines its strong fundamentals to cater to the demands in real estate of all income groups/strata of society.

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During the year under review, your Company, in the consolidated Financial Statements of the Group consisting of the Company, its subsidiaries, Firms, AOPs, Joint Ventures and Associates could post a robust growth as its total revenue increased from Rs. 471.23 crores in the previous year to Rs. 980.34 crores (108.04% increase), and the Company's Group Profit After Tax (PAT) stands at Rs.251.98 crores as compared to Rs. 141.68 crores (77.85% increase) in the corresponding previous year.

Business Initiatives

During the year, your Company through its Subsidiaries, Associates and Joint Ventures, wherein your Company holds substantial stake had launched (1) a high end residential project namely Orchid Crown, at Prabhadevi, Mumbai, (2) Orchid Suburbia at Kandivli, Mumbai and (3) Orchid Ozone at Dahisar, at the outskirts of Mumbai. The Company has its ongoing project Orchid Woods at Goregaon (East), Mumbai, and SRA project at Mahul. The Company received a very encouraging response for all the projects from various strata of society and has already commenced the initial stage of the development, in the Projects undertaken during the year.

The Company is also through one of subsidiaries slated to undertake one of major township development in Pimpri Chinchwad area of Pune which is expected to be launched shortly. The Company is also proposing to launch its other upcoming projects as soon as the requisite approvals are received.

The Company has received a Letter of Intent dated 26th July, 2010 from Executive Engineer, Building Construction Division, Govt of Maharashtra to develop Sector J of Government Colony at Bandra (East), Mumbai. The Company expects to develop approximately 8 million sq ft of world class enclave comprising of residential and commercial uses.

Over and above the ongoing and upcoming projects, your Company is constantly on the look out for various avenues of growth by exploring potential developments with a view to undertake both short term and long term property developments.

Dividend

With a view to conserve the resources and to meet the fund requirements for Company's growth plans, your Directors do not recommend any payment of Dividend for the year 2009-10.

Subsidiaries

Your Company has the following subsidiaries as on 31st March, 2010:

Name of the Subsidiary of D B Realty Ltd.	Shareholding (%)
1. D B Properties Private Limited	100.00
2. Esteem Properties Private Limited	100.00
3. Gokuldham Real Estate Development Company Private Limited	74.99
4. Neelkamal Realtors Tower Private Limited	50.72
5. Neelkamal Realtors Suburban Private Limited	66.00
6. Neelkamal Shantinagar Properties Private Limited	100.00
7. Real Gem Buildtech Private Limited	85.00
8. Saifee Bucket Factory Private Limited	100.00
9. D B Man Realty Limited	51.00
10. Priya Constructions Private Limited	100.00
11. D B Chandak Realtors Private Limited	70.00
12. Royal Netra Constructions Private Limited (Through D B Man Realty Limited)	50.40

The above Subsidiary Companies are engaged and/or proposing to launch some of the Company's Projects, as Special Purpose Vehicles. The Company is also through other associates, joint Ventures, firms, AOPs etc, acting as SPVs undertaking few other projects of development of the Properties for which it has acquired Development rights.

Particulars under Section 212 of the Companies Act, 1956, the Audited Statement of Account and the Auditor's Report of the Subsidiary Companies for the year ended 31st March, 2010 along with the Reports of the Board of Directors have not been annexed since, the Company has been exempted by the Central Government vide their letter No.F47/537/2010-CL-CL-III dated 21st June, 2010. Copies of the audited accounts of the Company's subsidiaries can be sought by any member by making a written request to the Company in this regard. The Consolidated financial statements have been prepared pursuant to the applicable Accounting Standards, the Listing Agreement and includes the financial information of its subsidiaries.

Finance Raising Arrangements

Your Company has adequate financial tie-ups with different Nationalised Banks and Financial Institutions for timely funding for property development.

Consolidated Financial Statements

In Compliance with the Accounting Standard 21 and the Listing Agreement entered into with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited, this Annual Report includes the consolidated Financial statements of D B Realty Ltd. and its subsidiaries, Associates, and Joint Ventures for the financial year 2009-10.

Cash Flow Statement

In Conformity with the provisions of clause 32 of the Listing Agreement with the Stock Exchanges, the Cash Flow Statement for the year ended 31st March, 2010 is annexed hereto.

Directors

On 14th September, 2009, the Company has reconstituted its Board prior to raising capital through IPO in conformity with Clause 49 of the Listing Agreement and as a part thereof, Mr. Karunchandra Srivastava and Mr. Chandan Bhattacharya, Independent Directors, were inducted in the Board. Further, Mr. Karunchandra Srivastava, Independent Director, was appointed as the Chairman of the Board of Directors of the Company, in place of Mr. Vinod Goenka, being the Promoter Chairman. The Company has also constituted various committees in compliance with Clause 49 of the listing agreement and also a Finance Committee to carry out functions mandated in terms of reference given to it.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Mahesh Gandhi, Mr. Sundaram Rajagopal, and Mr. Michael McCook are retiring by rotation at the forthcoming Annual General Meeting and being eligible have offered for their re-appointment as the Directors of the Company at the ensuing Annual General Meeting.

Brief resume of the retiring Directors proposed to be re-appointed, nature of their experience in their functional areas, name of the companies in which they hold directorship and membership/chairmanship of the Board Committee, as stipulated under Clause 49 of the Listing Agreement with the stock exchanges forms the part of Notice.

Fixed Deposits

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956, during the year under review.

Directors' Responsibility Statement

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) they had selected such accounting policies and applied them consistently and made judgements 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 profit of the Company for the year;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) they had prepared the annual accounts on a going concern basis.

Management Discussion and Analysis Report

Management Discussion and Analysis is given separately and forms part of this annual report.

Corporate Governance

Your Company firmly believes in and always practices good corporate governance. Your Company's objective is to create value in the market that can be sustained over the long-term for customers, shareholders, employees, business partners and society as a whole. It is believed by the Company that success of a corporate reflects the professionalism, conduct and ethical values of its managements and employees.

The report of Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of Annual Report. The Managing Director's declaration regarding compliance of Code of Business Conduct and Ethics for board members and senior management personnel forms part of Report on Corporate Governance.

The requisite certificate from Practising Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 of the Listing Agreement is annexed to this report.

D B REALTY LIMITED

(ANNUAL REPORT 2009 - 10)

Listing Fees

The Equity Shares of the Company are listed at the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company has paid the applicable listing fees to the above stock exchanges for the financial year 2010-11. The Company has entered into necessary agreements with the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for availing the Depository services.

Auditors

M/s. Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of the Company, hold office upto the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

Internal Control Systems and their adequacy

The management continuously reviews the internal control systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. The Internal Auditor of the Company conducts the audit on regular basis and the Audit committee reviews internal audit reports and effectiveness of internal control systems.

Internal Control Systems are implemented to safeguard the Company's assets from loss or damage, to keep constant check on the cost structure, to prevent revenue leakages, to provide adequate financial and accounting controls and implement accounting standards.

Investors' Relation and Grievances

Investors' relations have been cordial during the year. As a part of compliance, the Company has formed Shareholders' and Investor' Grievances Committee to deal with the issues relating to investors. There was 1 (One) investors' grievances pending as on 31st March, 2010. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent.

Conservation of Energy, Research and Development, Technological Absorption, Foreign Exchange Earnings and Outgo

Your Company is not covered by the schedule of industries which are required to furnish the information required in Form A pursuant to Section 217(1) (e) read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, The Company has not imported any technology or carried out any business of export or import and therefore the disclosure requirement against technology absorption are not applicable. The details of Foreign Exchange outgo are as under:

Value of imports of Capital Goods on c.i.f. basis for the year is Rs. 31, 07,476

Expenditure in Foreign Currency:

PARTICULARS	AMOUNT (Rs)
Professional Fees	92,77,917
Interest	16,33,25,375
Other Expenses	1,13,19,392

Information regarding Employees Relations/Particulars of Employees

Information as per Section 217(2A) of the Companies Act, 1956, (the Act) read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time forms part of this report.

Relations between employees and the management continued to be cordial during the year.

Acknowledgement

Your Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels and wish to convey their appreciation to the Banks, Financial Institutions, Government Authorities, customers and other business associates for their excellent assistance and co-operation and wish to place on record their gratitude to the shareholders and the investors for their trust, support and confidence in the Company

On behalf of the Board of Directors

Sd/-

Karunchandra Srivastava
Chairman

Date: 28-7-2010
Place: Mumbai

Annexure to Directors' Report for the year ended 31st March, 2010. Statement pursuant to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975

Sr. No.	Name	Nature of Employment/ Designation	Remuneration Received (Amt. in Rs.)	Qualification & Experience (Years)	Age in Years	Date of commencement of employment/ Date of Joining	Previous Employment (Designation)
1.	Mr. Vinod K. Goenka	Managing Director	85,00,000	B. Com. 26 Years	51	01-09-2007	Business
2.	Mr. Shahid Balwa	Managing Director	85,00,000	Matriculation 12 Years	37	01-09-2007	Business
3.	Mr. Asif Balwa	Executive Director	13,66,667	Matriculation 21 Years	41	01-09-2007	Business
		Chief Financial Officer	26,77,222			15-09-2009	
4.*	Mr. K S Bhatti	Group President (Taxation)	47,78,086	Post Graduate (Literature) 31 Years	58	01-12-2009	(Commissioner of Income Tax) Income Tax Department of Government of India.
5.	Mr .Rajiv Agarwal	Chief Operating Officer	36,44,059	B. Sc 25 years	49	01-09-2007	Dynamix Group C E O 24 years
6.*	Mr. Kedar Nath Gupta	Joint Chief Financial Officer	12,25,098	F.C. A, F.C.S, L.L.B 21 Years	44	11-11-2009	Omaxe Limited (Director of Finance & Accounts)
7.	Mr. Rajendra Chourse	Sr. Vice President - Project	28,75,681	B.E (Chemical Engg.) 30 years	55	11-07-2007	Gemplus Jewellery India Ltd -Gitanjali Group (Chief Operating Officer)
8.*	Mr. Vijender Kumar Sharma	Vice President – Regulatory	26,69,868	M. A. (Economics) M.B.A (FMS)	54	31-08-2009	Etisalat D B Telecom (P) Ltd. (Vice President – Regulatory)
9.	Mr. Vijaykumar Mathankar	Sr. Vice President	20,10,669	M. A (Economics)	65	16-08-2007	Commissioner, State Excise.

Note: Remuneration includes Basic Salary, HRA, Allowances, Bonus, Ex-Gratia and Company's Contribution to PF, LTA and Medical Reimbursement, perquisite for Car, Variable Pay, Commission but does not include Leave Encashment and Company's Contribution to Gratuity Fund.

The monetary value of perquisites is calculated in accordance with the provisions of the Income- Tax Act, 1961 and Rules made thereunder.

*Employed for part of the Year.

On Behalf of the Board of Directors

S/d

CHAIRMAN

MUMBAI,

DATE: 28-07-2010

MANAGEMENT DISCUSSION AND ANALYSIS

Going Public

Your company came out with an Initial Public offer in January, 2010. The issue received a good response from investors, both domestic and foreign. The issue was subscribed 3 times on the whole, with the QIB segment being oversubscribed by 4.4 times. We take this opportunity to thank the investors for the confidence they have reposed in us.

Industry structure and developments

Year 2009-10: The Indian Economy emerges from a tough scenario

The year 2009-10 saw India's property sector emerging from the acute credit crunch witnessed in 2008-09. Returning of liquidity and latent demand led to sales picking up in the last two quarters of the fiscal year. We expect the Reserve Bank of India to make a slow and gradual exit from its current accommodative monetary policy.

Going forward we expect the liquidity to be adequate due to the following reasons :

- High savings rate (currently at about 37% of the GDP).
- The Government of India is expected to borrow less than budgeted estimates due to robust response to the 3G spectrum and Broadband wireless access auction, lower subsidies and disinvestment of public sector companies.
- The RBI recently increased the repo and reverse repo rates, for reigning in domestic inflation which had crept up to double digits in June 2010. However such moves are more directional indicators rather than any serious attempt by RBI towards reducing liquidity.

Going forward, with accelerating GDP growth, rising consumer confidence, continuing benign monetary policy and buoyant capital markets, we expect the business uptrend to continue.

Our Background and Operations

Your company is embarking on a growth strategy which involves substantial expansion of current business.

The key strength of your company is its focus on urban renewal, redevelopment, joint development and public-private partnership projects in Mumbai Metropolitan Region. This strategy enables your company to access strategic locations and reduces upfront payments towards land costs. In addition, your company does not amass huge land banks which cannot be rapidly developed. We strongly believe that land is "stock-in-trade" from which value is derived by developing and churning it quickly to ensure consistent cash flow generation and value creation. This focus on execution and timely project completion is what we believe creates value for your company.

Our project portfolio comprises approximately 60 million sq. feet spread across 25 projects in Mumbai and Pune. Our strong presence across Mumbai is one of the key factors differentiating us from our competitors, since it is one of the most sought after real estate markets in India in terms of demand as well as property prices. Our residential portfolio currently covers projects catering to customers across all income groups.

Other projects include development of mass housing for the Government and generating Transferable Development Rights (TDR's), which are rights to redevelop additional built-up area in parts of Mumbai, north of the relevant development.

Your Company has a concentrated presence in Mumbai, which has been one of the most resilient real estate markets in the country. There are several reasons which contribute to Mumbai's resiliency in the Real Estate market:

- Mumbai is India's largest city and is considered the financial capital of the country. It generates about 5% of the total GDP of India.
- It serves as an economic hub of India, contributing about 10% of factory employment, 25% of industrial output, 33% of income tax collections, 60% of customs duty collections, 20% of central excise tax collections, 40% of India's foreign trade and Rs. 40 billion (US\$ 850 million) in corporate taxes.
- Mumbai's GDP is Rs 2,004 billion (US\$ 42.7 billion), and its per-capita income is Rs. 128,000 (US\$ 2,730), which is almost three times the national average of US\$ 1,056. Many of India's conglomerates (including Larsen and Toubro, State Bank of India, Life Insurance Corporation of India, Tata Group, Birla Group and Reliance), and five of the Fortune Global 500 companies are based in Mumbai. Many foreign banks as well as financial institutions like the Reserve Bank of India, Bombay Stock Exchange and the National Stock Exchange of India also have their corporate head offices in Mumbai.
- The city, with a population of about 19 million, is also known as the Indian seat of entertainment as it is the home to the Hindi film industry, the largest in the world.

Until the 1970s, Mumbai owed its prosperity largely to textile mills and the seaport, but the local economy has since been diversified to include engineering, healthcare and information technology, banking and financial services and consulting. As of 2008, the Globalization and World Cities Study Group (GaWC) has ranked Mumbai as an "Alpha world city", third in its categories of Global cities. Mumbai was ranked among the fastest cities in India for business startup in 2009.

The main commercial hubs in Mumbai island city are Nariman Point, Ballard Estate, Lower Parel, Worli, the western suburbs of Bandra-Kurla, Andheri, Malad and the central suburbs such as Powai. These areas attract significant demand for residential properties (both affordable as well as high end). Being the commercial, industrial and economic hub of the country, coupled with

geographic constraints of relatively small total land area, Mumbai has a higher population density than most other major cities across the world. Thus land in this city continues to be scarce compared to demand. Being the largest and also one of the fastest growing cities, there is an ever-growing demand from within the city as well as from people from various parts of the world to be a part of this Megalopolis.

Financial Review 2009-10

Key Ratios		
	FY 10	FY 09
EBIDTA Margin	40%	49%
Profit before Tax Margin	32%	32%
Net Profit Margin	26%	30%
Debt / Equity (times)	0.20	1.52

The operational revenues of the company for financial year 2009-10 increased to Rs. 9,512 million from Rs. 4,644 million, an increase of 105%. EBIDTA increased by 70% to Rs. 3,947 million from Rs. 2,326 million. The company earned cash profit of Rs. 2,615 million as against Rs. 1,491 million in the previous year. Net profit after providing for depreciation of Rs. 96 million and interest of Rs. 726 million is up by 78% to Rs. 2,519 million as against Rs. 1,417 million in the previous year. The Basic EPS for the year increased to Rs. 11.76 as against Rs. 6.76 in the previous year.

On the expenditure front, the total project expenditure for 2010 was Rs. 10,137 million versus Rs. 5,710 million in the previous year. This was due to ramping up of execution across all of the projects. The finance cost remained steady at Rs. 726 million versus Rs. 746 million in the previous year. Establishment expenses increased by 20% to Rs. 387 million from Rs. 322 million in the previous year, due to higher staff cost and marketing expenditure.

The year on year growth was due to robust market demand coupled with various marketing initiatives undertaken by your company to create strong brand awareness for its products. Your company will continue to focus in Mumbai, where we are amongst the largest developers.

Going forward, we would continue to focus on achieving higher sales and consequentially, generate higher cash flow which we believe is most imperative in the real estate business.

The company's debt-equity ratio as of March 2010 stood at 0.2 times, which is amongst the lowest in the real estate sector. Further we constantly monitor working capital constituents and operating cash flows. New projects are undertaken after a close and detailed scrutiny of the underlying business propositions and risk-reward evaluation to ensure steady returns.

The company had cash and cash equivalents of Rs. 9,801 million as on March 31, 2010. We endeavour to maintain high liquidity for investment in properties at an opportune time. Debtors increased to Rs. 3,058 million from Rs. 426 million. This was a result of the increase of the debtors pertaining to TDR sales. Further, in certain cases, on account of following percentage completion method, there is a slight lag between receipt of amount from customers and booking of sales. However, we expect the proportion of debtors to reduce going forward as various ongoing projects near different stages of completion. Loans and advances increased to Rs. 18,571 million from Rs. 12,455 million due to increase in advances to subsidiaries/associate companies for the construction activities undertaken by them in which your company has an economic interest.

Current liabilities increased to Rs. 7,387 million from Rs. 3,357 million. This was primarily due to an increase in Advance received from customers to Rs. 3,100 million from Rs. 1,132 million and increase in Other current liabilities to Rs. 2,117 million from Rs. 308 million.

Review of Operation 2009-10

Sales Breakup

(Rs. in Mn)

Project	FY 10	FY 09
Orchid Ozone	2,587	-
Orchid Woods	1,641	1,113
Mahul (TDR)	5,284	3,531
Total	9,512	4,644

Note: Revenue has been recognised for the above projects in accordance with percentage completion method

Sales

April 1, 2009 to March 31, 2010

Project	Area Sold (Sq. Ft.)	Sales Value (Rs. in Mn)
South / Central Mumbai	795,881	17,624
Western Suburbs	2,207,550	9,465
Total	3,003,431	27,089

Note : South / Central Mumbai Projects : Orchid Turf View, Orchid Heights, Orchid Crown
Western Suburbs Projects : Orchid Woods, Orchid Suburbia, Orchid Ozone

We launched the following projects in the financial year 2009-10:

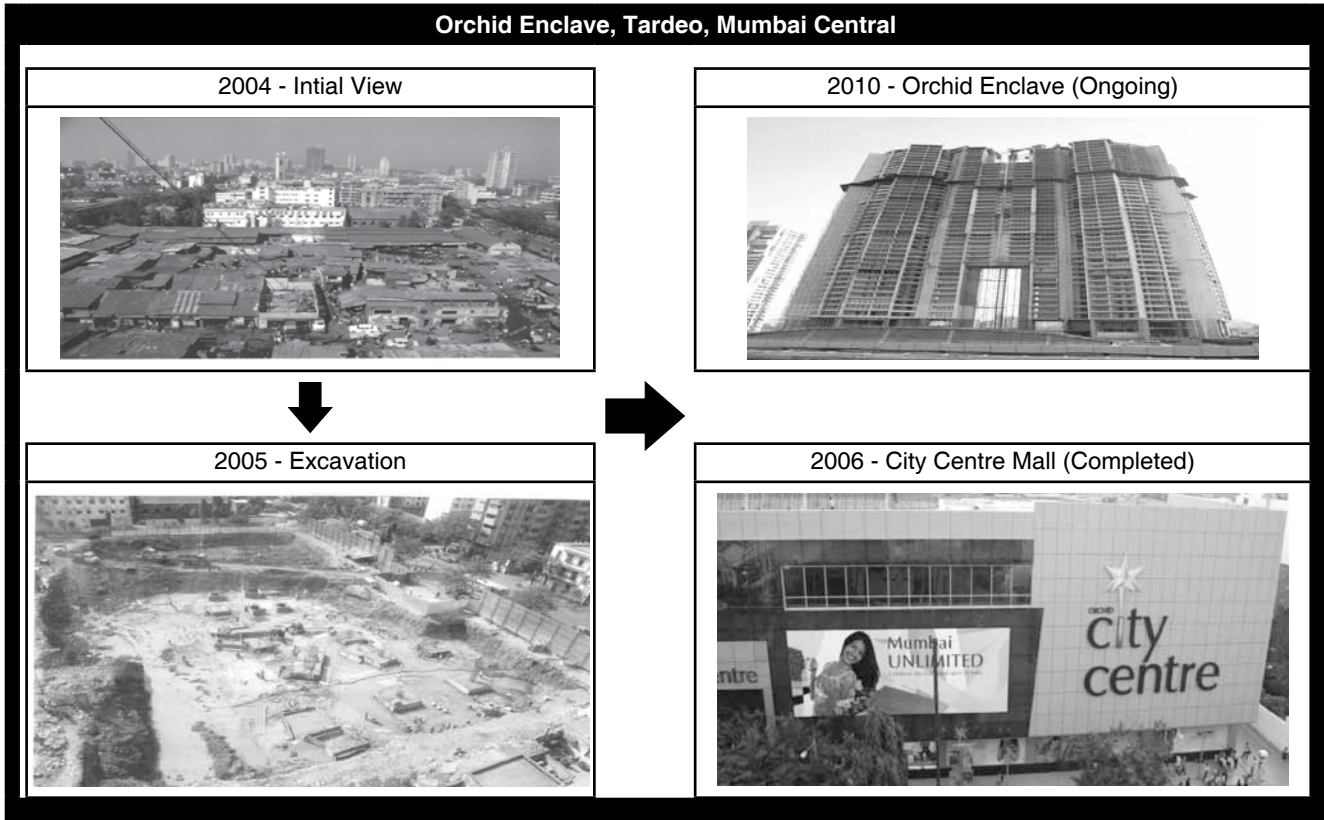
- Orchid Crown at Prabhadevi, Dadar (Saleable Area: 0.9 Million Sq. Feet)
- Orchid Heights at Jacob Circle, Mumbai Central (Saleable Area: 0.6 Million Sq. Feet)
- Orchid Suburbia at Kandivali West (Saleable Area: 0.5 Million Sq. Feet)

In addition, your company handed over 4,500 flats to the Slum Rehabilitation Authority under the Mahul Slum Rehabilitation project in the current year. The company has generated 6.45 million square feet of TDR's through this project thus far, and has sold 5.56 million square feet till March 31, 2010.

As this is our first interaction with the Shareholders, we would like to share our unique positioning and opportunities in front of us, which we believe would lead to steady and consistent growth.

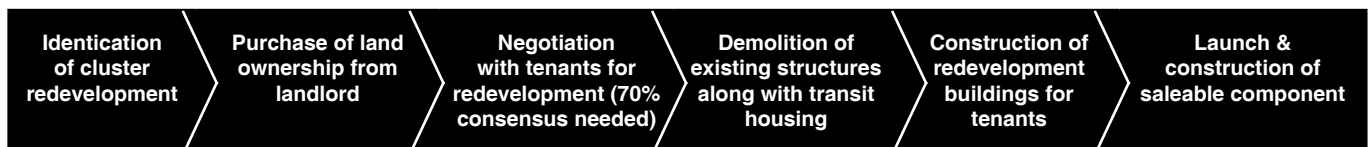
Rehabilitation of Tenants:

Our strength lies in our ability to create a win-win situation for all the stakeholders. Some of the projects completed by our group are a testimony of this approach. For example, at South Mumbai, our group company constructed a mall of 0.23 Million Sq. feet and the ownership of the same was handed over to the tenants. This was followed by construction of two residential towers for sale on balance land area.

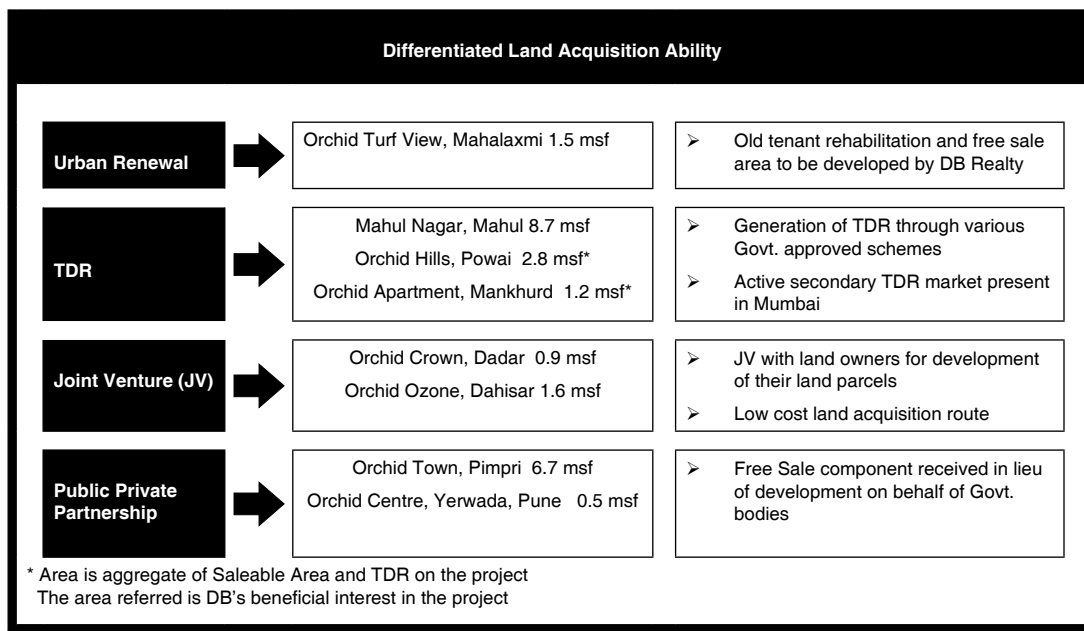


In this project we created a win-win situation for all the stakeholders, viz the land owner, the tenants, the developer and the Government. Land owner benefited as he was able to unlock the value of land which was fetching him meager rents. The tenants benefited as they became “owners” of the mall receiving rental income. The developer benefited through sale of the residential apartments. The Government benefited through increased revenues via property tax, income tax, VAT etc. The project was made into a case study which facilitated in the implementation of Urban Renewal policy by the Government of Maharashtra.

Process of an Urban Renewal project:



Identifying strategic locations for development:



Your company has developed a strong presence in Mumbai, which is one of the most lucrative real estate markets in the country, in terms of rate per square foot. Our familiarity with the market and understanding of the socio-economic environment in Mumbai has been instrumental in identifying developable parcels of land. A majority of your company's projects in Mumbai involve redevelopment, public private partnerships and joint development with partners who own land in strategic locations across the city. This is especially significant in Mumbai where land is a scarce resource and forms a substantial component of the total project cost. Joint development projects involve contribution of land by partners, while development cost is borne by the company in addition to some part of revenues or profits being shared with the partner. This provides greater flexibility in the usage of funds and allows the company to handle more projects than would otherwise have been possible.

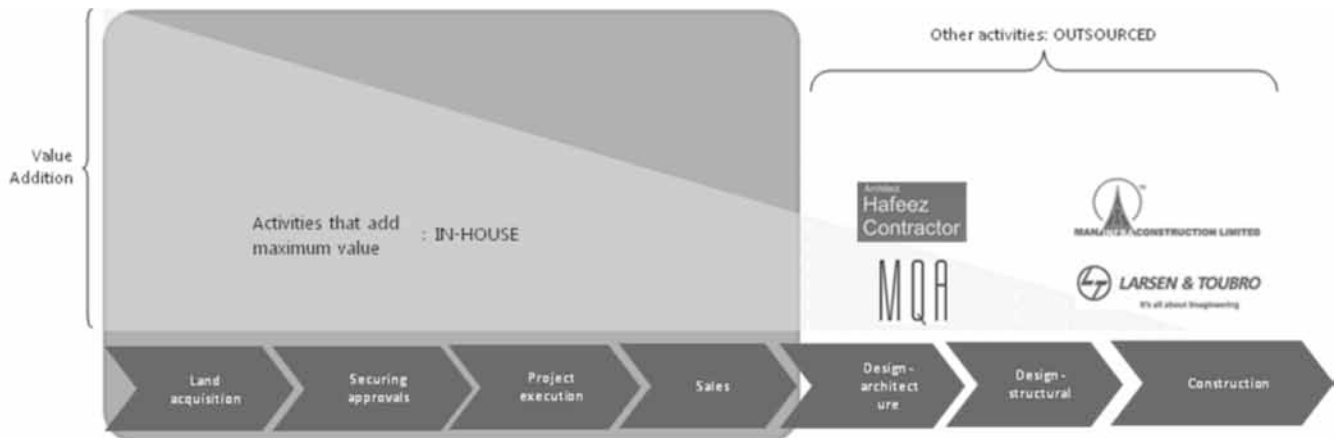
Keen focus on Project Execution:

Your company has a strong in-house project management and execution process teams. These teams gather relevant market data, assess the potential of a location after evaluating its demographic trends and identify relevant government schemes and incentives. Your company's project management team facilitates efficient operations and ensures consistent quality across all projects, thereby shortening project timelines and allowing the company to successfully execute complex projects. Your company's execution process team has developed relationships with third-party contractors and suppliers through working on multiple projects, and has experience in working with regulatory authorities.

Building relationship with Leading Contractors and Architects:

Your company partners with best-in-class contractors and architects for development of its projects. Also your company has developed strong ties with third-party contractors such as Larsen and Toubro, Man Infraconstructions Limited etc.

Outsourcing construction to sources who are best-in-class service providers enables the company to undertake more developments while optimally utilising our resources. Going forward your company intends to continue to outsource activities such as design, architecture and construction to well known and reputed firms and enhance and leverage our existing relationships with leading real estate service providers.



Strong in-house Demographic and Market research team:

Your company relies on a research-based approach for layout planning, FSI utilisation, unit size, fittings and interiors, and determining sales and marketing strategy. Depending on level of competition, regulatory practices and consumer preferences, the company alters its development mix and product design to ensure that its products cater to customer requirements. Your company continuously interacts with customers to receive direct feedback on the quality of its products.

Focus on cash flows:

Your company places great emphasis on project execution, which in turn generates cash flows at regular intervals based on attainment of project milestones. This is a key differentiating factor between D B Realty and its competitors. Your company has execution as its topmost priority.

Risks and Concerns

Macro Risks

- We have assumed that the present easy liquidity would continue for some time. If liquidity tightens, only those developers who manage to raise liquidity in the interim would benefit.
- For a revival in demand to be sustained, the economy would need to improve continuously. If the global economy again takes a turn for the worse, demand might decelerate.
- Lower interest rates have also helped turn housing affordable. If interest rates start rising, affordability might be hit, squeezing demand.

Micro Risks

- Going forward, there are signs of saturation in the TDR market. Further, the government has proposed to effect changes in existing regulations to increase the Floor Space Index (FSI) in the suburbs from 1.00 to 1.33 and this may result in dampening of TDR prices. With this in mind, your company will be cautiously approaching any new opportunities in this segment.
- We face risks associated with regard to the length of time needed to complete each project and there could be unscheduled delays and some cost overruns in relation to our ongoing and forthcoming projects.

Outlook

Indian Economy

There is a concern of double-dip recession in the USA and West European economies which might have a spill-over effect on the Indian economy. However, India has certain strong inherent advantages such as strong domestic consumption, favourable demographics, relatively low export dependence, and a well regulated financial sector. Also, with an average GDP growth rate of 7.5 to 8%, India's discretionary spending is projected to double over the next 5 years. This augurs well for the real estate market going forward.

Real Estate Sector

In recent years, the real estate sector has exhibited a trend towards greater transparency and organization, helped by various regulatory reforms. This trend has contributed to the development of more reliable indicators of value and has triggered investment in the real estate sector by domestic and international financial institutions. The nature and demand for property is also changing, with heightened consumer expectations that are influenced by higher disposable incomes, increased globalization and the introduction of new real estate products and services. These trends have been reinforced by the growth in the Indian economy, which has stimulated demand for developed real estate. Demand for residential and commercial real estate in Mumbai continues to be robust, accompanied with various initiatives taken by the government to scale up infrastructure.

Outlook for your company

With continuance of a general economic uptrend, your company expects to launch additional projects in South Mumbai and Western Suburbs of Mumbai. Our future launches are expected to generate significant buying interest given our track record of reasonable pricing, and this would generate steady stream of incremental cash flows going forward.

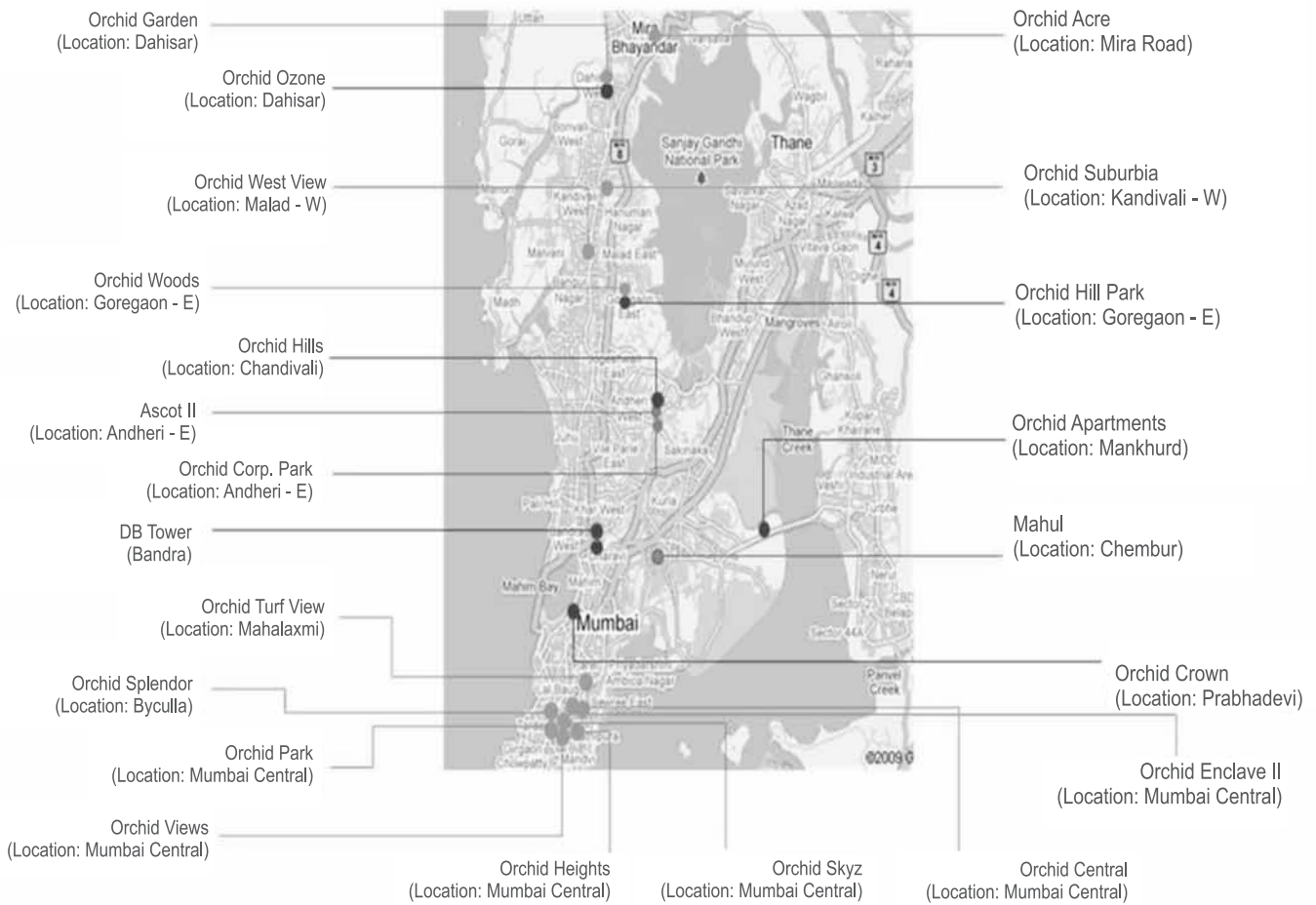
It is our constant endeavor to identify opportunities which would help us to consolidate our market leadership. In this context, we recently received a Letter of Intent from the Government of Maharashtra for redevelopment of Bandra Government Colony. This colony is located in the heart of Mumbai and can be considered as an extension of the Bandra – Kurla Complex. We believe this colony is one of the single largest land parcels available for development in Bandra, which is arguably one of the most sought after residential areas in Mumbai. Your company plans to build a world class enclave for residential and commercial users here. This project reemphasizes your company's focus on urban renewal in Mumbai. We expect the project to be completed over the next 5 to 7 years and this would result in substantial value accretion for your company. Your company would continue this endeavor to identify opportunities and convert the same. Further to this, your company has already identified few such opportunities and we are in the final stages of acquiring them. This would ensure that your company maintains leadership in the markets that your company operates.

Forward looking statements

Some of the statements in this management discussion and analysis may be "forward-looking statements", within the meaning of applicable laws and regulations. These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ from those contemplated by the relevant statement.

The following map shows the location of Ongoing and Upcoming Projects of your company in and around Mumbai:

Ongoing and Upcoming Projects



Pimpri Chinchwad (Location: Pune), Orchid Lawn (Location: Pune), Orchid Centre (Location: Pune) are not shown in the Map above.

Corporate Governance Report 2009-2010 of D B Realty Limited

Pursuant to Clause 49 of the Listing Agreement entered with the Stock Exchanges for the year ended 31st March, 2010, we provide the information of shareholders and investors of the Company as under:

The Shares of the Company got listed on the National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited (BSE) on 24th February, 2010.

I. The Company's Philosophy on Code of Corporate Governance

Your Company firmly believes in abiding by the Code of Corporate Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, shareholders, customers, vendors, and society. Your Company constantly endeavours and is committed to achieve the highest level of standards of corporate governance. The Company seeks to achieve this goal by being:

- Transparent in its business dealings by disclosure of all relevant information and by being fair to all stakeholders.
- By ensuring that the Company's affairs are managed by the Board of Directors comprising an appropriate combination of promoter Directors, Nominees of Private Equity Investors and Independent and professional Directors.
- Comply with all the applicable laws, rules and regulations of land in which the Company operates.
- Ensuring timely and accurate flow of information at various levels within the organization to enable the concerned personnel to discharge their functions effectively.

Your Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to achieve highest standards of Corporate Governance in the overall interest of all the stakeholders.

II. Board of Directors

A] Composition and Category of Board

The Company's policy is to maintain optimum combination of executive and non executive directors in compliance with the requirements of Clause 49 (I) (A) of the Listing Agreement. The present strength of the Board of Directors is 9 (nine), out of which (3) three are Independent Directors. Composition of the Board and category of Directors are as follows. The Chairman is Non Executive, Independent Director.

No.	Name of the Director	Category
1	Mr. Karunchandra A. Srivastava, Chairman	Non Executive, Independent Director
2	Mr. Vinod K. Goenka, Managing Director	Executive Director (Promoter)
3	Mr. Shahid U. Balwa, Managing Director	Executive Director (Promoter)
4	Mr. Shahzaad S. Dalal	Non-Executive, Non - Independent Director
5	Mr. Mahesh M. Gandhi	Non-Executive, Non - Independent Director
6	Mr. Pravin B. Rathod, Alternate Director to Mr. Mahesh M. Gandhi	Non-Executive, Non - Independent Director
7	Mr. Sundaram V. Rajagopal	Non-Executive, Non - Independent Director
8	Mr. Michael B. McCook	Non Executive, Independent Director
9	Mr. Chandan M. Bhattacharya	Non Executive, Independent Director

Eight Board Meetings were held during the Financial Year 2009–2010 i.e. on 25/06/2009, 13/08/2009, 14/09/2009, 22/09/2009, 26/09/2009, 01/10/2009, 16/12/2009 and 15/02/2010. The interval between any two meetings was not more than four calendar months.

Board of the Company is constituted as under:

Name	Category	Attendance Particulars			No. of other Directorships and Committee Memberships / Chairmanships (excluding DBRL)		
		Number of Board Meetings		Last AGM	Other Directorship	Committee Chairmanship	Committee Membership
		Held	Attended				
Mr. Karunchandra A. Srivastava@	NED & ID* Chairman	6	4	No	3	Nil	1
Mr. Vinod K. Goenka	ED** Managing Director	8	7	Yes	13	Nil	1

Mr. Shahid Balwa	ED** Managing Director	8	8	Yes	10	Nil	1
Mr. Shahzaad S. Dalal	NE& NID***	8	6	Yes	14	3	4
Mr. Mahesh M. Gandhi	NE& NID***	8	7	Yes	1	Nil	Nil
Mr. Pravin B. Rathod\$	NE & NID***	8	0	No	1	Nil	Nil
Mr. Sundaram V. Rajagopal	NE & NID***	8	2	No	Nil	Nil	Nil
Mr. Michael B. Mccook	NE & ID*	8	0	No	1	Nil	Nil
Mr. Chandan Bhattacharya@	NE & ID*	6	2	No	6	3	2

1] * Non-Executive & Independent Director

2] ** Executive Director

3] *** Non-Executive & Non Independent Director

4] \$ Mr. Pravin Rathod is appointed as Alternate Director to Mr. Mahesh Gandhi.

5] @ Mr. Karunchandra Srivastava & Mr. Chandan Bhattacharya have been appointed with effect from 14th September, 2009.

Note:

The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

In accordance with Clause 49, Memberships/Chairmanships of only the Audit Committee and Shareholders/Investors Grievance Committees of all public limited companies have been considered.

As detailed in table above, none of the Directors is a member in more than 10 Board level Committees of public Companies in which they are Directors, nor the Chairman of more than five such committees.

Mr. Asif Balwa and Mr. Rajiv Agarwal who were Whole Time Directors of the Company ceased to be Directors by resignation w.e.f 14th September, 2009. They resigned with a view to enable restructure of the Board pursuant to Clause 49 of the Listing Agreement.

B] Non-Executive Directors' Compensation Disclosures

All fees/compensation, if any paid to non-executive directors, including independent directors are fixed by the Board of Directors or its committee thereof and previously approved by the shareholders in their general meeting in any financial year and in aggregate.

The element of the remuneration package of the Non-Executive Directors consists of sitting fees. The Non-Executive Directors are paid sitting fees of Rs. 20,000/- each plus reimbursement of travelling and out of pocket expenses on actual basis for attending Board Meeting and Committee Meetings thereof.

The Company is availing the professional expertise of the Non-Executive Directors through their participation in the Board Meetings. None of the Independent Directors is holding any shares in the Company.

C] Code of Conduct

The Company has laid down a Code of Conduct for all its Board members and senior management personnel for avoidance of conflicts of interest and ensuring the highest standard of honesty, dedication and professionalism in carrying out their functional responsibilities. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement. The Code of Conduct is posted on the Company's website www.dbrealty.in. The Code has been circulated to all the members of the board and senior management and the compliance of the same have been affirmed by them. There are no commercial or material financial transactions, with the senior management personnel, where there is a personal interest that may have in a potential conflict with the interest of the Company at large. A declaration signed by the Managing Directors is given below:

"I hereby confirm that:

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of DBRL for the year ended 31st March, 2010 and the copy of the Code of Conduct is put on the website of the Company viz. www.dbrealty.in.

Mr. Vinod K. Goenka
Managing Director

Mr. Shahid U. Balwa
Managing Director

III. Audit Committee**Constitution of Audit Committee:**

The composition, role and power of the Audit Committee meet the requirements of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956. The Audit Committee comprises of Mr. Chandan Bhattacharya, Chairman, Mr. Karunchandra A. Srivastava, Member and Mr. Shahid Balwa, Member. All except Mr. Shahid Balwa are Non Executive Directors of the Company. All the members of the Audit Committee are financially literate. Mr. S A K Narayanan, Company Secretary, acts as Secretary to the Committee.

Mr. Chandan Bhattacharya, Chairman of the Audit Committee, has over 37 years of experience with State Bank of India, where he worked in various capacities and retired as Managing Director. He has experience in matters relating to banking operations – commercial and retail, capital markets, merchant banking, mutual funds and factoring apart from insurance business and securities market. Subsequently he was associated with SEBI Appellate Tribunal as Member between 2005 and 2008. He has also been associated as Member, Managing Committee of IBA from 2003 to 2005, Member, Executive Committee of FICCI from 2003 to 2005 and Chairman, Banking and Finance Committee of ASSOCHAM from 2003 to 2005.

Mr. Karunchandra A Srivastava holds Masters degree in Arts from Lucknow University and holds Diploma in Systems Management from Jamnalal Bajaj Institute of Management Studies, Mumbai and Diploma in Development Administration from Birmingham University, United Kingdom. Mr. Srivastava has over 38 years of experience in administrative services in various capacities including as Municipal Commissioner, Municipal Corporation of Greater Mumbai, Chairman of Second Maharashtra Finance Commission, Additional Chief Secretary of Government of Maharashtra, Joint Development Commissioner of Small Scale Industries, Government of India, and Land and Development Officer, Ministry of Works & Housing, Government of India.

Mr. Shahid Balwa has more than a decade of experience in hospitality and construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, Mumbai. The hotel won several international awards including the Five Star Diamond Award from American Academy Hospitality Sciences in the year 2006 and 2007 and the Best Luxury Hotel of the year 2006 from Hospitality India. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hyatt Hotel at Marine Lines, Mumbai. He is also the Member of Young President Organization (YPO).

Meetings of Audit Committee during 2009-2010

The Audit Committee met twice after it was constituted by a Resolution of the Board of Directors on 14th September, 2009. The Internal Auditors and the Statutory Auditors are also invited to the Committee. The Attendance of each Audit Committee member in the above meeting is given hereunder:-

Name	Audit Committee Meetings	
	Held	Attended
Mr. Chandan Bhattacharya	2	2
Mr. Karunchandra A. Srivastava	2	2
Mr. Shahid Balwa	2	2

Powers of Audit Committee:

The Board has delegated the following powers to the Audit Committee:-

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice;
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee:

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board of Directors, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board of Directors for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board of Directors' report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval;
- *5A Reviewing with the Management, the statement of uses / applications of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. Discussion with internal auditors any significant findings and follow up there on;
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
12. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

* Point No. 5A has been included vide Circular Resolution passed by the Board of Directors on 21st November, 2009

Review of Information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

IV. Remuneration Committee

The Board has constituted a Remuneration Committee on 14th September, 2009 comprising of three directors namely Mr. Karunchandra A. Srivastava, Mr. Shahzaad Dalal and Mr. Chandan Bhattacharya. The Remuneration Committee has been constituted to recommend/review the remuneration and increments of Executive Directors of the Company based on their performance and defined assessment criteria, in line with the non-mandatory requirements of Clause 49 of the Listing Agreement.

Remuneration policy

The Remuneration Committee shall have the power to determine the Company's policy on specific remuneration packages including pension rights and other compensation for Executive Directors and other Senior Employees of the Company equivalent to or higher than the rank of General Manager and the Committee shall have the jurisdiction over the matters listed below and for this purpose. The Remuneration Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- a. To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc.;
- b. Fixed and performance linked incentives along with the performance criteria;
- c. Increments and Promotions;
- d. Service Contracts, notice period, severance fees; and
- e. Ex-gratia payments.

The details of remuneration paid / payable to the Directors are as follows:

Director	Relation with DBRL	Sitting Fees	Remuneration paid during 2009-2010	
			Salary & perquisites	Total
Mr. Karunchandra A. Srivastava	NED & ID* Chairman	2,60,000	0	2,60,000
Mr. Vinod K. Goenka	ED** Managing Director	0	80,00,000	80,00,000
Mr. Shahid Balwa	ED** Managing Director	0	80,00,000	80,00,000
Mr. Shahzaad S. Dalal	NE& NID***	1,20,000	0	1,20,000
Mr. Mahesh M. Gandhi	NE& NID***	2,80,000	0	2,80,000
Mr. Pravin B. Rathod (Alternate to Mr Mahesh Gandhi)	NE & NID***	0	0	0
Mr. Sundaram V. Rajagopal	NE & NID***	1,00,000	0	1,00,000
Mr. Michael B. Mccook	NE & ID*	0	0	0
Mr. Chandan Bhattacharya	NE & ID*	80,000	0	80,000

* Non-Executive & Independent Director

** Executive Director

*** Non-Executive & Non Independent Director

V. Share Transfer Committee & Shareholders/Investors Grievances Committee

The Board constituted Share Transfer Committee & Shareholders/Investors' Grievance Committee on 14th September, 2009.

Share Transfer Committee comprises of Mr. Karunchandra A Srivastava, Mr. Vinod Goenka and Mr. Chandan Bhattacharya. The Committee is mainly authorised to approve the transfer / transmission of shares, dematerialization and rematerialization of shares, split, consolidation and issuance of duplicate shares and review from time to time overall working of secretarial department relating to shares of the Company. The Committee oversees the performance of the Registrars and Share Transfer Agents viz. Link Intime India Private Limited.

Shareholders/Investors Grievances Committee comprises of Mr. Karunchandra A Srivastava, Mr. Vinod Goenka and Mr. Chandan Bhattacharya. The Committee is mainly responsible to look into the redressal of all shareholders and investors complaints. The Committee has received the details of complaints in the nature of Non-receipt of Refund/shares etc from the Registrar to the issue and Share Transfer Agents from the closure of the IPO till 31st March, 2010, which were replied by the Registrar and Share Transfer Agent.

The functions of the Share Transfer Committee and Shareholders/Investors Grievance Committee were combined together since the constitution of the committees is the same and the matters were taken together and were noted as reported by the Registrar.

Mr. S A K Narayanan, Company Secretary, has been nominated as the Compliance Officer of the Company.

Name	Share Transfer Committee and Shareholders/Investors Grievances Committee meetings	
	Held	Attended
Mr. Karunchandra A Srivastava	2	2
Mr. Vinod Goenka	2	2
*Mr. Chandan Bhattacharya	2	2

* Mr. Chandan Bhattacharya is appointed as Member w.e.f. 16th December, 2009.

The total number of the complaints and /or requests received and transfer considered/resolved to the satisfaction of the investors during the year under review is as under:

No. of requests/complaints received:	35
No. of requests/complaints resolved:	34
No. of requests/complaints pending:	1**

**Resolved subsequently

VI. Finance Committee

The Board constituted Finance Committee on 16th December, 2009. The Committee comprises Mr. Sundaram Rajagopal, Mr. Vinod Goenka and Mr. Shahid Balwa. The Finance Committee met thrice on 8th February, 2010, 25th February, 2010 and 24th March, 2010.

Name	Finance Committee meetings	
	Held	Attended
Mr. Sundaram Rajagopal	3	3
Mr. Vinod Goenka	3	3
Mr. Shahid Balwa	3	3

VII. I P O Committee

The Board constituted the I P O Committee on 14th September, 2009. The Committee comprises of Mr. Karunchandra Srivastava, Mr. Mahesh Gandhi and Mr. Shahid Balwa. The I P O Committee met seven times on 6th January, 2010, 13th January, 2010, 21st January, 2010, 28th January, 2010, 2nd February, 2010, 5th February, 2010 and 16th February, 2010.

VIII. Subsidiary Monitoring framework

The revised Clause 49 defines a 'material non-listed Indian Subsidiary' as an unlisted subsidiary incorporated in India, whose turnover or net-worth i.e. paid-up capital and free reserves exceeds 20 percent of the consolidated turnover or net-worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

The Company has one material non-listed subsidiary within the meaning of the above definition namely Gokuldham Real Estate Development Company Private Limited.

The performance and management of the subsidiary companies is monitored inter alia by the following means:

- Financial Statements in particular the investments made by the unlisted subsidiary company are reviewed on a quarterly basis by the Audit Committee of the Company.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the board for its review.

IX. General Body Meetings:

The location, time and date where the last three Annual General Meetings of the Company were held are given hereunder:

Year	Location	Date of Meeting	Time
2008-2009	DB House, Gen A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063	15 th September, 2009	11.00 A.M.
2007-2008	DB House, Gen A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063	30 th September, 2008	11.00 A.M.
2006-2007	Dynamix House, Yashodham Gen A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063	13 th August, 2007	1.00 P.M.

The details of Special Resolutions passed in the last three Annual General meetings:

Year & Date	Type of Meeting	Brief particulars of the resolution
2008-2009 15-09-2009	3 rd Annual General Meeting	<ol style="list-style-type: none"> 1. Conversion of Existing Convertible Cumulative Preference Share Capital into Equity Shares pursuant to Section 95, 97, 81 (1A) of Companies Act, 1956. 2. Issue of 9,37,500 Equity Shares of Rs. 10/- each at premium of Rs. 5,590 per Equity Share to Walkinson Investments Limited on Conversion 9,37,500 Compulsorily Convertible Debentures of Rs, 5,600/- each pursuant to Section 81 (1A) of the Companies Act, 1956. 3. To offer / issue / allot Equity Shares of Face value of Rs. 10/- each for not exceeding Rs. 2500 Crores through Initial Public offer (IPO) pursuant to Section 81 (1A) and other applicable provisions of the Companies Act, 1956. 4. To make Investments, Loan, Guarantee and Security exceeding the limits prescribed under Section 372A of the Companies Act, 1956.
2007-2008 30-09-2008	2 nd Annual General Meeting	<ol style="list-style-type: none"> 1. Appointment of Mr. Vinod Goenka as Executive Chairman pursuant to applicable provisions of the Companies Act, 1956. 2. Appointment of Mr. Shahid Balwa as Managing Director pursuant to the applicable provisions of the Companies Act, 1956. 3. Approval and confirmation of Mr. Asif Balwa as Whole-time Director pursuant to the applicable provisions of the Companies Act, 1956. 4. Approve Payment to Non-Executive Directors pursuant to Section 309(4) of the Companies Act, 1956.
2006-2007 13-08-2007	1 st Annual General Meeting	<ol style="list-style-type: none"> 1. To make Investments, Loan, Guarantee and Security exceeding the limits prescribed under Section 372A of the Companies Act, 1956 upto Rs. 2500 Crores.

Resolution passed through Postal Ballot:

During the year under review, the Company has not passed any resolutions through Postal Ballot.

X. Disclosures

Materially significant related party transactions:

None of the transactions that transpired between the Company and its promoters, directors, management or their relatives were in a potential conflict with the interest of the Company. The details of transactions with the related parties are tabled before the audit committee on a quarterly basis. The register of contracts containing the transactions in which the Directors are interested was placed regularly before the Board. There were no pecuniary transactions directly with the Independent/ Non-Executive Directors, other than the payment of remuneration.

Status of Regulatory Compliances

The Company has complied with all the requirements of the Listing Agreement as well as the regulations and guidelines of SEBI and other statutory authorities. Consequently, there are no strictures or penalties imposed on any matter relating to capital markets during the last three years.

Management Discussion and Analysis Report

A Management Discussion and Analysis Report forms part of the annual report and includes discussion on various matters specified under Clause 49[IV] [F] of the Listing Agreement. The said Report is appearing elsewhere in this Report.

XI. Means of Communication:

The Audited/Unaudited Financial Results of the Company yearly/quarterly would be published in the English Newspaper and a vernacular newspaper.

XII. General Shareholders Information:

Details of Directors retiring by rotation

1. Mr. Mahesh Gandhi
2. Mr. Sundaram V. Rajagopal
3. Mr. Michael B McCook

1. Mr. Mahesh Gandhi

Mr. Mahesh M. Gandhi, aged 57 years, is a Non-Executive Director of our Company. He has been on the Board of our Company since April 26, 2007. Mr. Mahesh Gandhi holds a Bachelors degree in Science from University of Gujarat, a Masters degree in Financial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai, Masters degree in Law in the area of International Law and Tax practice from University of Gujarat, and a Diploma in journalism. Mr. Gandhi has over 30 years of experience in asset management, investment banking and corporate finance. He was involved in the launching of Millennium Capital Management Private Limited in 1998, which provides consultancy and advisory services. He has also been the chief executive officer of Jardine Fleming Asset Management Fund and the chief executive officer of Unit Trust of India's Investment Advisory Services from 1995 until 1996. He has also served General Insurance Corporation of India. The details of directorship, chairmanship and membership of Mr. Mahesh Gandhi are appearing elsewhere in this Report. Mr. Mahesh Gandhi does not hold any share in D B Realty Limited as on 31st March, 2010.

2. Mr. Sundaram V Rajagopal

Mr. Sundaram V. Rajagopal, aged 43 years, is a Non-Executive Director of our Company. Mr. Sundaram Rajagopal holds a Bachelors degree in Civil Engineering from University of Texas at Austin, Master's degree in Structural Engineering from the University of California at Berkeley and Master of Business Administration with distinction from Harvard Business School. Mr. Rajagopal has over 16 years of experience in the real estate industry. He served as the managing partner for Third Point India, LLC, a partnership dedicated to real estate and other special situation investments in India. Prior to joining Third Point India, he was vice president at Starwood Capital Group, a real estate private equity firm in Greenwich, CT, for three years where he focused on transaction execution for a variety of asset classes in the United States and Europe. Prior to joining Starwood Capital Group, he served as the Managing Director of Sundaram Architects Private Limited, Bangalore, India. The details of directorship, chairmanship and membership of Mr. Sundaram V Rajagopal are appearing elsewhere in this Report. Mr. Sundaram Rajagopal does not hold any share in D B Realty Limited as on 31st March, 2010.

3. Mr. Michael B McCook

Mr. Michael Brendan McCook, aged 62 years, is a Non-Executive, Independent Director of our Company. He has been on the Board of our Company since June 28, 2008. He holds a Bachelors degree in Business Administration from the University of Loyola Marymount in Los Angeles and Masters degree in Business Administration from the University of San Diego. Mr. McCook has over 33 years of experience in the real estate industry in aspects of real estate investment and managing the asset class. Previously he was the senior investment officer of real estate with the California public employees' retirement system, and also at Institutional Housing Partners, a Newport Beach-based real estate firm, where he served as the Managing Director of operations based in Northern California. The details of directorship, chairmanship and membership of Mr. Michael McCook are appearing elsewhere in this Report. Mr. Michael McCook does not hold any share in D B Realty Limited as on 31st March, 2010.

Mr. Mahesh Gandhi	Mr. Sundaram Rajagopal	Mr. Michael McCook
<p>The details of directorship (other than in DBRL) of Mr. Mahesh Gandhi are as follows:</p> <ol style="list-style-type: none"> 1. Millenium Capital Management Private Limited - Director 2. Maharaja Heritage Resorts Limited – Alternate to Yuvraj Shivraj Singh 3. Trikona Capital Services Private Limited - Director 4. Prama Consultancy Services Private Limited - Director 5. TCK Advisers Private Limited - Director 6. Duranta Energy Private Limited - Director 7. Apodis Hotel & Resorts Limited - Director <p>Mr. Mahesh Gandhi does not hold position of chairmanship and membership of committees (other than in DBRL) of any Company.</p>	<p>The details of directorship (other than in DBRL) of Mr. Sundaram Rajagopal are as follows:</p> <ol style="list-style-type: none"> 1. Repe Investment Advisors India Private Limited - Director <p>Mr. Sundaram Rajagopal does not hold position of chairmanship / membership of committees (other than in DBRL) of any Company.</p>	<p>The details of directorship (other than in DBRL) of Mr. Michael McCook are as follows:</p> <ol style="list-style-type: none"> 1. D B Hospitality Private Limited - Director 2. Resmark Partners LLC – Director 3. Tara Fund 111 – Director 4. Apodis Hotel & Resorts Limited – Director 5. South Asian Real Estate Limited – Director <p>Mr. Michael McCook does not hold any position of chairmanship and membership of committees (other than in DBRL) of any Company.</p>

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Other details for shareholders:

AGM Date, Time and Venue	29 th September, 2010 (Wednesday), 3.00 P.M. At Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra (East), Mumbai, 400051
Financial Year	1 st April – 31 st March
Book Closure	24 th September, 2010 to 29 th September, 2010
Listing on Stock Exchanges	Bombay Stock Exchange Limited and National Stock Exchange of India Limited Listing Fees for 2010-2011 have been paid.
Stock Code at BSE	533160
Stock Symbol at NSE	DBREALTY
ISIN of the Company	INE879I01012
Corporate Identification No. (CIN)	U70200MH2007PLC166818

Market Price Data

Month	Stock Exchanges					
	BSE			NSE		
	Share Price		Sensex	Share Price		Nifty
	High (Rs.)	Low (Rs.)	Close	High (Rs.)	Low (Rs.)	Close
February, 2010	473.00	412.50	16,429.55	471.90	412.45	4922.30
March, 2010	540.10	407.00	17,527.77	475.90	369.50	5249.10

Note

The Company's Shares got listed on BSE and NSE on 24th February, 2010.

Registrar and Share Transfer Agent:

M/s. Link Intime India Private Limited
C-13, Kantilal Maganlal Industrial Estate,
(Formerly Pannalal Silk Mills Compound),
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078, India.
Tel No: 022 - 2596 0320
Website: www.linkintime.co.in

Share Transfer System

The Registrar and Share Transfer Agent register the share transfers in physical form within 15 days from the receipt of the completed documents. Invalid Share transfers are returned within 15 days of receipt. All requests for de-materialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The Company also offers transfer cum demat facility.

Distribution schedule as on 31st March, 2010

Equity Shares held	Shareholders	Percent of Shareholders	Shares	Percent of Shareholding
1 – 500	4125	95.51	255375	0.11
501 – 1000	46	1.06	35542	0.01
1001 – 2000	15	0.35	23684	0.01
2001 – 3000	3	0.07	8118	0.00
3001 – 4000	5	0.11	18298	0.01
4001 – 5000	6	0.14	27431	0.01
5001 - 10000	22	0.51	146305	0.06
10001 and above	97	2.25	242744029	99.79
Total	4319	100.00	243258782	100.00

Shareholding Pattern as on 31st March, 2010.

Category		Number of Shares	Percentage of Holding
A	Promoter's Holding		
1	Indian Promoter	155760969	64.03
	Sub Total (A)	155760969	64.03
B	Non Promoter's Holding		
	Institutional Investors		
1	Mutual Funds/UTI	2162686	0.89
2	Financial Institution/Banks	3388192	1.39
3	Venture Capital Funds	1490538	0.61
4	Foreign Institutional Investors	19317902	7.94
	Non Institutional Investors	6267207	2.58
	Bodies Corporate	2113857	0.87
1	Individuals	3010	0.00
2	Non-resident Individuals	157500	0.06
3	Trusts	52216962	21.47
4	Foreign Companies	379959	0.16
5	Clearing Members		
	Sub Total (B)	87497813	35.97
	Grand Total (A+B)	243258782	100.00

Dematerialization of Equity Shares and liquidity

As at 31st March, 2010, 82.87 % of shareholding was held in dematerialized form with NSDL and CDSL, while 17.13 % were held in physical form.

Outstanding GDRs/ADRs/Warrants

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31st March, 2010, likely to have an impact on the equity share capital of the company.

Address for correspondence:

D B Realty Limited
 DB House, Gen A. K. Vaidya Marg,
 Goregaon (East), Mumbai – 400 063.
 Maharashtra

On behalf of the Board of Directors

Karunchandra Srivastava
Chairman

Place: Mumbai
 Date: 28.7.2010

Chief Executive Officer (CEO) and Chief Finance Officer (CFO) Certification

To

The Board of Directors of D B Realty Limited

Dear Sirs,

Sub: CEO/CFO Certificate

(Issued in accordance with provisions of Clause 49 of the Listing Agreement)

We have reviewed the financial statements and the cash flow statement of D B Realty Limited for the year ended March, 31, 2010 and that to the best of our knowledge and belief, we state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading:
- (ii) These statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; wherever applicable and
 - (ii) That there were no instances of significant fraud of which we have become aware.

Yours sincerely,

S/d

Asif Balwa
Chief Financial Officer

S/d

Shahid Balwa
Managing Director

Place: Mumbai

Date: 28th July, 2010

Practising Company Secretary's Certificate on compliance of conditions of Corporate Governance

To
The Members of
D B REALTY LIMITED

Corporate Governance Certificate

We have examined the compliance of conditions of Corporate Governance by D B REALTY LIMITED ("Company") for the financial year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

We have conducted our examination on the basis of relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S. Anantha & Co.,
Company Secretaries**

S/d

Date: 28th July, 2010
Place: Mumbai

S. Anantha Rama Subramanian
Proprietor (C. P. 1925-FCS 4443)

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

AUDITORS' REPORT

TO THE MEMBERS OF D B REALTY LIMITED

1. We have audited the attached Balance Sheet of D B Realty Limited ("the Company") as at March 31, 2010 and the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 (Auditors' Report) Order, 2003 (CARO) issued by the Central Government 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 above, we report as follows:
 - i) 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.
 - ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books;
 - iii) the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - v) without qualifying our opinion, we draw your attention to the following:
 - a) share of profit from partnership firms (net) Rs. 2,266,117,928 (Previous year Rs. 2,896,888,424) is based on the financial statements of partnership firms audited by other auditors whose reports have been furnished to us by the Management of the Company and our opinion is based solely on such audited financial statements.
 - b) Note 1B of Schedule 15(B) regarding guarantees issued to banks and financial institutions on behalf of various entities aggregating Rs. 20,231,695,000 (Previous year Rs. 21,465,565,000) are significant in relation to the net-worth of the Company as at that date. In the opinion of the management, these are not expected to result into any financial liability.
 - c) Note 14 of Schedule 15(B) regarding investments aggregating Rs. 385,188,120 (Previous year Rs. 411,132,515) and loans and advances aggregating Rs. 4,650,180,925 (Previous year Rs. 3,111,209,783) in/to certain subsidiaries and associates, which have incurred losses and also have negative net worth. As explained to us, these companies are at the start up stage of their real estate operations and the investments, loans and advances are considered good and recoverable based on assessment by the management of the projects under execution.
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
 - (iii) in the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date.
 - vii) On the basis of written representations received from the directors as of March 31, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as of March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117366W)

R. D. Kamat
Partner
(Membership No. 36822)

Mumbai, dated May 12, 2010.

ANNEXURE TO THE AUDITORS' REPORT

Re: D B Realty Limited

(Referred to in Paragraph 3 of our report of even date)

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, some of the fixed assets were physically verified during the year by the management in accordance with its programme which is reasonable. No material discrepancies were noticed by the management on such verification
- (c) The Company has not made any substantial disposal of fixed assets.
- ii) (a) Inventories comprise of expenditure on acquisition of plots of land and development thereof. As explained to us, such plots 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 are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company has maintained proper records of its inventories and as explained to us no material discrepancies were noticed on physical verification.
- iii) In respect of the loans, secured or unsecured, granted or taken by the Company to or from companies, firm 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 loans to seventeen parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding during the year is Rs. 7,650,510,321 and the year end balance of the loans granted to such parties was Rs. 7,450,090,669.
 - (b) The aforesaid loans are interest free except for loans of Rs. 3,822,731,432 as at year end. Based on explanations received from the management none of the other terms and conditions are prima facie, prejudicial to the interest of the Company. Attention is invited to Para 4 (v) (c) of Auditors' Report of even date.
 - (c) The said loans are repayable on demand and there are no repayment schedules. Hence, the question of overdue amount does not arise.
 - (d) There are eight companies covered under the register maintained under Section 301 of the Act from which the Company has taken loans. The maximum amount outstanding during the year is Rs. 2,636,582,590 and the year end balance of the loans taken from such parties was Rs. 1,286,890,000.
 - (e) According to the information and explanations given to us, the loans are interest free and other terms and conditions are not, *prima facie*, prejudicial to the interest of the Company.
 - (f) Since the said loans are repayable on demand and there are no repayment schedules, the question of repayment being regular does not arise.
- iv) As explained to us, the Company is in the process of strengthening internal controls *in respect of purchase of fixed assets and inventory (of land plots/parcels) to be commensurate with the size of the Company and the nature of its business*. The Company has not commenced sale of goods/ services from its own projects however, in respect of advances received amounting to Rs. 65,000,000 from customers against on-going projects of the group companies, as explained to us, *the Company is in the process of finalizing the term sheets/ agreements*. During the course of our audit, we have not observed continuing failure to correct major weaknesses.
- v) In respect of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered into the register, maintained under the said section have been so entered;
 - (b) Where each of such transactions (other than loans reported under paragraph (iii) above) in excess of rupees five lakhs in respect of any party, the transactions have been made at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

- vi) The Company has not accepted any Deposits from public during the year, hence, directive issued by Reserve Bank of India and the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 are not applicable.
- vii) A firm of Chartered Accountants has been appointed by the management for carrying out internal audit from October 1, 2009. In our opinion, the function is commensurate with the size of the Company and the nature of its business.
- viii) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 for the activities of the Company and hence the question of maintenance of such accounts and records does not arise.
- ix) According to information and explanations given to us, in respect of statutory and other dues:
 - (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues, as applicable, with the appropriate authorities during the year.
 - (b) No undisputed amounts payable in respect of aforesaid were in arrears as at 31st March, 2010 for a period of more than six months from the date they became payable except service tax of Rs. 858,991 on rent, not deposited based on certain judicial precedents.
 - (c) There are no dues of sales tax/income tax/customs duty/ wealth tax/ excise duty/service tax and cess, which have not been deposited as on March 31, 2010 on account of any dispute.
- x) As the Company has not completed five years since it's incorporation; the paragraph 4(x) of the order is not applicable.
- xi) In our Opinion and according to the Information and explanations given to us the Company has not defaulted in repayment of dues to a financial institution and bank. The Company had borrowed through debentures during the year which were converted into equity shares as per its terms of issue.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and any other securities and hence the maintenance of adequate records for this purpose does not arise.
- xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in mutual funds. According to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of such investments and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name *except in respect of investments in a partnership firm* as disclosed in Note 3 to Schedule 6 "Investments".
- xv) The Company had given guarantees (as referred at Para 4 (v) (b) of our Report of even date) in the earlier years to entities and the balance of Rs. 15,183,445,000 is still subsisting as at the year end and during the year, the Company has given guarantees of Rs. 4,448,000,000 to a subsidiary (other than wholly owned) and to a jointly controlled entity. We were explained that the Board of Directors have approved the same considering the long term business of the Company and the earlier years guarantees have been consented to in writing by the non-promoter group shareholders in those years. Based on such approvals/ written consents, the terms and conditions of such guarantees have been regarded as, prima facie, not prejudicial to the interest of the Company.
- xvi) *In our opinion and according to the information and explanations given to us, out of the term loan of Rs.1,880,000,000 from LIC Housing Finance Limited Rs.1,248,000,000 have been utilised towards part financing of other than specified projects for which the Company has written a letter to the lender for inclusion of such other projects for utilisation and the response from the lender is awaited.*
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- xviii) According to the information and explanations given to us, 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.
- xix) During the year, the Company issued unsecured compulsorily convertible debentures and all of them were converted into equity shares as per terms of its issue.

- xx) The Management has disclosed the end use of money raised by public issue at note 15(b) of Schedule 15(B). We have verified the same to the extent of utilization by the Company. With respect to utilisation by certain subsidiaries and a jointly controlled entity of a subsidiary, we have relied upon the end use certificates received from the auditors of those entities. We are informed that the monitoring agency (Punjab National Bank, Capital Market Services Branch, Mumbai) is to yet to submit their report.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.

For Deloitte Haskins& Sells
Chartered Accountants
(Registration No. 117366W)

R. D. Kamat
Partner
(Membership No. 36822)

Mumbai, dated May 12, 2010.

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

BALANCE SHEET AS AT MARCH 31, 2010

	Schedule No.	As At March 31, 2010		As At March 31, 2009	
		Rupees	Rupees	Rupees	Rupees
Sources of Funds :					
Shareholders' Funds					
Share Capital	1		2,432,587,820		91,200,000
Reserves and Surplus	2		28,537,541,677		9,008,552,323
Loan Funds					
Secured Loans	3		23,928,929		1,854,771,368
Unsecured Loans	4		3,166,890,000		5,911,582,590
	TOTAL		34,160,948,426		16,866,106,281
Application of Funds :					
Fixed Assets (At Cost)					
Gross Block	5	242,374,285		175,642,862	
Less: Depreciation		84,205,446		30,046,233	
Net Block		158,168,839		145,596,629	
Capital Work in Progress		7,266,510	165,435,349	14,737,700	160,334,329
Investments	6		17,734,772,300		6,556,745,571
Current Assets, Loans & Advances					
Inventories	7	973,706,391		645,523,222	
Cash and Bank Balances	8	431,772,222		488,762,005	
Loans and Advances	9	15,716,765,230		9,326,377,682	
Other Current Assets- Interest accrued but not due		1,597,929		-	
			17,123,841,772	10,460,662,909	
Less : Current Liabilities and Provisions	10				
Current Liabilities		847,615,083		312,513,460	
Provisions		15,485,912		4,471,840	
		863,100,995		316,985,300	
Net Current Assets			16,260,740,777		10,143,677,609
Miscellaneous Expenditure to the extent not written off or adjusted			-		5,348,772
	TOTAL		34,160,948,426		16,866,106,281
Significant accounting policies and notes to accounts	15				

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants**For and on behalf of the Board****R. D. Kamat**
Partner**Karunchandra Srivastava**
Chairman**Vinod Goenka**
Managing Director**Shahid Balwa**
Managing Director**Mahesh Gandhi**
Director**Sundaram Rajagopal**
Director**C.Bhattacharya**
Director

Mumbai Dated: May 12, 2010

Asif Balwa
Chief Financial Officer**S A K Narayanan**
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	Schedule No.	For the year ended March 31, 2010	For the year ended March 31, 2009
		RUPEES	RUPEES
I. INCOME			
Share of Profit from Partnership Firms, net		2,266,117,928	2,896,888,424
Other Income	11	581,920,414	9,393,003
TOTAL		2,848,038,342	2,906,281,427
II. EXPENDITURE			
Project expenses incurred during the year	12	319,817,618	208,936,087
(Increase)/Decrease in inventories	13	(328,183,169)	(206,841,372)
Establishment Expenses	14	165,304,253	126,204,156
Interest and finance charges		356,540,385	193,135,918
Depreciation / amortisation		54,159,214	28,361,960
TOTAL		567,638,301	349,796,749
Profit Before Tax		2,280,400,041	2,556,484,678
Provision For Taxation			
- Current Tax		(6,500,000)	-
- Deferred Tax		-	-
- Fringe Benefit Tax		-	(1,970,051)
Profit After Tax		2,273,900,041	2,554,514,627
Surplus/(Deficit) brought forward from earlier year		2,420,351,444	(134,163,183)
Balance Carried Forward to Balance Sheet		4,694,251,485	2,420,351,444
Earnings per share of Rs. 10 each			
Basic earning per share (Rs.)		10.61	12.20
Diluted earning per share (Rs.)		10.59	12.15
(Refer Note 7 of Schedule 15 (B))			
Significant accounting policies and notes to accounts	15		

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

R. D. Kamat
Partner

Karunchandra Srivastava
Chairman

Vinod Goenka
Managing Director

Shahid Balwa
Managing Director

Mahesh Gandhi
Director

Sundaram Rajagopal
Director

C. Bhattacharya
Director

Asif Balwa
Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai Dated: May 12, 2010

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

Particulars	For the year ended March 31, 2010		For the year ended March 31, 2009	
	Rupees	Rupees	Rupees	Rupees
A Cash flows from operating activities:				
Net Profit before Taxation	2,280,400,041		2,556,484,678	
Adjusted for:				
Depreciation	54,159,214		28,361,960	
Interest on Loans and Debenture Deposits	356,540,385		193,135,918	
Exchange Loss/(Gain) (Net)	(131,582)		332,766	
Dividend Income	(40,113,031)		-	
Share of (Profit)/ Loss in Partnership Firms, net	(2,266,117,928)		(2,896,888,424)	
Interest Income	(4,538,239)		(1,147,843)	
Operating Profit/ (Loss) before Working Capital changes	380,198,859		(119,720,945)	
Adjustments for :				
Loans and Advances	(6,205,426,083)		(1,804,079,337)	
Inventories	(328,183,169)		(206,841,372)	
Current Liabilities	433,370,962		(7,551,123)	
Provisions	4,514,072		(23,223,296)	
Cash used in operations	(5,715,525,359)		(2,161,416,073)	
Direct Taxes Paid	(5,008,807)		(1,820,016)	
Net cash used in operating activities	A	(5,720,534,166)		(2,163,236,089)
B Cash flows from investing activities:				
Purchase of Fixed Assets (including CWIP)	(59,687,710)		(105,245,289)	
<u>Long Term Investments in:</u>				
Subsidiary companies/Associate companies/ Partnership firms /Joint Ventures	(525,478,999)		(1,522,152,630)	
Return of Capital Contribution by Joint Venture	315,272,794		-	
Sale of Current Investments	56,700,000		-	
Dividend received	1,517,546		-	
Purchase of Current Investments	(40,407,685,306)		-	
Sale of Current Investments	31,507,925,537		-	
Changes in deposits under lien	(10,700,000)		(22,200,000)	
Interest received	2,940,310		1,147,843	
Net cash used in investing activities	B	(9,119,195,828)		(1,648,450,076)
C Cash flows from financing activities:				
Share Application Money received/(refunded)	-		(2,500,000)	
Proceeds from secured borrowings	-		1,854,138,820	
Repayment of secured borrowings	(1,830,842,439)		(1,454,734)	
Proceeds from Unsecured Loans	1,880,000,000		-	
Inter-corporate deposits, net	(1,349,692,590)		231,038,740	
Repayment of loan from directors	-		(28,820,370)	
Proceeds from Debenture Application Money	1,975,000,000		3,275,000,000	

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010 (Contd....)

Particulars	For the year ended March 31, 2010		For the year ended March 31, 2009	
	Rupees	Rupees	Rupees	Rupees
Proceeds from Initial Public Issue of equity shares	14,999,999,976		-	
Repayment of Unsecured Loan	-		(1,000,000,000)	
Interest paid on Loans and Debenture Deposits	(372,284,309)		(167,519,595)	
Share issue expenses	(530,140,427)		-	
Miscellaneous expenditure	-		(5,348,772)	
Net cash from financing activities	C	14,772,040,211		4,154,534,089
Net Increase / (Decrease) in Cash and Cash Equivalents	(A + B + C)	(67,689,783)		342,847,924
Add : Cash and Cash Equivalents (Opening)		456,262,005		113,414,081
Cash and Cash Equivalents (Closing)		388,572,222		456,262,005

Notes to Cash Flow:

- 1 Reconciliation of cash and cash equivalent:

Cash and Bank Balance (as per Schedule 8)	431,772,222	488,762,005
Less: Fixed deposits under lien/margin money	43,200,000	32,500,000
Cash and Cash Equivalents (Closing)	388,572,222	456,262,005
- 2 The Cash flow statement has been prepared under the indirect method as set out in accounting standard (AS3) Cash flow statement as notified by the Companies (Accounting Standard) Rules 2006.
- 3 Corresponding figures of previous year have been regrouped wherever necessary.

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

R. D. Kamat
Partner

Karunchandra Srivastava
Chairman

Vinod Goenka
Managing Director

Shahid Balwa
Managing Director

Mahesh Gandhi
Director

Sundaram Rajagopal
Director

C.Bhattacharya
Director

Mumbai Dated: May 12, 2010

Asif Balwa
Chief Financial Officer

S A K Narayanan
Company Secretary

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
SCHEDULE 1 :		
SHARE CAPITAL :		
AUTHORIZED :		
298,500,000 Equity Shares of Rs.10/- each (Previous year 11,000,000 Equity Shares of Rs 10 Each)	2,985,000,000	110,000,000
1,500,000 Preference Shares of Rs. 10/- each	15,000,000	15,000,000
TOTAL	<u>3,000,000,000</u>	<u>125,000,000</u>
ISSUED, SUBSCRIBED & PAID UP :		
Equity Shares		
243,258,782 (Previous year 8,310,000) Equity Shares of Rs. 10/- each fully paid up of the above	2,432,587,820	83,100,000
201,150,000 (Previous year : Nil) equity shares issued as bonus		
810,000 (Previous year : Nil) equity shares issued on conversion of preference shares		
937,500 (Previous year : Nil) equity shares issued on conversion of debentures (Refer Note 15(a) of Schedule 15 (B))		
0.001% Cumulative Convertible Preference Shares		
Nil (Previous Year 810,000) 0.001% Cumulative Convertible Preference Shares (CCPS) of Rs. 10/- each fully paid up (Refer Note 15(a) of Schedule 15 (B))	-	8,100,000
TOTAL	<u>2,432,587,820</u>	<u>91,200,000</u>
SCHEDULE 2 :		
RESERVES & SURPLUS :		
Securities Premium Account		
As per last Balance Sheet	6,588,200,879	6,588,200,879
Received on Conversion of Debentures	5,240,625,000	-
Received on Issue of Equity Shares (IPO)	14,679,487,156	-
Adjusted for issue of Bonus shares	(2,011,500,000)	-
Adjusted for Share Issue Expenses	(653,522,843)	-
Closing Balance	23,843,290,192	6,588,200,879
Profit & Loss Account		
	4,694,251,485	2,420,351,444
TOTAL	<u>28,537,541,677</u>	<u>9,008,552,323</u>

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 (Contd....)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
SCHEDULE 3 :		
SECURED LOANS :		
From Bank - Vehicle Loan (Refer Note (i) below)	23,928,929	24,490,858
From Financial Institutions:		
- Infrastructure Development Finance Company Ltd.	-	800,000,000
- IL & FS Financial Services Ltd. (IFIN)	-	1,030,280,510
(includes interest accrued and due Rs. Nil; Previous year Rs. 10,280,510)		
TOTAL	23,928,929	1,854,771,368

Note:

- (i) Vehicle Loans are secured by way of hypothecation of vehicles purchased

SCHEDULE 4 :

UNSECURED LOANS :

Others:

From LIC Housing Finance Limited (Refer Note 20 of Schedule 15(B))	1,880,000,000	-
Intercorporate Deposit (Interest Free)	1,286,890,000	2,636,582,590
Debenture application money	-	3,275,000,000
TOTAL	3,166,890,000	5,911,582,590

SCHEDULE 5 :

FIXED ASSETS :

(In Rupees)

Particulars	Gross Block (At Cost)				Depreciation/Amortisation				Net Block	
	As on 01-04-2009	Additions for the year	Deductions	As on 31-03-2010	As on 01-04-2009	For the year	Deductions	As on 31-03-2010	As on 31-03-2010	As on 31-03-2009
TANGIBLE ASSETS:										
Computers	3,904,865	2,870,630	-	6,775,495	1,729,716	1,152,224	-	2,881,940	3,893,555	2,175,149
Furniture & Fixtures	28,936,206	11,291,036	-	40,227,242	3,851,727	5,994,343	-	9,846,070	30,381,172	25,084,479
Office Equipments	3,335,246	2,687,851	-	6,023,097	404,560	491,155	-	895,715	5,127,382	2,930,686
Plant and Machinery -Air Conditioners	6,448,384	3,307,601	-	9,755,985	875,040	939,552	-	1,814,592	7,941,393	5,573,344
Vehicles	37,446,036	4,809,194	-	42,255,230	2,259,481	9,466,918	-	11,726,399	30,528,831	35,186,555
Improvement on Leasehold Property	88,184,128	29,964,883	-	118,149,011	18,069,499	33,088,325	-	51,157,824	66,991,187	70,114,629
Buildings	-	10,765,400	-	10,765,400	-	404,071	-	404,071	10,361,329	-
INTANGIBLE ASSETS :										
Software	7,387,997	1,034,828	-	8,422,825	2,856,210	2,622,625	-	5,478,835	2,943,990	4,531,787
Sub Total	175,642,862	66,731,423	-	242,374,285	30,046,233	54,159,213	-	84,205,446	158,168,839	145,596,629
Previous Year	79,765,965	95,876,897	-	175,642,862	1,684,273	28,361,960	-	30,046,233		
Capital Work in Progress (including advance of Rs 6,710,503 (Previous Year Rs. 14,737,700))									7,266,510	14,737,700
Total Fixed Assets									165,435,349	160,334,329

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 (Contd....)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
SCHEDULE 6 :		
INVESTMENTS :		
I] Long Term Investments (At Cost) (Unquoted) (Non Trade)		
(Refer Note No 11 and 14 of Schedule 15 (B))		
a) In Equity Shares of Subsidiary Companies, fully paid up		
Esteem Properties Private Limited	312,018,720	301,093,720
10,000 Equity Shares of Rs. 100/- each, fully paid (Previous Year 750 Equity shares of Rs. 100/- each fully paid)		
Gokuldham Real Estate Development Company Private Limited.	37,592,755	37,592,755
374,990 Equity Shares of Rs 100/- each fully paid (Refer Note 1 below) (Previous Year 374,990 Equity Shares of Rs 100/- each fully paid)		
Neelkamal Realtors Suburban Private Limited (Refer Note 2 below)	4,366,892	4,366,892
435,600 Equity Shares of 10/- each fully paid (Previous Year 435,600 Equity Shares of 10/- each fully paid)		
Neelkamal Shantinagar Properties Private Limited.	159,401	159,401
15,900 Equity Shares of Rs 10/- each fully paid (Previous Year 15,900 Equity Shares of Rs 10/- each fully paid)		
Neelkamal Realtors Tower Private Limited.	165,703,146	165,703,146
1,010,807 Equity Shares of Rs 10/- each fully paid (Refer Note 4 below) (Previous Year 1,010,807 Equity Shares of Rs 10/- each fully paid)		
D B Properties Private Limited	100,000	100,000
10,000 Equity Shares of Rs 10/- each fully paid (Previous Year 10,000 Equity Shares of Rs 10/- each fully paid)		
D B Man Realty Private Limited	5,100,000	-
(Formerly known as D B Hi-Class Construction Private Limited)		
510,000 Equity Shares of Rs 10/- each fully paid (Previous Year Nil)		
Real Gem Buildtech Private Limited	85,000	-
8,500 Equity Shares of Rs 10/- each fully paid (Previous Year Nil)		
Saifee Bucket Factory Private Limited	70,174,999	-
248 Equity Shares of Rs 1000/- each fully paid (Previous Year Nil)		
Priya Constructions Private Limited	100,000	-
10,000 Equity Shares of Rs 10/- each fully paid (Previous Year Nil)		
D B Chandak Realtors Private Limited	70,000	-
(Formerly known as Baramati Fruits & Vegetables Pvt. Ltd.)		
7000 Equity Shares of Rs 10/- each fully paid (Previous Year Nil)		
TOTAL (A)	595,470,913	509,015,914

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 (Contd....)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
b) In Preference Shares of Subsidiary Companies, fully paid up		
Gokuldham Real Estate Development Company Private Limited 3,000,000 (Previous Year 3,000,000) 0.1% Redeemable Cumulative Preference Shares of Rs 100/- each fully paid (Refer Note 1 below)	300,750,000	300,750,000
Neelkamal Realtors Suburban Private Limited (Refer Note 2 below) 1,050,000 (Previous Year 1,050,000) 10.50% Redeemable Cumulative Preference Shares of Rs 100/- each fully paid	105,262,502	105,262,502
Neelkamal Realtors Tower Private Limited (Refer Note 4 below) 660,918 (Previous Year 660,918) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares, Series B of Rs 10/- each fully paid	109,609,005	109,609,005
TOTAL (B)	515,621,507	515,621,507
c) In Equity Shares of Associate Companies, fully paid up		
Sangam City Town Ship Private Limited (Formerly known as Dharadhar Developers Private Limited.) 9,500 Equity Shares of Rs. 10/- each, fully paid (Previous Year 9,500 Equity Shares of Rs.10/- each fully paid)	95,000	95,000
Dynamix Building Materials Private Limited 1,000 Equity Shares of Rs 100/- each fully paid (Previous Year 1,000 Equity Shares of Rs 100/- each fully paid)	100,000	100,000
D B Hi-Sky Construction Private Limited 5,000 Equity Shares of Rs 10/- each fully paid (Previous Year 5,000 Equity Shares of Rs 10/- each fully paid)	50,000	50,000
Nine Paradise Hotels Private Limited 3,300 Equity Shares of Rs 10/- each fully paid (Previous Year 3,300 Equity Shares of Rs 10/- each fully paid)	33,000	33,000
Crossway Realtors Private Limited 2,800 Equity Shares of Rs 10/- each fully paid (Previous Year 2,800 Equity Shares of Rs 10/- each fully paid)	28,000	28,000
Heaven Star Realty Private Limited 2,400 Equity Shares of Rs 10/- each fully paid (Previous Year : Nil)	24,000	-
TOTAL (C)	330,000	306,000
d) In Equity and Preference Shares of company under Joint Control, fully paid up (Refer Note No. 5 below)		
M.K. Malls & Developers Private Limited		
- Equity Shares - 166,054 Equity Shares of Rs. 10/- each, fully paid (Previous Year Equity Shares - 166,054 of Rs. 10/- each, fully paid)	856,825,785	856,825,785
- Preference Shares - 166,054 0.001% Redeemable Optionally Convertible Cumulative Preference Shares of Rs. 10/- each, fully paid (Previous Year Preference Shares - 166,054 0.001% Redeemable Optionally Convertible Cumulative Preference Shares of Rs. 10/- each, fully paid)	135,000,241	135,000,241
TOTAL (D)	991,826,026	991,826,026

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 (Contd....)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
e) In Capital of Joint Ventures		
(i) which are considered as subsidiaries:		
Conwood - DB Joint Venture	237,879,732	72,879,732
ECC-DB Joint Venture	359,346,600	85,846,600
(ii) which are under joint control:		
Turf Estate Joint Venture	2,500,000	317,772,794
Lokhandwala Dynamix-Balwas Joint Venture	7,590,000	7,090,000
TOTAL (E)	607,316,332	483,589,126
f) Investment in Partnership firms		
M/s Dynamix Realty (entity under Joint control)	5,042,201,343	2,770,579,444
M/s D B S Realty (entity under Joint control)	2,717,618	3,267,460
M/s Mira Salt Works Company (Refer Note 3 below)	1,040,933,307	1,045,887,436
TOTAL (F)	6,085,852,268	3,819,734,340
Total of Long Term Investments I = (A + B + C + D + E + F)	8,796,417,046	6,320,092,913
II] Current Investments, (At lower of cost or fair value) (Unquoted) (Non Trade)		
a] In Equity Shares of Subsidiary Company, fully paid up		
Air Inn Private Limited	-	236,652,658
(Previous Year 37,500 Equity Shares of Rs. 100/- each, fully paid)		
TOTAL (G)	-	236,652,658
b] Investments in Mutual Fund(Quoted) (Refer Note No.6 below)		
50,008,840 (Previous Year Nil) units of Birla Sun Life Floating Rate Fund of Rs. 10/- each (Market value : Rs. 501,648,680)	501,169,512	-
29,988,858 (Previous Year Nil) units of Birla Sun Life Savings Fund of Rs. 10/- each (Market value : Rs. 300,092,506)	300,092,506	-
70,515,178 (Previous Year Nil) units of Birla Sun Life Short Term Fund of Rs. 10/- each (Market value : Rs. 705,539,610)	705,539,610	-
25,000,000 (Previous Year Nil) units of Canara Robeco Interval Series 2- Quarterly Plan 2 - Institutional Dividend Fund of Rs. 10/- each (Market value : Rs. 250,852,500)	250,000,000	-
96,541 (Previous Year Nil)units of Canara Robeco Treasury Advantage Super Institutional Daily Dividend Reinvestment Fund of Rs. 10/- each (Market value : Rs. 1,197,796)	1,197,797	-
100,000,000 (Previous Year Nil) units of DWS Fixed Term Fund of Rs. 10/- each (Market value : Rs.1,001,670,000)	1,000,000,000	-
25,097,132 (Previous Year Nil) units of DWS Ultra Short Term Fund of Rs. 10/- each (Market value : Rs.251,420,561)	251,420,561	-
25,008,716 (Previous Year Nil)units of ICICI Prudential Banking & PSU Debt Fund of Rs. 10/- each (Market value : Rs.250,789,910)	250,600,084	-
497,654 (Previous Year Nil)units of ICICI Prudential Flexible Income Plan Premium Daily Dividend of Rs. 10/- each (Market value : Rs.52,619,500)	52,619,500	-
59,933,172 (Previous Year Nil) units of ICICI Prudential Ultra Short Term Plan Super Premium Daily Dividend of Rs. 10/- each (Market value : Rs.600,590,318)	600,590,318	-
25,002,271 (Previous Year Nil) units of IDFC Fixed Maturity Plan -Quarterly Series 55 - Plan A- Dividend of Rs. 10/- each (Market value : Rs.250,530,256)	250,022,710	-

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 (Contd....)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
20,000,000 (Previous Year Nil) units of JPMorgan India Short Term Income Fund of Rs. 10/- each (Market value : Rs.200,176,000)	200,000,000	-
25,002,165 (Previous Year Nil) units of Kotak Quarterly Interval Plan Series 8-Dividend of Rs. 10/- each (Market value : Rs.250,530,256)	250,021,651	-
75,151,155 (Previous Year Rs. Nil) units of LIC Mutual Fund Saving Plus Fund of Rs. 10/- each (Market value : Rs.751,511,548)	751,511,548	-
14,971,510 (Previous Year Nil) units of L & T Select Income Fund- Flexi Debt Institutional -Dividend (Market value : Rs.150,198,687)	150,198,687	-
85,969,001 (Previous Year Nil) units of Reliance Medium Term Fund - Daily Dividend Plan of Rs. 10/- each (Market value : Rs.1,469,717,444)	1,469,683,061	-
49,985,004 (Previous Year Nil) units of Reliance Monthly Interval Fund Series I Institutional Dividend Plan of Rs. 10/- each (Market value : Rs.501,294,612)	500,000,000	-
49,981,506 (Previous Year Nil) units of Reliance Monthly Interval Fund Series -II Institutional Dividend Plan of Rs. 10/- each (Market value : Rs.500,169,937)	500,000,000	-
24,992,002 (Previous Year Nil) units of Reliance Quarterly Interval Fund of Rs. 10/- each (Market value : Rs.250,934,701)	250,000,000	-
25,024,053 (Previous Year Nil) units of Religare Credit Opportunities Fund- Institutional Monthly of Rs. 10/- each (Market value : Rs.251,676,911)	251,113,871	-
25,220,577 (Previous Year Nil) units of SBI-SHF-Ultra Short Term Fund-Institutional Plan Daily Dividend of Rs. 10/- each (Market value : Rs.252,357,098)	252,357,096	-
100,010 (Previous Year Nil) units of Taurus Ultra Short Term Bond Fund of Rs. 1,000/- each (Market value : Rs.100,157,937)	100,145,056	-
9,982,512 (Previous Year Nil) units of Principal Money Manager Fund -Institutional Dividend Reinvestment Daily - Dec-07 of Rs. 10/- each (Market value : Rs.100,071,685)	100,071,686	-
TOTAL (H)*	8,938,355,254	-
Total of Current Investments II = (G+H)	8,938,355,254	236,652,658
Total Investments (I + II)	17,734,772,300	6,556,745,571
* Investments include Rs. 8,938,355,254 (Previous year Nil) being balance of unutilised monies out of issue of shares through IPO.		

Notes :

1. The Company has pledged 100% of its investments in equity shares and preference shares of Gokuldharm Real Estate Development Company Private Limited, subsidiary company, in favour of banks which provided term loans of Rs. 201 crores to the said subsidiary.
2. The Company has pledged 51% of its total investments in equity shares of Neelkamal Realtors Suburban Private Limited, subsidiary company, in favour of bank which provided term loans of Rs. 50 crores, to the said subsidiary.
3. The above share in the partnership firm also includes share of two directors of the Company who act as nominees of the Company.
The said partnership firm became wholly owned subsidiary w.e.f. January 1, 2009.
4. The Company has pledged 51% of its total investments in equity and preference shares of Neelkamal Realtors Tower Private Limited, subsidiary company, in favour of banks which provided term loans of Rs. 200 crores, to the said subsidiary.
5. The Company has pledged 100% of its total investments in equity and preference shares of M K Malls & Developers Private Limited, jointly controlled entity, in favour of banks which provided term loans of Rs. 244.8 crores, to the said jointly controlled entity.
6. The movement in investment purchase and sale during the year has been disclosed in note 23 of Schedule 15 (B).

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 (Contd....)

	As at March 31 ,2010 Rupees	As at March 31 ,2009 Rupees
SCHEDULE 7 :		
INVENTORIES :		
Project Work in Progress* #		
Opening Balance	645,523,222	438,681,850
Add: Construction cost incurred during the year	319,817,618	208,936,087
Add:- Depreciation during the year	8,365,551	1,274,125
Less : Transferred to Profit and Loss account (adjustment to opening balance) (Refer Note 19(a) of Schedule 15 (B))	-	3,368,840
TOTAL	973,706,391	645,523,222
* includes Rs. 21,072,000 paid for leasehold land pending execution		
# Refer footnotes (i) and (ii) to Note 1 of Schedule 15 (B)		
SCHEDULE 8 :		
CASH AND BANK BALANCES :		
Cash on hand (includes cheques on hand Rs. 3,200,000, Previous Year Nil)	3,362,012	4,359
Balance with Scheduled Banks - (Refer Note 15 (b) of Schedule 15 (B))		
In Current Accounts	385,210,210	455,241,179
In Fixed Deposit Accounts (Refer notes below)	43,200,000	33,516,467
Notes:		
i. Includes Interest accrued and due of Rs.NIL, Previous Year Rs. 908,935		
ii. Includes as margin money deposit Rs. 31,200,000 and under lien for Rs 12,000,000, Previous year under lien Rs. 32,500,000		
TOTAL	431,772,222	488,762,005
SCHEDULE 9 :		
LOANS & ADVANCES :		
(Unsecured unless stated otherwise)		
(Refer Note 14 of Schedule 15 (B))		
Loan to subsidiaries	6,205,562,542	3,739,692,184
Loans to associates (Interest free)	737,646,389	557,442,099
Loan to others (Refer Note below this schedule)	1,132,819,885	266,087,304
Loans to partnership firms under joint control (Interest free)	6,636,057,866	4,022,786,309
Advance against Share Purchase	20,000,000	70,000,000
Advances recoverable in cash or in kind or for value to be received	602,115,869	334,765,914
Security Deposits	303,261,070	261,311,070
(Security deposits include amount aggregating to Rs. 261,000,000 (Previous Year Rs. 261,000,000) paid to the owners of land towards development of IT/ITES Park as per the agreement)		
Other Interest free deposits	88,385,713	88,385,713
Tax Deducted at Source	8,173,224	3,464,417
Advance Tax	300,000	-
	15,734,322,558	9,343,935,010
Less:- Provision for doubtful advances	17,557,328	17,557,328
TOTAL	15,716,765,230	9,326,377,682

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2010 (Contd..)

	As at March 31 ,2010 Rupees	As at March 31 ,2009 Rupees
Loans and Advances		
Considered Good	15,716,765,230	9,326,377,682
Considered Doubtful	17,557,328	17,557,328
TOTAL	15,734,322,558	9,343,935,010

Note: Loan to others include balances with body corporate under the same management as under:

Name of the party	Balance as on March 31, 2010	Balance as on March 31, 2009	Maximum Outstanding Balance during the Year 2009-10
D B Hospitality Private Limited	-	-	392,978,482

SCHEDULE 10 :

CURRENT LIABILITIES AND PROVISIONS:

CURRENT LIABILITIES

Outstanding dues of micro enterprises and small enterprises @	110,871	439
Outstanding dues of Creditors other than micro enterprises and small enterprises	308,056,686	113,172,551
Interest Accrued but not due on loans	145,783	5,609,197
Other Current Liabilities	474,301,743	106,231,273
Advances from customers	65,000,000	87,500,000
SUB TOTAL (A)	847,615,083	312,513,460

PROVISIONS

For Income Tax	6,500,000	-
For Fringe Benefit Tax Payable (net of taxes paid)	205,912	205,912
For Gratuity	3,768,438	1,949,197
For Compensated absences	5,011,562	2,316,731
SUB TOTAL (B)	15,485,912	4,471,840
TOTAL (A) + (B)	863,100,995	316,985,300

@ Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Description	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
a) Principal amount remaining unpaid as at period / year end	110,871	439
b) Interest due thereon as at period / year end	-	-
c) Interest paid by the Company in terms of section 18 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e) Interest accrued and remaining unpaid as at period / year end	-	-
f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	For the year ended March 31, 2010 Rupees	For the year ended March 31, 2009 Rupees
SCHEDULE 11 :		
OTHER INCOME :		
Dividend on Mutual Fund Investment	40,113,031	-
Interest on Loan to others (Tax Deducted at source Rs. 4,221,840) (Previous Year Rs. 1,823,034)	537,137,562	8,045,160
Interest on Bank Fixed Deposit (Tax Deducted at source Rs. 482,029) (Previous Year Rs. 238,049)	4,538,239	1,147,843
Exchange Gain (Net)	131,582	-
Miscellaneous Income	-	200,000
TOTAL	581,920,414	9,393,003
SCHEDULE 12:		
PROJECT EXPENSES INCURRED :		
Land acquisition and purchase of tenancy rights	221,545,472	56,579,428
Project Salaries, Wages and Bonus (including Managerial Remuneration)	61,127,099	51,031,797
Contribution to Provident fund and other	243,930	267,700
Other project expenses	36,901,117	101,057,162
TOTAL	319,817,618	208,936,087
SCHEDULE 13:		
(INCREASE)/DECREASE IN INVENTORIES :		
Opening Inventory - Project Work in progress	645,523,222	438,681,850
Closing Inventory - Project Work in progress	(973,706,391)	(645,523,222)
TOTAL	(328,183,169)	(206,841,372)

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010 (Contd.)

	For the year ended March 31, 2010 Rupees	For the year ended March 31, 2009 Rupees
SCHEDULE 14 :		
ESTABLISHMENT EXPENSES :		
Payment to and Provision for employees:		
a) Salaries, Wages and Bonus	15,893,707	16,855,950
b) Contribution to Provident Fund and Other	424,166	358,677
c) Staff Welfare and Other Amenities	8,363,920	5,038,673
Rent (Refer Note 6 of Schedule 15 (B))	8,993,935	11,087,380
Repairs and Maintenance	2,990,236	2,457,659
Legal and Professional Charges	49,579,022	33,873,603
Donations	3,967,102	3,221,302
Advertisement and Publicity	51,815,000	31,920,134
Books, Periodicals, Subscription & Membership Fees	3,850,476	183,784
Directors Sitting Fees	800,000	160,000
Printing and Stationery and Telephone Charges	1,835,292	2,327,543
Travelling and Conveyance Expenses	4,473,588	5,747,179
Provision for Doubtful Advances	-	10,000,000
Exchange Loss (Net)	-	332,766
Provision for Diminution in Investment	240,231	-
Miscellaneous Expenses (Refer note below)	12,077,578	2,639,506
Total	165,304,253	126,204,156

Note:

Miscellaneous Expenditure includes security charges, house keeping expenses, garden expenses, electricity expenses, water charges, office expenses, web hosting charges, hiring charges, maintenance charges, etc.

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

SCHEDULE 15:

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS:

A) SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

2. USE OF ESTIMATES

The preparation of the financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

3. FIXED ASSETS

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

4. DEPRECIATION/AMORTISATION

Depreciation on fixed assets, other than leasehold improvements and computer software, is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. The cost of improvements on leasehold properties is amortized over the period of the lease. Computer software is being depreciated on straight line basis over a period of 3 years.

5. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

6. INVENTORIES

Inventories are valued at lower of cost and net realizable value. Project work in progress cost include costs incurred, as applicable, upto the completion of the project viz. cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. Project and construction related work in progress includes any adjustment arising due to foreseeable losses.

Inventory also includes cost incurred (including tender fees/ deposit) in relation to infrastructure projects for which the Company has submitted the bids. Such costs incurred are evaluated regularly by the management and in respect of unsuccessful bids, all cost incurred, other than refundable tender deposit, are charged to profit and loss account at that time. The amounts of such refundable tender fees are grouped under "Loans and Advances".

7. REVENUE RECOGNITION

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method, subject to transfer of significant risk and rewards to the buyer. The percentage of completion is 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 and atleast 20% of construction cost (excluding cost incurred in acquisition of land and its development rights) is incurred. Accordingly, cost of construction / development is charged to the profit and loss account in proportion to the revenue recognized during the period and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable / payable are reflected as Debtors/Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes to estimates is recognized in the period such changes are determined.

8. INVESTMENTS

a) Current Investments are carried at lower of cost and fair value, computed script wise. Long term Investments including interests in subsidiaries, associates and jointly controlled entities are stated at cost. Provision for diminution in the value of Long term investments is made only if decline is other than temporary.

- b) As regards investments in partnership firms, Company's share of Profit/Loss from partnership firms are accounted in respect of the year ended as on the balance sheet date, on the basis of their audited accounts.

9. EMPLOYEE BENEFITS

- a) Defined Contribution Plan:

Company's Contribution paid/payable for the period to Defined Contribution retirement benefit plan is charged to Profit and Loss account.

- b) Defined Benefit Plan and other long term benefit:

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

- c) Short term employee benefits:

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

10. OPERATING LEASE

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

11. FOREIGN CURRENCY TRANSACTIONS

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

In case of monetary items which are covered by forward contracts, the difference between the period end rate and the rate on the date of the contract is recognized as an exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.

12. SHARE ISSUE EXPENSES

Share issue expenses are carried forward as miscellaneous expenditure to the extent not written off and on issuance of shares are adjusted against Securities Premium Account.

13. BORROWING COST

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing cost are charged to revenue.

14. TAXES ON INCOME

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable effective tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted or substantively enacted effective tax rates as on the balance sheet date.

At each balance sheet date the company reassesses recognised deferred tax assets and liabilities and recognises unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

15. PROVISIONS AND CONTINGENT LIABILITY

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized in the financial statements nor disclosed in the financial statements.

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

B) NOTES TO THE ACCOUNTS:

The Company was a private limited company and became public limited w.e.f. September 23, 2009.

1) Contingent Liabilities and commitments:

	As at March 31, 2010 (Rupees)	As at March 31, 2009 (Rupees)
A. Estimated amount of contracts remaining to be executed on the capital account (net of advances) and not provided for	4,270,666	13,456,900
B. Guarantees to banks and financial institutions (in India and overseas) against credit facilities extended to (Refer Note 2)		
a) Subsidiaries		
- Neelkamal Realtors Suburban Private Limited (Refer note vi below)	1,000,000,000	1,000,000,000
- Gokuldham Real Estate Development Company Private Limited	960,000,000	960,000,000
- Neelkamal Realtors Tower Private Limited	2,004,125,000	4,125,000
Sub Total (A)	3,964,125,000	1,964,125,000
b) Partnership Firm (Refer note i below)		
- Dynamix Realty Sub Total (B)	1,084,125,000	1,404,125,000
c) Jointly Controlled Entity		
- M K Malls & Developers Private Limited (Refer note iii below) Sub Total (C)	-	-
d) Companies under the same management		
- Etisalat DB Telecom Private Limited	-	6,070,000,000
- Allianz Infratech Private Limited (wholly owned subsidiary of Etisalat DB Telecom Private Limited) (Refer note v below)	420,000,000	420,000,000
- D B Hospitality Limited, Mauritius (wholly owned subsidiary of DB Hospitality Private Limited) (USD 138 Million)	6,229,320,000	6,441,440,000
Sub Total (D)	6,649,320,000	12,931,440,000
e) Others		
- Neelkamal Realtors and Builders Private Ltd. (Refer note iv below)	4,125,000	4,125,000
- Tiger Trusties Private Limited (Refer note ii and v below)	8,530,000,000	8,530,000,000
Sub Total (E)	8,534,125,000	8,534,125,000
Grand Total (A+B+C+D+E)	20,231,695,000	24,833,815,000

Notes:

- (i) Together with collateral security of the Company's that piece and parcel of plot of land admeasuring 23,454 sq yards or thereabout in Foras Road Land Commissioners' Map (Tardeo Division in D ward of MCGM- Bachuwadi Land).
- (ii) Together with collateral securities of the Company's that property admeasuring 80,934 sq meters at Malad (East), Mumbai with all including all development rights, unutilized Floor Space Index/or such other FSI that may be granted in future.
- (iii) No amount has been utilized towards a total corporate guarantee provided of Rs. 2,448,000,000 (Previous year: Rs. Nil).
- (iv) Towards vehicle loan.
- (v) Towards financial and performance guarantee.
- (vi) The concerned bank has approved the release of the corporate guarantee amounting to Rs. 50 crores on May 12, 2010.

	As at March 31, 2010 (Rupees)	As at March 31, 2009 (Rupees)
C. Arrears of Dividend on 0.001 % compulsorily Convertible Cumulative Preference shares (CCPS), later on during the year converted into equity shares.	185	147
D. Contingent payments to the holders of CCPS (converted into equity shares during the half year ended September 30, 2009) as well as equity shares subscribed in 2007-08 – Representing the amount payable or adjustable on exercise of various exit options by the holders based on agreement entered with them	-	Amount unascertainable
E. Impact of various amendments to service tax in construction industry as per Finance Act, 2010 not determinable as the effective date / abatement to be notified.	Amount unascertainable	-

- 2) With respect to above guarantees, the Company is confident that those entities would fulfill their obligations under those funded and non funded credit facilities.

Further, the Company has also given during the year corporate guarantees amounting Rs. 4,448,000,000 to banks on behalf of subsidiary Company (other than wholly owned) and jointly controlled entity towards the credit facilities granted to them which are secured against the first and pari-passu charge on the property of those respective borrower companies/ co-obligants.

The Company has received in its favour irrevocable and unconditional personal guarantees for an amount aggregating USD 138 million plus Rs. 16,570 million from each of its Managing Director in their personal capacity. On that basis, the Company does not expect any financial liability on this account at present.

- 3) Payment to Auditors (included in Legal and Professional charges and IPO related fees adjusted to Securities Premium) :

Particulars	For the year ended March 31, 2010 (Rupees)	For the year ended March 31, 2009 (Rupees)
a) Statutory Audit	2,500,000	1,250,000
b) Certification and IPO related work	5,470,000	2,550,000
c) Out of pocket expenses	11,832	10,918
d) Service tax on above	822,129	393,779
Total	8,803,961	4,204,697

- 4) Managerial remuneration:

Particulars	For the year ended March 31, 2010 (Rupees)	For the year ended March 31, 2009 (Rupees)
a) Salaries and allowances	29,329,745	22,171,165
b) Contribution to provident and other funds	4,264	780
c) Perquisites	-	-
d) Directors' sitting fees	800,000	160,000
Total	30,134,009	22,331,945

Notes:

- a) The above remuneration for the year also includes remuneration of Rs. 250,000 per month (Previous year: Rs. Nil) to Mr. Asif Balwa, Whole Time Director (Chief Financial Officer w.e.f. September 15, 2009) with effect from April 1, 2009 to September 15, 2009 as approved by the Board of Directors.

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b) The above remuneration excludes;

- i. Contributions to provident and other funds as per declarations of non deduction received from the respective directors.
- ii. Provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them and in respect of the other whole time director (now Chief Operating Officer w.e.f. September 15, 2009) is ascertained on an aggregated basis for the Company as a whole by way of actuarial valuation.
- iii. The commission payable (not exceeding 1% of the net profits) to non-executive director of the Company as it has been waived by them.

Such waivers in (i) to (iii) above have been approved by the Board of Directors.

5) The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2010 which is as follows:

Particulars	As at March 31,2010		As at March 31,2009	
	INR Equivalent	USD Equivalent	INR Equivalent	USD Equivalent
Professional Fees	6,902,585	153,288	-	-

6) (i) The Company has taken commercial premises on Non Cancellable Operating Lease and lease rent of Rs.8,863,935 (Previous Year Rs. 10,703,380) has been debited to Profit and Loss Account. The future minimum lease payments are as under:

Particulars	As at March 31, 2010	As at March 31, 2009
	(Rupees)	(Rupees)
Not later than one year	7,796,357	8,490,765
Later than one year but not later than five year	8,169,455	19,807,909
Later than five year	Nil	Nil
Total	15,965,812	28,298,674

(ii) There are no exceptional/restrictive covenants in the lease agreement.

7) Earnings per share (EPS) is calculated as follows:

Particulars	As at March 31, 2010	As at March 31, 2009
A Net Profit after tax as per profit and loss account (Rs.)	2,273,900,041	2,554,514,627
Less: Preference Dividend in arrears	185	147
Net Profit after tax available to equity shareholders	2,273,899,856	2,554,514,480
B Weighted average number of equity shares outstanding (Nos.)		
- for Basic EPS (Refer Note 1 below)	214,238,161	209,460,000
- for Diluted EPS	214,624,298	210,286,634
C Earnings per equity shares of face value of Rs 10 each		
- Basic EPS (Rs.)	10.61	12.20
- Diluted EPS (Rs.) (Refer Note 2 below)	10.59	12.15
D Reconciliation between number of shares used for calculating basic and diluted EPS:		
Number of shares used for calculating Basic EPS	214,238,161	209,460,000
Add : Potential Equity Shares (Refer Note 2 below)	386,137	826,634
Number of shares used for calculating Diluted EPS	214,624,298	210,286,634

Notes:

- i) As required by AS 20, Bonus issue is treated as if it had occurred prior to the beginning of 2008-09, the earliest period reported. So it is considered as outstanding from April 1, 2008.
- ii) In calculating diluted earnings per share for the year ended March 31, 2010 the effect of convertible preference shares till the date of actual conversion is considered whereas the effect of dilution of debentures converted into equity shares is ignored as the same are considered to be anti-dilutive.

- 8) The Company has made provision for current tax based on the provisions of Section 115 JB of the Income Tax Act, 1961. It has not recognized any deferred tax asset and will account for the same when there is a reasonable/ virtual certainty as regards availability of taxable income in accordance with Accounting Standard - 22 "Accounting for taxes on income".
- 9) The disclosures under the Accounting Standard 15

A) Defined Contribution Plan:

Contribution to defined Contribution Plan recognized as an expense for the year is as under:

	For the Year Ended	
	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Employers contribution to Provident fund	540,370	626,377

B) Defined Benefit Plan:

The following table sets out the status of the gratuity plan (non-funded) and the amounts recognized in the Company's financial statements as at March 31, 2010:

- a) Reconciliation of opening and closing balances of Defined Benefit Obligation:

	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Liability at the beginning of the year	1,949,197	885,621
Interest cost	247,097	197,495
Current Service cost	1,239,147	1,586,956
Actuarial (gain)/loss on obligations	332,997	(713,087)
Benefit paid	-	(7,788)
Liability at the end of the year	3,768,438	1,949,197

- b) Reconciliation of fair value of plan assets and obligations

	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Liability at the end of the year	3,768,438	1,949,197
Fair value of Plan Assets at the end of the year	-	-
Difference	(3,768,438)	(1,949,197)
Amount Recognized in the Balance Sheet	(3,768,438)	(1,949,197)

- c) Expense recognized during the year:

	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Current service cost	1,239,147	1,586,957
Interest cost	247,097	197,495
Expected Return on Plan Assets	-	-
Actuarial Gain or Loss	332,997	(713,087)
Expense Recognized in P&L	1,819,241	1,071,365

- d) Actuarial Assumptions:

	LIC (1994-96)	LIC (1994-96)
Mortality Table		
Discount rate (per annum)	8.00%	7.75%
Rate of escalation in salary (per annum)	10.00%	10.00%

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

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C) Other Long Term Employee Benefit:

The compensated absences charge for the year ended 31st March, 2010, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting Rs. 2,694,831 (for Previous Year Rs. 1,456,682) has been recognized in the Profit and Loss Account.

10) Segment Reporting:

The Company is mainly engaged in the business of real estate development viz. construction of residential buildings/commercial complexes and has also placed its bid for certain infrastructure projects for which the outcome of bids are awaited. On that basis, the Company has only one reportable business segment, the results of which are embodied in the financial statements.

- 11) As of March 31, 2009, the Company had 75% equity stake in Esteem Properties Private Limited ("Esteem"). During the year, the Company acquired remaining 25% equity stake by which Esteem became a wholly owned subsidiary w.e.f. May 23, 2009. Esteem's plans to construct/develop/market project/s on its land are delayed due to pending litigation before the Supreme Court of India about which the company is hopeful of a positive outcome. Accordingly, the management has not considered it necessary to provide for any 'other than temporary' diminution in the value of its investments.
- 12) a) A Memorandum of Understanding dated July 15, 2007 between the Company and Esteem contained a stipulation to charge interest for the amount advanced to Esteem from time to time at a rate mutually agreed if for any reasons the project did not commence before June 30, 2009. Based on the said MOU and considering the delay in the project, the Company has, during the year, charged interest @ 16% amounting to Rs. 252,414,782 for the period of funding from May 3, 2007 till March 31, 2010 of which an amount of Rs. 136,811,916 pertains to the period up to March 31, 2009.
- b) The Company had from time to time advanced monies to its subsidiary viz. Neelkamal Realtor Suburban Private Limited in which the Company has equity stake of 66%. Based on a understanding reached with the subsidiary during the year, an interest @ 10.50% aggregating Rs. 152,352,986 for the period March 2007 till September 2009 has been charged on the amount advanced and at the rate 15% amounting to Rs. 10,482,981 for the period from October 2009 to March 2010. Of this, an amount of Rs 119,643,358 pertains to the period up to March 31, 2009. This subsidiary company is also in the real estate business of constructing, developing and marketing the project and had changed the conceptualization of its project from "Mall" to "Residential cum Commercial" resulting into delays in project execution.
- 13) The Company received Rs. 3,275,000,000 and Rs. 1,975,000,000 in the previous year and during the year, respectively aggregating Rs. 5,250,000,000 from Walkinson Investments Limited (formerly known as Walkinson Consultants Limited) towards 8% compulsorily convertible debenture application money. The 8% Compulsorily Convertible Debentures were allotted on August 13, 2009, and subsequently converted into equity shares as on September 22, 2009. As per the terms of the debenture subscription agreement, the transaction of allotting debentures was to be completed by the Company not later than April 15, 2009. Based on the understanding reached with Walkinson Investments Limited interest @ 8% w.e.f April 1, 2009 on the amount remitted to the Company till the date of conversion has been paid in the books of accounts as on March 31, 2010 based on legal opinion that this is in compliance with Foreign Exchange Management Act Regulations.
- 14) The Company has equity investment in certain subsidiaries, jointly controlled entities and associates aggregating Rs. 385,188,120 (Previous year Rs. 411,132,515) and loans and advances outstanding aggregating Rs. 4,650,180,925 (Previous year Rs. 3,111,209,783) as at March 31, 2010. All such entities have incurred losses during the year and have negative net worth as at the year end. These entities are in the business of real estate development and are developing various projects which are long term and which besides achieving adequate profitability on completion also have current market value based on external valuation report in some projects which support the carrying value of such investments and loan outstanding. Accordingly, in the opinion of the Company, no provision is considered necessary towards diminution in the value of investments, if any, in such entities and in respect of loans and advances to such entities, which are considered good and fully recoverable.
- 15) a) On September 22, 2009, (a) 810,000 Compulsorily Convertible Preference Shares (CCPS) of Rs. 10/- each (issued in earlier year) at a premium of Rs. 3,990/- per CCPS were converted into 810,000 equity shares of Rs. 10/- each fully paid up and (b) 937,500 Compulsorily Convertible Debenture of Rs. 5,600/- (allotted during the year) were converted into 937,500 equity shares of Rs. 10/- each fully paid up. (c) Further, pursuant to the consent accorded in the general meeting held on September 15, 2009, bonus equity shares were allotted on September 26, 2009 in the ratio of 20 equity shares of Rs. 10/- each fully paid up for each equity share held by Shareholders as on September 25, 2009.

- b) During the year, the Company came out with Initial Public Offer (IPO) of its Equity Shares aggregating Rs. 150,000 lacs and closed the subscription on February 2, 2010. The company allotted 32,051,282 equity shares of Rs. 10/- each at a premium of Rs. 458 per share on February 16, 2010. The Equity Shares of the Company were listed on Bombay Stock Exchange Limited and The National Stock Exchange of India Limited on February 24, 2010.

The share issue expenses amounting to Rs. 6,535 lacs have been debited to the Securities Premium Account.

Details of utilization of funds received from IPO of Equity Shares are as under:

Rs. in lacs

Particulars of funds utilisation for	Amount to be utilised as per prospectus		Amount utilised till March 31, 2010
	Total	Up to March 2010	
Construction and development costs of projects of the Group specified in the prospectus	104,417	9,106	10,140
Prepayment of loan from IDFC as specified in the prospectus	8,000	8,000	8,000
Deployed for other projects of the Group (Refer Note (ii) below)	-	-	28,789
General Corporate Purposes	31,483	10,000	8,656
Share Issue Expenses	6,100	6,100	3,798
Total (A)	150,000	33,206	59,383

Notes:

- (i) The monitoring agency report from Punjab National Bank, Capital Market Services Branch, Mumbai for utilisation of IPO proceeds is awaited.
- (ii) Utilised for certain project payments of Rs. 15,658 lacs and repayment of borrowings of Rs. 13,131 lacs as an interim measure though not forming part of specified utilisation of IPO proceeds as stated in the prospectus. The amount has been deployed till the actual requirement of funds for projects specified in the prospectus instead of parking it in low yield liquid instruments. The Management of the Company has taken approval of the Board in this respect for such revision in its utilisation plans as specified in the prospectus.

Pending utilisation, the funds are temporarily invested / held in as at March 31, 2010:

	Rs. in lacs
a. Bank Balances (including Rs. 84 lacs in escrow account)	1,617
b. Mutual Funds	89,000
Total (B)	90,617
Grand Total (A+B)	150,000

- 16) Value of Imports on CIF Basis in respect of:

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
	(Rupees)	(Rupees)
Capital Goods	3,107,476	2,866,253

- 17) Expenditure in foreign currency:

Description	For the year ended March 31, 2010	For the year ended March 31, 2009
	(Rupees)	(Rupees)
Professional Fees	9,277,917	51,136,429
Interest	163,325,375	-
Other Expenses	11,319,392	-

- 18) Additional information pursuant to the paragraphs 3(ii) and 4C of Part II of Schedule VI to the Companies Act, 1956 are not applicable.
- 19) a) A sum of prior period indirect expenses which were inadvertently inventorised in earlier years amounting to Rs. Nil (Previous Year Rs. 3,368,840/-) now charged to profit and loss account as adjustment to the opening balance of Inventory (Refer Schedule 7).

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- b) During the year ended March 31, 2010, prior period items (net) amounting Rs. 2,838,809 (Previous Year Rs 15,578,747) as listed below have been included in profit and loss account under respective heads.

Particulars	Year ended March 31, 2010 (Amount in Rs.)	Year ended March 31, 2009 (Amount in Rs.)
a) Advertisement expenses	-	15,458,338
b) Short provision of fringe benefit tax	-	12,639
c) Share of profit from partnership firm	-	(3,230)
d) Ex-gratia	899,343	-
e) ESIC	74,603	-
f) Professional Fees	1,864,863	-
Total	2,838,809	15,578,747

- 20) During the year, a loan from LIC Housing Finance Limited of Rs. 1,880,000,000 was received for the purpose of financing the cost of constructions and other project implementation cost within its subsidiary companies and jointly controlled companies. The Company has not given any security in respect of the said loan except personal guarantees of the Managing Directors of the Company. Further, Esteem Properties Private Limited, a wholly owned subsidiary company has mortgaged its land at Sahar, Andheri in this regard.

21) Related Party Disclosure:

- (i) Disclosures as required by the Accounting Standard 18 (AS-18) "Related Party Disclosures" are given below:

Sr. No.	Name and Relationship of the Related Party
	Subsidiaries
1.	Gokuldham Real Estate Development Company Private Limited
2.	Neelkamal Realtors Suburban Private Limited
3.	Neelkamal Shantinagar Properties Private Limited
4.	Neelkamal Realtors Tower Private Limited
5.	Esteem Properties Private Limited
6.	D B Properties Private Limited
7.	Air-Inn Private Limited (Up to may 22, 2009)
8.	Saifee Bucket Factory Private Limited (w. e. f. September 23, 2009)
9.	Real Gem Buildtech Private Limited (w.e.f. August 31, 2009)
10.	D B Man Realty Private Limited (formerly known as D B Hi-Class Construction Private Limited) (w.e.f. September 22, 2009)
11.	Priya Constructions Private Limited (w.e.f. September 26, 2009)
12.	Mira Salts Works Company, Partnership Firm
13.	ECC-DB Joint Venture
14.	Conwood- DB Joint Venture
15.	Royal Netra Construction Private Limited (Subsidiary of D B Man Realty Limited w.e.f. February 20, 2010)
16.	D B Chandak Realtor Private Limited. (w.e.f. March 31, 2010 – formerly known as Baramati Fruits & Vegetables Private Limited)
	Associates
17.	Sangam City Township Private Limited
18.	Dynamix Building Materials Private Limited
19.	Nine Paradise Hotels Private Limited
20.	Crossway Realtors Private Limited
21.	D B Hi-Sky Constructions Private Limited
22.	Heaven Star Realty Private Limited (w.e.f. September 26, 2009)
	Entities under Joint Control of the Company
23.	Dynamix Realty, Partnership Firm
24.	DBS Realty, Partnership Firm
25.	Turf Estate Joint Venture

Sr. No.	Name and Relationship of the Related Party
26.	Lokhandwala- Dynamix Balwas Joint Venture
27.	M K Malls & Developers Private Limited
Entities under Joint Control of the Subsidiaries of the Company	
28.	Shree Shantinagar Ventures
29.	Suraksha DB Realty
Key Management Personnel (KMP)	
30.	Mr. Vinod Goenka- Managing Director
31.	Mr. Shahid Balwa-Managing Director
32.	Mr. Asif Balwa-Whole Time Director (Up to September 14, 2009)
33.	Mr. Rajiv Agarwal-Whole Time Director (Up to September 14, 2009)
Relatives of KMP	
34.	Mr. Pramod Goenka
35.	Mrs. Aseela Goenka
36.	Mr. Jayvardhan Goenka
37.	Ms. Sanjana Goenka
38.	Ms. Shanita Jain
39.	Ms. Sunita Bali
40.	Mr. Usman Balwa
41.	Ms. Shabana Balwa
42.	Mr. Salim Balwa
43.	Mr. Ishaq Balwa
44.	Mr. Mohammed Balwa
Enterprise over which KMP and their relatives have significant influence	
45.	Allianze Infratech Private Limited
46.	Associates Hotels Limited
47.	Conwood Agencies Private Limited
48.	Conwood Construction & Developers Private Limited
49.	D B Airport Infra Private Limited
50.	D B Contractors & Builders Private Limited
51.	D B Hospitality Private Limited
52.	D B Modern Build Tech Private Limited
53.	D B Real Estate Development Private Limited
54.	D B Tele Wimax Private Limited
55.	Dynamix Balwas Infrastructure Private Limited
56.	Dynamix Balwas Realty Ventures Private Limited
57.	Dynamix Balwas Resorts Private Limited
58.	Dynamix Balwas Telecom Private Limited
59.	Dynamix Balwas Telecom Services Private Limited
60.	Dynamix Club Resorts Private Limited
61.	Dynamix Securities and Holdings Limited
62.	Earthen Agro & Infrastructure Private Limited
63.	Eterna Developers Private Limited
64.	Eterna Realty Private Limited
65.	Etisalat DB Telecom Private Limited (Formerly known as Swan Telecom Private Limited)
66.	Eversmile Construction Company Private Limited
67.	K G Enterprises
68.	Khairun Developers Private Limited
69.	Milan Theatres Private Limited

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Sr. No.	Name and Relationship of the Related Party
70.	Neelkamal Realtors and Builders Private Limited
71.	Neelkamal Realtors and Erectors Private Limited
72.	Neelkamal Tower Construction Private Limited
73.	Nihar Construction Private Limited
74.	Siddharth Consultancy Services Private Limited
75.	Swan Connect Communication Private Limited
76.	Vinod Goenka- HUF
77.	Tiger Trustees Private Limited
78.	Y. J. Realty Private Limited
79.	Span Construction Company Private Limited
80.	Goan Real Estate and Construction Private Limited

(ii) Details of the transactions with the Related Parties

Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence
Advances Granted by Company (Net)						
Opening Balance as on 1st April 2009	3,556,192,184	557,442,099	-	-	4,028,112,298	212,487,373
	(1,463,503,469)	(331,756,851)	(-)	(-)	(1,782,355,000)	(1,416,999,036)
Given during the year	6,908,766,749	180,294,290	-	-	8,539,065,179	1,388,815,073
	(3,706,964,144)	(1,831,030,425)	(-)	(-)	(5,318,350,973)	(1,776,507,243)
Returned during the year	4,442,896,391	90,000	-	-	5,925,793,622	624,331,523
	(1,614,275,429)	(1,605,345,177)	(-)	(-)	(3,072,593,675)	(2,981,018,906)
Transferred (to)/from (Refer Note 2 below)	183,500,000	-	-	-	-	(183,500,000)
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2010	6,205,562,542	737,646,389	-	-	6,641,383,855	793,470,923
	(3,556,192,184)	(557,442,099)	(-)	(-)	(4,028,112,298)	(212,487,373)
Inter-corporate deposits received/ repaid during the year						
Opening Balance as on 1st April 2009	-	-	-	-	1,348,900,000	1,287,682,590
	(49,525,000)	(1,391,792,500)	(-)	(-)	(-)	(964,226,350)
Taken during the year	-	-	-	-	1,310,000,000	3,423,867,528
	(1,672,690,000)	(-)	(-)	(-)	(7,500)	(3,628,481,452)
Repaid during the year	-	-	-	-	1,381,100,000	4,702,460,118
	(1,722,215,000)	(-)	(-)	(-)	(42,900,000)	(3,305,025,212)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(1,391,792,500)	(-)	(-)	(1,391,792,500)	(-)
Closing Balance as on March 31, 2010	-	-	-	-	1,277,800,000	9,090,000
	(-)	(-)	(-)	(-)	(1,348,900,000)	(1,287,682,590)

Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence
Loans from Directors						
Opening Balance as on 1st April 2009	-	-	-	-	-	-
Taken during the year	(-)	(-)	(28,820,370)	(-)	(-)	(-)
Repaid during the year	-	-	-	-	-	-
Closing Balance as on March 31, 2010	(-)	(-)	(-)	(-)	(-)	(-)
Advances from Customers						
Opening Balance as on 1st April 2009	-	-	-	-	-	-
Taken during the year	(-)	(-)	(-)	(121,876,183)	(-)	(123,000,000)
Repaid during the year	-	-	-	-	-	-
Closing Balance as on March 31, 2010	(-)	(-)	(-)	(-)	(-)	(-)
Investments in Equity Shares						
Opening Balance as on 1st April 2009	745,668,572	306,000	-	-	856,825,785	-
Investment purchased during the year	(745,568,572)	(135,155,755)	(-)	(-)	(-)	(-)
Transferred (to)/from	86,454,999	24,000	-	-	-	-
Closing Balance as on March 31, 2010	(1,00,000)	(176,000)	(-)	(-)	(721,800,030)	(-)
Investment purchased during the year	236,652,658	-	-	-	-	-
Transferred (to)/from	(-)	(135,025,755)	(-)	(-)	(135,025,755)	(-)
Closing Balance as on March 31, 2010	595,470,913	330,000	-	-	856,825,785	-
Investment purchased during the year	(745,668,572)	(306,000)	(-)	(-)	(856,825,785)	(-)
Investment in Preference Shares						
Opening Balance as on 1st April 2009	515,621,507	-	-	-	135,000,241	-
Investment purchased during the year	(515,621,507)	(135,000,241)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
Closing Balance as on March 31, 2010	(-)	(-)	(-)	(-)	(-)	(-)
Investment purchased during the year	-	-	-	-	-	-
Transferred (to)/from	(-)	(135,000,241)	(-)	(-)	(135,000,241)	(-)
Closing Balance as on March 31, 2010	515,621,507	-	-	-	135,000,241	-
Investment purchased during the year	(515,621,507)	(-)	(-)	(-)	(135,000,241)	(-)

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Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence
Investment in Joint Ventures and Partnership firms						
Opening Balance as on 1st April 2009	1,204,613,768	-	-	-	3,098,709,698	-
	(392,549,732)	(-)	(-)	(-)	(344,512,794)	(-)
Contribution during the year	451,229,587	-	-	-	2,636,701,656	-
	(1,078,879,830)	(-)	(-)	(-)	(2,993,927,310)	(-)
Contribution refunded during the year	17,683,716	-	-	-	680,402,393	-
	(266,815,794)	(-)	(-)	(-)	(239,730,406)	(-)
Closing Balance as on March 31, 2010	1,638,159,639	-	-	-	5,055,008,961	-
	(1,204,613,768)	(-)	(-)	(-)	(3,098,709,698)	(-)
Reimbursement of expenses incurred on behalf as on March 31, 2010	20,748,891	-	-	-	2,000,000	2,255,826
	(9,931,884)	(-)	(-)	(-)	(1,880,849)	(1,756,127)
Advance for development rights	22,500,000	-	500,000	1,500,000	-	2,500,000
	(-)	(-)	(-)	(-)	(-)	(-)
Rent paid	-	-	-	-	-	8,863,935
	(-)	(-)	(-)	(-)	(-)	(10,703,380)
Equity Share Capital	-	-	274,130,010	152,936,280	-	1,130,543,400
	(-)	(-)	(656,233)	(2,268,056)	(-)	(4,492,900)
Other Liabilities	-	-	-	-	378,651,515	55,545,949
	(79,906,196)	(-)	(-)	(-)	(-)	(55,191,626)
Managerial Remuneration	-	-	29,334,009	-	-	-
	(-)	(-)	(22,171,945)	(-)	(-)	(-)
Corporate Guarantee given by the Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies (Refer note 1 (B) and 2 of Schedule 15 (B))	3,964,125,000	-	-	-	1,084,125,000	15,183,445,000
	(1,964,125,000)	(-)	(-)	(-)	(1,404,125,000)	(21,465,565,000)
Interest received	436,714,670	-	-	-	-	97,189,938
	(-)	(-)	(-)	(-)	(-)	(-)

Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence
Advance against share purchase	-	20,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(70,000,000)
Share of loss/ (profit) from partnership firms	4,954,128	-	-	-	(2,271,072,057)	-
	(4,115,794)	(-)	(-)	(-)	(2,901,000,988)	(-)
Irrevocable and unconditional personal guarantee by each Managing Director in favor of the Company against guarantees given by company to the lenders on behalf of various entities (Refer Note 2 to Schedule 15 (B))	-	-	USD 276 million plus Rs. 33,140 million	-	-	-
	(-)	(-)	(21,461,440,000)	(-)	(-)	(-)

(Figures in brackets denote Previous Year's balances).

Notes:

1. The aforesaid related parties are identified by the Company and relied upon by the Auditors.
2. Priya Construction Private Limited has been considered as Subsidiary from September 26, 2009.

(ii) Disclosure in respect of material related party transactions during the year:

Loans & Advances	Opening Balance as on 1st April 2009	Given during the year	Returned during the year	Closing Balance as on March 31, 2010
D B Properties Private Limited	1,603,836,322	390,423,461	290,000,000	1,704,259,783
	(-)	(1,689,436,322)	(85,600,000)	(1,603,836,322)
Esteem Properties Private Limited	480,563,171	1,024,214,774	45,000,000	1,459,777,945
	(505,742,500)	(67,320,671)	(92,500,000)	(480,563,171)
Real Gem Buildtech Pvt. Ltd.	-	2,245,400,000	1,369,893,718	875,506,282
	(-)	(-)	(-)	(-)
Dynamix Realty- Partnership Firm	3,876,436,309	8,536,764,901	5,923,493,344	6,636,057,866
	(1,507,357,134)	(5,441,672,850)	(3,072,593,675)	(3,876,436,309)
D B Airport Infra Private Limited	-	-	-	-
	(77,800,000)	(436,000,000)	(513,800,000)	(-)
Etisalat DB Telecom Private Limited	-	-	-	-
	(1,031,099,536)	(1,223,351,004)	(2,254,450,540)	(-)
DBS Realty (Current a/c)	146,350,000	3,604,350	149,954,350	-
	(144,293,782)	(2,056,218)	(-)	(146,350,000)

(Figures in bracket denote previous year's balances /transactions).

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Inter Corporate Deposits received/ repaid during the year	Opening Balance as on 1st April 2009	Taken during the year	Repaid during the year	Closing Balance as on March 31, 2010
M K Malls & Developers Private Limited	1,348,900,000	1,310,000,000	1,381,100,000	1,277,800,000
	(1,391,792,500)	(7,500)	(42,900,000)	(1,348,900,000)
D B Hospitality Private Limited	864,221,518	4,139,620,759	3,275,579,241	180,000
	(960,000,000)	(461,971,518)	(557,750,000)	(864,221,518)
DB Airport Infra Private Limited	-	85,000,000	85,000,000	-
	(-)	(170,000,000)	(170,000,000)	(-)
D B Properties Private Limited	-	-	-	-
	(49,525,000)	(1,404,475,000)	(1,454,000,000)	(-)
Dynamix Club Resorts Private Limited	414,470,000	62,780,000	477,250,000	-
	(-)	(2,954,640,000)	(2,540,170,000)	(414,470,000)
Eversmile Construction Co. Private Limited	-	-	-	-
	(1,045,000)	(-)	(1,045,000)	(-)

(Figures in bracket denote previous year's balances /transactions).

Investment in Equity Shares	Opening Balance as on 1st April 2009	Investment purchased/made during the year	Investment sold/ redeemed during the year	Closing Balance as on March 31, 2010
M. K. Malls & Developers Pvt. Ltd	856,825,785	-	-	856,825,785
	(135,025,755)	(721,800,030)	-	(856,825,785)
Esteem Properties Private Limited	301,093,720	11,825,000	900,000	312,018,720
	(301,093,720)	(-)	(-)	(301,093,720)
Neelkamal Realtor Tower Private Limited	165,703,146	-	-	165,703,146
	(165,703,146)	(-)	(-)	(165,703,146)
Saifee Bucket Factory Private Ltd	-	70,174,999	-	70,174,999
	(-)	(-)	(-)	(-)
Air Inn Private Limited	236,652,658	-	236,652,658	-
	(236,652,658)	(-)	(-)	(236,652,658)

(Figures in bracket denote previous year's balances /transactions)

Investment in Preference Shares	Opening Balance as on 1st April 2009	Investment purchased/made during the year	Investment sold/ redeemed during the year	Closing Balance as on March 31, 2010
Gokuldharm Real Estate Development Company Private Limited	300,750,000	-	-	300,750,000
	(300,750,000)	(-)	(-)	(300,750,000)
Neelkamal Realtors Suburban Private Limited	105,262,502	-	-	105,262,502
	(105,262,502)	(-)	(-)	(105,262,502)
Neelkamal Realtors Tower Private Limited	109,609,005	-	-	109,609,005
	(109,609,005)	(-)	(-)	(109,609,005)
M K Malls & Developers Private Limited	135,000,241	-	-	135,000,241
	(135,000,241)	(-)	(-)	(135,000,241)

(Figures in bracket denote previous year's balances /transactions)

Investment in Joint Ventures/ Partnership Firms	Opening Balance as on 1st April 2009	Contribution during the year	Contribution refunded during the year	Closing Balance as on March 31, 2010
Mira-Salt Works Company	1,045,887,436	9,229,587	14,183,716	1,040,933,307
	(262,500,000)	(1,050,003,230)	(266,615,794)	(1,045,887,436)
Conwood DB Joint Venture	72,879,732	168,500,000	3,500,000	237,879,732
	(71,079,732)	(2,000,000)	(200,000)	(72,879,732)
Dynamix Realty	2,770,579,444	2,584,978,818	313,356,919	5,042,201,343
	(250,000)	(2,901,027,310)	(130,697,866)	(2,770,579,444)
Turf Estate Joint Venture	317,772,794	51,200,000	366,472,794	2,500,000
	(334,872,794)	(91,900,000)	(109,000,000)	(317,772,794)

(Figures in bracket denote previous year's balances /transactions).

Advance for development rights	Opening Balance as on 1st April 2009	Given during the year	Returned during the year	Closing Balance as on March 31, 2010
Neelkamal Realtors Tower Private Limited.	-	20,000,000	-	20,000,000
	(-)	(-)	(-)	(-)

Other liabilities (Partner's / Member's current account)	Opening Balance as on 1st April 2009	Contribution during the year	Contribution refunded during the year	Closing Balance as on March 31, 2010
DBS Realty	-	358,599,132	3,604,350	354,994,782
	(-)	(-)	(-)	(-)
Turf Estate Joint Venture	-	43,000,000	19,343,267	23,656,733
	(-)	(-)	(-)	(-)

(Figures in bracket denote previous year's balances /transactions).

Managerial remuneration includes remuneration to Mr. Shahid Balwa, the Managing director, of Rs. 13,000,000 (Previous year Rs. 11,000,000); Mr. Vinod Goenka, the then Executive Chairman (now Managing Director w.e.f. September 15, 2009) of Rs. 13,000,000 (Previous year Rs. 11,000,000), Mr. Rajiv Agarwal, the then Whole Time Director (now Chief Operating Officer w.e.f. September 15, 2009) of Rs. 1,967,342 (Previous year Rs. 171,945) and Mr. Asif Balwa, the then Whole Time director (now Chief Financial Officer w.e.f. September 15, 2009) of Rs. 1,366,667 (Previous year Rs. Nil).

22) Particulars about investments:

(i) Investments in Joint Ventures:

Sr. No.	Name of Joint Venture	Country of Residence	Principal Activities	Ownership Interest
1.	Conwood-DB Joint Venture	India	Development and Construction of Property	90% (90%)
2.	ECC-DB Joint Venture	India	Development and Construction of property	75% (75%)
3.	Turf-Estate Joint Venture	India	Development and Construction of Property	66.67% (66.67%)
4.	Lokhandwala Dynamix – Balwas Joint Venture	India	Development and Construction of Property	50% (50%)
5.	MK Malls & Developers Private Limited	India	Development and Construction of Property	36.23% (36.23%)*

* W.e.f. June 20, 2008

(Previous year disclosures are given in bracket)

ii) Disclosure of financial interest in Joint Ventures:

Company's share of interest in the assets, liabilities, income and expenses with respect to JCEs (each without elimination of the effects of transactions between the Company and the JCEs, if any) on the basis of audited financial statements of the JCEs as at and for the period ended March 31, 2010 are as under:

Sr. No	Name of Joint Venture	Company's Share of				
		Assets	Liabilities	Incomes	Expenses	Tax
		As at 31-03-2010			For the Period Apr-09 to March-10	
1	Turf Estate Joint Venture	517,258,582 (608,291,148)	652,784,070 (406,999,796)	- (-)	12,246,101 (7,291,801)	- (24,454)
2	Conwood DB Joint Venture	213,550,985 (216,187,587)	275,290 (150,942,193)	- (-)	521,888 (323,746)	- (2,430)
3	ECC - DB Joint Venture	275,178,804 (67,506,333)	7,174,980 (3,908,595)	- (-)	958,552 (669,773)	- (24,750)

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(Formerly known as D B Realty Private Limited)

4	Lokhandwala Dynamix Balwas Joint Venture	7,329,350	5,515	-	-	-
		(7,113,733)	(13,233)	(-)	(-)	(-)
5	MK Malls & Developers Private Limited	1,597,980,457	18,068,930	-	5,973,488	-
		(1,608,655,676)	(22,771,100)	(-)	(5,302,113)*	(41,302)*

(Figures in bracket denote previous year's balances /transactions).

* The figures of income and expenses are for the period from June 20, 2008 to Mar 31, 2009 as MK Malls & Developers Private Limited became a jointly controlled entity w.e.f June 20, 2008.

(iii) Disclosure of financial interest in Partnership Firms:

(I) M/s. Dynamix Realty#		
Name of the Partners	Partners Capital in the firm as on March 31, 2010 Rs.	Share in Profit / (Loss)
(a) Relating to Land Component Transferrable Development Rights (TDR)		
Eversmile Construction Company Private Limited	250,000 (250,000)	99% (99%)
Conwood Construction & Developers Private Limited	125,000 (125,000)	1% (1%)
Total	375,000 (375,000)	100% (100%)
(b) Relating to Construction Component TDR		
D B Realty Limited	250,000 (250,000)	99% (99%)
Conwood Construction & Developers Private Limited	125,000 (125,000)	1% (1%)
Total	375,000 (375,000)	100% (100%)

(Previous year's figures are given in bracket)

(II) M/s. D.B.S. Realty#		
Name of the Partners	Partners Capital in the firm as on March 31, 2010 Rs.	Share in Profit / (Loss)
Sumer Group	3,300,000 (3,300,000)	33.33% (33.33%)
D B Realty Limited (Fixed Capital)	3,300,000 (3,300,000)	33.33% (33.33%)
Vision Finstock Private Limited	3,300,000 (3,300,000)	33.33% (33.33%)
Total	9,900,000 (9,900,000)	100% (100%)

(Previous year's figures are given in bracket)

(III) M/s. Mira Salt Works Company#		
Name of the Partners	Partners Capital in the firm as on March 31, 2010 Rs.	Share in Profit / (Loss)
D B Realty Limited (Fixed Capital)	1,050,000,000 (1,039,500,000)	99% (99%)
Mr. Vinod Goenka**(Fixed Capital)	- (5,250,000)	0.50% (0.50%)

Mr. Shahid Balwa**(Fixed Capital)	- (5,250,000)	0.50% (0.50%)
Total	1,050,000,000 (1,050,000,000)	100% (100%)

(Previous year's figures are given in bracket)

on the basis of audited accounts of the partnership firms

**The fixed capital held as nominee of D B Realty Limited at the beginning of the half year, transferred to DB Realty Limited.

(IV) Company's share of interest in the assets, liabilities, income and expenses with respect to partnership firms on the basis of audited financial statements of partnership firms as at and for the period ended March 31, 2010 are as under:

Sr. No	Name of the partnership firms	Company's Share of				
		Assets	Liabilities	Incomes	Expenses	Tax
		As at 31-03-2010		For the Period Apr-09 to March-10		
1	Dynamix Realty	13,297,608,107	1,365,365,920	4,794,355,666	2,482,143,767	40,590,000
		(10,256,573,928)	(3,647,222,154)	(5,892,466,250)	(269,526,298)	(17,220,060)
2	DBS Realty	499,004,288	495,704,618	-	549,842	-
		(148,179,728)	(55,179)	(-)	(26,156)	(-)
3	Mira Salt works Company	1,328,057,060	1,578,192	383,454	5,337,582	-
		(1,101,065,965)	(50,937,317)	(194,718)	(4,201,010)	(-)

23) The movement during the year of current investments purchased and sold/redeemed is as under:

Name of Fund	Face Value	Nos.	Cost (Rs.)
AXIS Liquid Fund - Institutional Daily Dividend	1000	250,020	250,000,000
Axis Treasury Advantage Fund - Institutional Daily Dividend	1000	250,473	250,020,152
Birla Sun Life Cash Plus Fund - Institutional Premium Daily Dividend Reinvestment	10	224,583,367	2,250,000,000
Birla Sun Life Savings Fund - Institutional Daily Dividend Reinvestment	10	195,275,805	1,950,175,568
Birla Sun Life Short Term Fund - Institutional Daily Dividend	10	24,986,257	250,000,000
Canara Robeco Liquid Super Institutional Daily Dividend Reinvestment Fund	10	49,800,088	500,000,000
Canara Robeco Treasury Advantage Super Institutional Daily Dividend	10	40,299,505	500,042,685
DWS Insta Cash Plus Fund - Super Institutional Plan Daily Dividend Reinvestment	10	149,557,105	1,500,000,000
ICICI Prudential Flexible Income Plan Premium - Daily Dividend	100	8,984,725	950,077,980
ICICI Prudential Liquid Fund Super Institutional Plan Dividend Daily	100	15,498,097	1,550,000,000
IDFC - Cash Fund Super Institutional Plan C - Daily Dividend	10	24,996,021	250,000,000
Kotak Liquid - Institutional Premium Daily Dividend	10	20,446,484	250,000,000
LIC Mutual Fund Liquid Fund Dividend Plan	10	68,312,014	750,000,000
L&T Liquid Institutional Daily Dividend Reinvestment Plan	10	14,828,884	150,000,000
Reliance Liquidity Fund Daily Dividend Plan Reinvestment Option	10	899,793,202	9,000,000,000
Reliance Medium Term Fund - Daily Dividend Plan	10	412,389,225	7,032,511,844
Religare Liquid Fund Super Institutional Fund	10	49,972,398	500,000,000
Religare Ultra Short Term Fund	10	50,032,835	500,043,811
SBI Premier Liquid Fund - Super Institutional Daily Dividend	10	74,763,274	750,000,000
SBI-SHF-Ultra Short Term Fund-Institutional Plan - Daily Dividend	10	49,970,017	500,039,870

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Name of Fund	Face Value	Nos.	Cost (Rs.)
Taurus Liquid Fund - Super Institutional Daily Dividend Reinvestment	1000	100,008	100,000,000
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Weekly Dividend	10	24,997,622	250,000,000

24) Comparative financial information (i.e. amounts and other disclosures for the previous year presented above as corresponding figures), is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year have been regrouped / reclassified wherever necessary to correspond to figures of current year.

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

R. D. Kamat
Partner

Karunchandra Srivastava
Chairman

Vinod Goenka
Managing Director

Shahid Balwa
Managing Director

Mahesh Gandhi
Director

Sundaram Rajagopal
Director

C.Bhattacharya
Director

Mumbai Dated: May 12, 2010

Asif Balwa
Chief Financial Officer

S A K Narayanan
Company Secretary

Balance Sheet Abstract and General Business Profile

Information pursuant Provisions of Part IV of Schedule VI to the Companies Act, 1956.

I. Registration Details

Registration no. :

		1	6	6	8	1	8
--	--	---	---	---	---	---	---

State Code:

						1	1
--	--	--	--	--	--	---	---

Balance sheet Date :

3	1		0	3		2	0	1	0
---	---	--	---	---	--	---	---	---	---

Date Month Year

II. Capital raised during the year (Amount in Rs. Thousands)

Public issue:

1	5	0	0	0	0	0	0
---	---	---	---	---	---	---	---

Rights Issue :

						N	I	L
--	--	--	--	--	--	---	---	---

Bonus Issue:

	2	0	1	1	5	0	0
--	---	---	---	---	---	---	---

Private placement :

	5	2	5	8	1	0	0
--	---	---	---	---	---	---	---

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities :

3	4	1	6	0	9	4	8
---	---	---	---	---	---	---	---

Total Assets:

3	4	1	6	0	9	4	8
---	---	---	---	---	---	---	---

Sources of Funds

Paid- up Capital :

	2	4	3	2	5	8	8
--	---	---	---	---	---	---	---

Reserves & Surplus :

2	8	5	3	7	5	4	1
---	---	---	---	---	---	---	---

Securd Loans :

			2	3	9	2	9
--	--	--	---	---	---	---	---

Unsecured Loans :

	3	1	6	6	8	9	0
--	---	---	---	---	---	---	---

Deferred Tax Liabilities:

						N	I	L
--	--	--	--	--	--	---	---	---

Application of Funds

Net Fixed assets :

		1	6	5	4	3	5
--	--	---	---	---	---	---	---

Investments :

1	7	7	3	4	7	7	2
---	---	---	---	---	---	---	---

Net Current assets :

1	6	2	6	0	7	4	1
---	---	---	---	---	---	---	---

Misc. Expenditure:

						N	I	L
--	--	--	--	--	--	---	---	---

Accumulated losses :

						N	I	L
--	--	--	--	--	--	---	---	---

Deferred Tax Asset :

						N	I	L
--	--	--	--	--	--	---	---	---

IV. Performance of the Company (Amount in Rs. Thousands)

Gross Income :

	2	8	4	8	0	3	8
--	---	---	---	---	---	---	---

Total Expenditure

		5	6	7	6	3	8
--	--	---	---	---	---	---	---

Profit before tax :

	2	2	8	0	4	0	0
--	---	---	---	---	---	---	---

Profit after tax :

	2	2	7	3	9	0	0
--	---	---	---	---	---	---	---

Earnings per share (in Rs.):

			1	0	.	6	1
--	--	--	---	---	---	---	---

Dividend rate (%)

						N	I	L
--	--	--	--	--	--	---	---	---

V. Generic Names of Three Principal Products / Services of the Company (as per Monetary terms) Infrastructure Development & Contract Business

Item Code No. (ITC Code)

						N	A
--	--	--	--	--	--	---	---

Product description

						N	A
--	--	--	--	--	--	---	---

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES											
Sr no	Name of the Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend
1	Gokuldhara Real Estate Development Co Pvt Ltd	450,000,000	289,126,609	2,001,918,613	2,001,918,613	-	1,599,688,728	362,590,894	131,193,599	231,397,295	-
2	Neeilkamal Realtors Suburban Pvt Ltd	111,600,000	413,591,705	1,671,828,479	1,671,828,479	-	2,593,435,725	710,466,591	234,917,027	475,549,564	-
3	Esteem Properties Pvt Ltd	1,000,000	-	1,276,830,697	1,276,830,697	-	53,101,570	(4,815,331)	-	(4,815,331)	-
4	Neeilkamal Shantinagar Properties Pvt Ltd	160,000	-	90,349,316	90,349,316	86,242,160	-	(453,208)	-	(453,208)	-
5	D B Properties Pvt Ltd	100,000	-	1,714,459,783	1,714,459,783	1,123,573,905	-	(45,957,388)	-	(45,957,388)	-
6	Saifee Bucket Factory Pvt Ltd	248,000	47,600	1,053,067	1,053,067	-	11,030	(24,877)	-	(24,877)	-
7	Real Gems Build Tech Pvt Ltd	100,000	-	925,606,282	925,606,282	-	-	(2,719,420)	-	(2,719,420)	-
8	Priya Constructions Pvt Ltd	100,000	-	213,100,000	213,100,000	-	282,454,524	3,615,130	1,110,200	2,505,330	-
9	Neeilkamal Realtors Tower Pvt Ltd	32,887,250	1,066,012,033	1,814,552,365	1,814,552,365	-	-	(42,567,956)	-	(42,567,956)	-
10	D B Man Realty Ltd	10,000,000	-	662,573,925	662,573,925	350,000	1,893,501	(3,866,684)	-	(3,866,684)	-
11	D B Chandak Realtors Pvt Ltd	100,000	-	11,350,000	11,350,000	-	-	(33,929)	-	(33,929)	-
12	Royal Netra Constructions Pvt Ltd	500,000	-	112,204,151	112,204,151	-	-	(73,792)	2,112	(71,680)	-

Auditors' Report on Consolidated Financial Statements

**To The Board of Directors of
DB Realty Limited
(formerly known as DB Realty Private Limited)**

1. We have audited the attached Consolidated Balance Sheet of **DB Realty Limited** ("the Company") its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute 'the Group') as at March 31, 2010, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements as considered in the consolidated financial statements of (i) subsidiaries, whose financial statements reflect total assets of Rs. 16,736,037,352 as at March 31, 2010, total revenues of Rs. 4,248,358,408 and net cash outflows amounting to Rs. 1,140,522,163 for the year then ended, (ii) jointly controlled entities whose financial statements reflect the Group's share of total assets Rs. 15,541,578,851 as at March 31, 2010, total revenues of Rs. 4,178,841,564 and net cash inflows amounting to Rs. 2,560,197,929 for the year then ended and (iii) associates whose financial statements reflect the Group's share of loss (net) of Rs. 63,061 for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management of the Company, and our opinion in so far as it relates to the amounts included in respect of these subsidiaries, jointly controlled entities is based solely on the reports of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. Without qualifying our opinion, we draw your attention to the following notes to Schedule 16(B):
 - a) Note 3 and 4 regarding guarantees issued to banks and financial institutions on behalf of various entities aggregating Rs. 15,183,445,000 (Previous year Rs. 21,465,565,000) are significant in relation to the net-worth of the Company as at that date. In the opinion of the management, these are not expected to result into any financial liability;
 - b) Note 5 (B) (ii) regarding change in conceptualization of the project in one of the subsidiaries from 'Mall' to 'Residential / Commercial' and its possible impact thereto as detailed in the said note;
 - c) Note 9 regarding loans and advances aggregating Rs. 4,448,609,166 (Previous year Rs. 3,444,225,150) (Schedule 9 of Consolidated Balance Sheet) outstanding as at balance sheet date advanced by a partnership firm to another partner in the said partnership firm, towards its expected estimated future share of profit and hence, considered good on that basis;

Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its subsidiaries, jointly controlled entities and associates and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

 - i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2010;
 - ii. in the case of the Consolidated Profit and Loss Account, of the Profit of the Group for the year ended on that date; and
 - iii. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For Deloitte Haskins & Sells
Chartered Accountants
(Registration No. 117366W)

R. D. Kamat
Partner
Membership No.: 36822

Mumbai, dated May 12, 2010.

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Consolidated Balance Sheet as at March 31, 2010

	SCHEDULE	As at March 31, 2010		As at March 31, 2009	
		Rupees	Rupees	Rupees	Rupees
I. Sources of Funds :					
Shareholders' Funds					
Share Capital	1		2,432,587,820		91,200,000
Reserves and Surplus	2		28,053,891,544		8,022,725,644
Minority Interest			744,829,009		552,972,047
Loan Funds					
Secured Loans	3		4,558,803,903		5,208,066,189
Unsecured Loans	4		1,389,631,921		7,149,213,135
Deferred Tax Liability (Refer note 18 of Schedule 16 (B))			-		3,547,027
TOTAL			37,179,744,197		21,027,724,042
II. Application of Funds :					
Fixed Assets (At Cost)					
Gross Block	5		310,107,827		300,850,693
Less: Depreciation/ Amortization			128,616,338		92,366,031
Net Block			181,491,489		208,484,662
Capital Work in Progress			37,266,510	218,757,999	14,737,700
Deferred Tax Assets (Refer note 18 of Schedule 16 (B))			2,474,460		-
Investments	6		8,940,715,777		2,493,063
Current Assets, Loans & Advances					
Inventories	7		13,194,948,707		10,578,479,008
Sundry Debtors (Unsecured - Considered good)			3,057,851,306		426,173,609
Cash and Bank Balances	8		860,233,820		768,730,732
Loans and Advances	9		18,553,586,908		12,437,331,837
			35,666,620,741		24,210,715,186
Less : Current Liabilities & Provisions					
Current Liabilities	10		7,387,374,776		3,357,383,061
Provisions			261,450,004		56,672,280
			7,648,824,780		3,414,055,341
Net Current Assets			28,017,795,961		20,796,659,845
Miscellaneous Expenditure (To the extent not written off or adjusted)			-		5,348,772
TOTAL			37,179,744,197		21,027,724,042
Significant accounting policies and notes to accounts	16				

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

R. D. Kamat
Partner

Karunchandra Srivastava
Chairman

Vinod Goenka
Managing Director

Shahid Balwa
Managing Director

Mahesh Gandhi
Director

Sundaram Rajagopal
Director

C.Bhattacharya
Director

Mumbai Dated: May 12, 2010

Asif Balwa
Chief Financial Officer

S A K Narayanan
Company Secretary

Consolidated Profit and Loss Account for the year ended March 31, 2010

	SCHEDULE	For the year ended March 31, 2010 Rupees	For the year ended March 31, 2009 Rupees
I. Income			
Sale and Income from operations	11	9,512,077,252	4,644,298,033
Other income	12	291,310,024	68,020,250
TOTAL		9,803,387,276	4,712,318,283
II. Expenditure			
Project Expenses incurred during the year	13	7,803,640,315	3,886,937,378
(Increase) / Decrease in Inventories	14	(2,333,827,275)	(1,822,697,725)
Establishment Expenses	15	386,976,960	322,227,396
Interest and Finance Charges		726,113,259	746,815,160
Depreciation/ Amortisation		95,535,595	73,895,869
TOTAL		6,678,438,854	3,207,178,078
Profit before Tax		3,124,948,422	1,505,140,205
Provision for Tax			
- Current Tax (including Rs.Nil (Previous Year Rs. 90,886) for earlier years)		(419,274,760)	(60,455,446)
- Deferred Tax		6,016,401	(3,547,027)
- Fringe Benefit Tax (including Rs. Nil (Previous Year Rs.179,955) for earlier years)		-	(2,942,257)
Profit after Tax and before Minority Interest and Share of Profit / (Loss) in Associates		2,711,690,063	1,438,195,475
Less: Minority Interest		191,856,961	21,544,948
Add: Share of Profit / (Loss) in Associates, net		(63,061)	113,074
Profit for the year		2,519,770,041	1,416,763,601
Surplus / (Deficit) brought forward from earlier year		1,199,194,498	(217,569,103)
Balance carried forward to balance sheet		3,718,964,539	1,199,194,498
Earnings per Share : (face value of Rs.10 per equity share)			
Basic (Rs.)		11.76	6.76
Diluted (Rs.)		11.74	6.74
(Refer note 17 of Schedule 16 (B))			
Significant accounting policies and notes to accounts	16		

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

R. D. Kamat
Partner

Karunchandra Srivastava Chairman
Vinod Goenka Managing Director

Shahid Balwa
Managing Director

Mahesh Gandhi Director
Sundaram Rajagopal Director

C.Bhattacharya
Director

Mumbai Dated: May 12, 2010

Asif Balwa Chief Financial Officer
S A K Narayanan Company Secretary

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Consolidated Cash Flow Statement for the year ended 31st March 2010

Particulars	For the year ended March 31, 2010		For the year ended March 31, 2009	
	Rupees	Rupees	Rupees	Rupees
Cash flows from operating activities:				
Net Profit before taxation	3,124,948,422		1,505,140,205	
Adjusted for:				
Depreciation	95,535,595		73,895,869	
Exchange Loss/(Gain) , net	(131,582)		2,395,179	
Interest and Finance Charges	726,113,259		746,815,160	
Profit on Sale of Fixed Assets	(1,148,835)		-	
Dividend Income	(40,118,031)		-	
Interest Income	(141,563,621)		(53,299,188)	
Operating Profit before Working Capital changes	3,763,635,206		2,274,947,225	
(Increase)/Decrease in:				
Loans and Advances	(5,934,704,484)		(3,625,899,737)	
Inventories	(2,616,337,751)		(1,822,597,659)	
Debtors	(2,631,677,697)		(335,739,271)	
Other Current Assets	-		608,081,662	
Current Liabilities	3,925,094,755		(2,083,081,417)	
Provisions	11,061,052		7,329,062	
Cash Used in Operations	(3,482,928,918)		(4,976,960,134)	
Direct Taxes Paid	(225,558,089)		(15,150,174)	
Net Cash used in Operating Activities	A	(3,708,487,007)		(4,992,110,309)
Cash flows from Investing Activities:				
Purchase of Fixed Assets (including CWIP)	(103,374,672)		(125,815,364)	
Sale of Fixed Assets	11,289,144		-	
Acquisition of Subsidiaries/Joint Ventures	(804,724)		(1,507,839,106)	
Proceeds from JV	219,600		-	
Investment in Associate	(24,000)		-	
Dividend Received	1,517,546		-	
Purchase of Current Investments	(40,404,645,214)		-	
Sale of Current Investments	31,564,625,537		-	
Changes in deposit under lien	(10,700,000)		(22,200,000)	
Interest Received	139,965,692		53,299,188	
Net Cash used in Investing Activities	B	(8,801,931,091)		(1,602,555,282)

Consolidated Cash Flow Statement for the year ended 31st March 2010 (Contd.)

Particulars	For the year ended March 31, 2010		For the year ended March 31, 2009	
	Rupees	Rupees	Rupees	Rupees
Cash flows from Financing Activities:				
Proceeds on issue of equity shares	14,999,999,976		-	
Capital Introduced - Member's contribution	-		3,318,827	
Share Application Money received/(refunded)	-		(2,500,000)	
Proceeds from secured borrowings	-		2,982,717,898	
Repayment of secured borrowings	(649,262,286)		(1,454,734)	
Inter-corporate Deposits, net	(2,511,912,309)		1,826,807,722	
Repayment of loan from Directors	-		(28,820,370)	
Loan taken from Directors	27,331,095		-	
Proceeds from Debenture Application Money	1,975,000,000		3,275,000,000	
Repayment of unsecured borrowings	-		(1,000,000,000)	
Interest and Finance Charges	(741,857,183)		(746,815,160)	
Share Issue Expenses	(530,140,425)		(1,100,210)	
Miscellaneous Expenditure	-		(5,348,772)	
Net Cash from Financing Activities	C	12,569,158,869		6,301,805,201
Net Increase in Cash and Cash Equivalents	(A+B+C)	58,740,771		(292,860,390)
Add : Cash and Cash Equivalents (Opening)		736,230,732		1,026,648,825
Add : Opening Cash and Cash Equivalents of subsidiaries / joint ventures acquired during the year		22,062,317		2,442,297
Cash and Cash Equivalents (Closing)		817,033,820		736,230,732
Notes to Cash Flow:				
1. Reconciliation of cash and cash equivalents:				
Cash and Bank Balances (as per Schedule 8)		860,233,820		768,730,732
Less: Fixed deposits under lien		43,200,000		32,500,000
Cash and Cash Equivalents (Closing)		817,033,820		736,230,732
2. The Cash flow statement has been prepared under the indirect method as set out in accounting standard (AS3) Cash flow statement as notified by the Companies (Accounting Standard) Rules 2006.				

As per our attached report of even date
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

R. D. Kamat
Partner

Karunchandra Srivastava
Chairman

Vinod Goenka
Managing Director

Shahid Balwa
Managing Director

Mahesh Gandhi
Director

Sundaram Rajagopal
Director

C.Bhattacharya
Director

Mumbai Dated: May 12, 2010

Asif Balwa
Chief Financial Officer

S A K Narayanan
Company Secretary

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Schedules forming part of Consolidated Balance Sheet as at March 31, 2010

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
Schedule 1 : Share Capital:		
Authorized :		
298,500,000 (Previous year 11,000,000) Equity Shares of Rs.10/- each	2,985,000,000	110,000,000
1,500,000 Preference Shares of Rs. 10/- each	15,000,000	15,000,000
Total	3,000,000,000	125,000,000
Issued, Subscribed & Paid Up :		
Equity Shares		
243,258,782 (Previous year 8,310,000) Equity Shares of Rs. 10/- each fully paid up	2,432,587,820	83,100,000
Of the above		
201,150,000 (Previous year : Nil) equity shares issued as bonus		
810,000 (Previous year : Nil) equity shares issued on conversion of preference shares		
937,500 (Previous year : Nil) equity shares issued on conversion of debentures (Refer note 11 (a) of Schedule 16 (B))		
0.001% Cumulative Convertible Preference Shares		
NIL (Previous Year 810,000) of Rs. 10/- each fully paid up (CCPS) (Refer note 11 (a) of Schedule 16 (B))	-	8,100,000
Total	2,432,587,820	91,200,000
Schedule 2 : Reserves & Surplus :		
Capital Reserve on Consolidation :		
As per last Balance Sheet	235,330,267	859,560,395
(Less) / Add: Consequent to change in Group's Interest	256,306,546	(624,230,128)
Closing Balance	491,636,813	235,330,267
[net of Goodwill of Rs.406,319,823 (Previous Year Rs.1,572,996,167)]		
Securities Premium Account:		
As per last Balance Sheet	6,588,200,879	6,588,200,879
Received on Conversion of Debentures	5,240,625,000	-
Received on issue of Equity Shares (IPO)	14,679,487,156	-
Adjusted for issue of Bonus Shares	(2,011,500,000)	-
Adjusted for Share Issue Expenses	(653,522,843)	-
Closing Balance	23,843,290,192	6,588,200,879
Balance in Profit and Loss Account		
Total	28,053,891,544	8,022,725,644
Schedule 3 : Secured Loans :		
From Banks & Financial Institutions - Term Loans	2,647,927,319	5,175,657,058
(Includes interest accrued and due Rs.17,576,219 (Previous Year Rs. 20,046,346))		
From LIC Housing Finance Limited	1,880,000,000	-
From Banks -Vehicle loan	30,876,584	32,409,131
Total	4,558,803,903	5,208,066,189

Schedules forming part of Consolidated Balance Sheet as at March 31, 2010 (Contd.)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
Schedule 4 : Unsecured Loans :		
Preference Shares issued by Subsidiary Companies :		
635,000 -0.001% Cumulative Redeemable Optionally Convertible Preference Shares of Rs.10/- each fully paid up (The Preference Shares are convertible in equity shares in the ratio of 1:1 at any time at the option of the shareholders of the subsidiary company, till the redemption date of shares i.e. 6 years from the date of issues viz. January 22, 2007 and February 16, 2007).	6,350,000	6,350,000
1,000,000 0.1% Redeemable Cumulative Preference Shares of Rs.100/- each, fully paid up (Redeemable Cumulative Preference Shares are, at the discretion of the Board of Directors of the subsidiary company redeemable at par fully or partially, after expiry of 12 years from the date of issue November 21, 2006, but not later than 20 years from the date of issue).	100,000,000	100,000,000
192,532 Compulsory Convertible Preference Shares of Rs. 10/- each fully paid (The CCPS carry minimum coupon rate of 0.001% p.a. or such rate as may be decided by the Board of Directors of the Company, provided in the event the Company declares dividend to the Equity Shares, then the same shall be entitled to the same rate of equity dividend. Tenure of CCPS is four years, subject to earlier redemption at the discretion of the Board of Directors in the event the holders of the series express their desire for redemption to the Company. Compulsory conversion in Equity Shares of part of the CCPS upon happening of agreed future event.)	1,925,320	1,925,320
Others :		
From Directors (Interest free)	27,331,095	-
Inter-corporate Deposits	1,254,025,506	3,765,937,815
Unsecured Debenture Application	-	3,275,000,000
Total	1,389,631,921	7,149,213,135

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Schedules forming part of Consolidated Balance Sheet as at March 31, 2010 (Contd.)

Schedule 5 : Fixed Assets

Particulars	Gross Block (At Cost)			Depreciation / Amortisation				Net Block		
	As at 01.04.2009	Additions	Adjustment for the year (Refer Note 1 below)	Deductions	As at 31.03.2010	As at 01.04.2009	For the year (Refer Note 2 below)	On Deductions	As at 31.03.2010	As at 31.03.2009
TANGIBLE ASSETS										
Land under development	9,241,804	-	(9,241,804)	-	-	-	-	-	-	9,241,804
Buildings										
- Temporary Structure	-	-	38,542	-	38,542	31,335	272	-	31,607	6,935
- Others	91,984,005	10,898,518	83,044	56,741,513	46,224,054	55,070,131	36,975,011	56,725,761	35,398,683	10,825,371
Computers	6,862,232	4,738,156	-	29,900	11,570,488	2,983,224	2,093,367	14,065	5,062,526	6,507,962
Furniture & Fixtures	31,115,106	11,372,508	9,860	-	42,497,474	4,569,571	9,860	-	10,884,830	31,612,644
Office Equipments	6,429,315	3,664,430	-	-	10,093,745	1,158,421	898,746	-	2,057,167	8,036,578
Plant & Machinery	6,521,959	3,418,151	7,629,045	-	17,569,155	891,018	1,895	-	2,317,014	15,252,141
Vehicles	53,124,147	6,085,106	-	3,666,720	55,542,533	6,767,957	12,259,697	2,799,802	16,227,852	39,314,681
Improvement on Leasehold Property	88,184,129	29,964,883	-	-	118,149,012	18,069,499	33,088,325	-	51,157,824	66,991,188
INTANGIBLE ASSETS										
Software	7,387,996	1,034,828	-	-	8,422,824	2,856,210	2,622,625	-	5,478,835	2,943,989
Sub Total	300,850,693	71,176,580	(1,481,313)	60,438,133	310,107,827	92,366,031	95,667,543	59,539,628	128,616,338	181,491,489
Previous Year	166,551,077	133,445,187	854,429	-	300,850,693	18,174,123	73,895,869	-	92,366,031	-
Capital work-in-progress (Including advance of Rs.6,710,503 (Previous Year Rs.14,737,700))										37,266,510
Total										218,757,999
										223,222,362

Notes :

1. The adjustments includes assets of subsidiaries acquired / sold during the year.
2. Out of total depreciation, Rs.131,948 inventorised during the year.

Schedules forming part of Consolidated Balance Sheet as at March 31, 2010 (Contd.)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
Schedule 6: Investments		
(At cost, unless otherwise specified)		
I) Long Term Investment (Unquoted) (Non Trade)		
a) In Equity Shares of Associate Companies, fully paid up		
Cost of investment in Associates (Refer Note Below)	840,450	753,390
[Including Rs.2,026,208 (Previous Year Rs.2,026,208) of Capital Reserve and net of Rs.23,583 (Previous Year Rs.17,828) of Goodwill arising on the acquisition of associates]		
Sub Total (a)	840,450	753,390
b) Other Investments (Non Trade)		
Investment in Equity Shares of The Kapol Co-operative Bank Limited	50,000	50,000
[5,000 (Previous Year 5,000) Equity Shares of Rs. 10/- each, fully paid up]		
Investment made in Partnership Firm "Evergreen Industrial Estate" by one of the Joint Venture namely "Turf Estate JV".	1,470,073	1,689,673
Sub Total (b)	1,520,073	1,739,673
II) Current Investments (At lower of cost or fair value) (Quoted) (Non Trade)		
Investments in Mutual Fund	8,938,595,485	-
Less : Provision for Diminution in Investment	240,231	-
Sub Total (c)	8,938,355,254	-
Total (a + b + c)	8,940,715,777	2,493,063

Note :

The particulars of investment in associate companies as of March 31, 2010 are as follows:

Sr No	Name of the Associate	Country of Incorporation	Ownership Interest	Original Cost of Investment	Amount of Goodwill / (Capital Reserve) in the Original Cost	Share of post acquisition Reserves & Surplus	Carrying Cost of Investments
1	Sangam City Township Private Limited (formerly known as Dharadhar Developers Private Limited)	India	31.67%	95,000	(1,725,827)	605,131	700,131
	Previous Year		(31.67%)	(95,000)	(-1,725,827)	(478,040)	(573,040)
2	Dynamix Building Materials Private Limited	India	50%	100,000	(300,381)	(18,218)	81,782
	Previous Year		(50%)	(100,000)	(-300,381)	(4,376)	(95,624)
3	DB Hi-Sky Private Limited	India	50%	50,000	12,481	(50,000)	-
	Previous Year		(50%)	(50,000)	(12481)*	(28,639)	(21,361)
4	Nine Paradise Hotels Private Limited	India	33%	45,318	3,236	(27,458)	17,860
	Previous Year		(33%)	(45,318)	(3236)*	(8,873)	(36,445)
5	Crossway Realtors Private Limited	India	28%	28,000	2,111	(2,943)	25,057
	Previous Year		(28%)	(28,000)	(2111)*	(1,080)	(26,920)
6	Heaven Star Realty Private Limited	India	24%	24,000	5,755	(8,380)	15,620
	Previous Year		(Nil)	(--)	(--)	(--)	(--)
	Total			342,318	(2,002,624)	498,132	840,450
	Previous Year Total			(318,318)	(2,008,380)	(435,072)	(753,390)

(Previous Year's figures denotes ownership interest and balances)

* Previous year's figures in brackets with negative sign denotes Capital Reserve and without negative sign denotes Goodwill.

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Schedules forming part of Consolidated Balance Sheet as at March 31, 2010 (Contd.)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
Schedule 7 : Inventories		
Project Work in Progress (Refer Notes below)		
Opening Balance	9,566,659,272	4,270,260,509
Add : Inventories taken over on acquisition of subsidiaries & joint ventures (includes revaluation of land (Refer note 7 of Schedule 16 (B)) (also including adjustments to opening balance)	284,110,928	3,432,157,300
Add : Construction cost incurred during the year	5,551,375,161	2,253,200,085
Add : Depreciation during the year	10,087,918	3,487,253
Add : Interest inventorised during the year	139,217,511	205,362,775
Less: Transferred to profit and loss account / capitalised during the year	2,871,333,681	597,808,650
Sub Total (a)	12,680,117,109	9,566,659,272
Transferable Development Rights		
Opening Balance	1,011,819,736	1,070,955,291
Add : Construction cost incurred during the year	2,117,674,397	1,633,737,293
Add : Depreciation during the year	-	160,004
Less: Transferred to profit and loss account / capitalised during the year	2,614,662,535	1,693,032,852
Sub Total (b)	514,831,598	1,011,819,736
Total (a+b)	13,194,948,707	10,578,479,008

Notes:

- (i) Refer foot note (i) to note 3 of Schedule 16 (B)
- (ii) Includes Rs. 21,072,000 (Previous Year Rs.1,071,072,000) paid for leasehold land pending execution of title deeds.

Schedule 8 : Cash and Bank Balances :

Cash on Hand (Refer note (i) below)	1,559,416	5,435,840
Balance with Schedule Banks -		
In Current Accounts	805,461,094	726,110,276
In Fixed Deposits Accounts (Refer note (ii) and (iii) below)	53,213,310	37,184,616
Total	860,233,820	768,730,732

Notes

- (i) Includes cheques on hand Rs.300,000 (Previous Year Rs.83,526,749/-)
- (ii) Includes Interest accrued Rs.Nil (Previous Year Rs.908,935/-)
- (iii) Includes for margin money deposit Rs.31,200,000 and deposit under lien for Rs.12,000,000
(Previous year deposits under lien Rs. 32,500,000)

Schedules forming part of Consolidated Balance Sheet as at March 31, 2010 (Contd.)

	As at March 31, 2010 Rupees	As at March 31, 2009 Rupees
Schedule 9 : Loans & Advances :		
(Unsecured, unless stated otherwise)		
Loans to associate companies (Interest Free)	737,646,389	557,442,099
Loans to others	7,701,145,827	5,826,701,664
Dues from members of partnership firms/ joint ventures	4,919,332,598	3,177,551,622
Advances recoverable in cash or in kind or for value to be received	3,248,676,149	1,225,217,430
Deposits :		
Security Deposits (Refer note 8 of Schedule 16 (B))	1,806,138,057	759,750,777
Others	93,776,616	104,019,334
Advances for the purchase of tenancy rights	44,428,600	734,206,239
Advance against Share Purchase	20,000,000	70,000,000
	<u>18,571,144,236</u>	<u>12,454,889,165</u>
Less: Provision for doubtful advances	17,557,328	17,557,328
	<u>18,553,586,908</u>	<u>12,437,331,837</u>
Loans & Advances		
Considered Good	18,553,586,908	12,437,331,837
Considered Doubtful	17,557,328	17,557,328
Total	<u>18,571,144,236</u>	<u>12,454,889,165</u>
Schedule 10 : Current Liabilities and Provisions:		
Current Liabilities:		
Sundry creditors (Refer note 8(b) of Schedule 16 (B))	1,402,391,748	1,161,850,586
Advance towards sale of flats/car parking	3,100,815,746	1,132,265,828
Amount received on sale of Land TDR (Refer note 3(A)(iv) of Schedule 16 (B))	490,349,969	-
Due to partnership firm towards capital contribution	174,093,662	379,757,548
Deposit received against sale of TDR	79,200,000	344,025,000
Security Deposits	20,262,730	-
Interest accrued but not due on loans	3,159,187	5,641,300
Temporary overdrawn current account balance as per books of subsidiaries / jointly controlled entities	-	17,646,702
Duties and Taxes	-	8,209,936
Other Current Liabilities	2,117,101,734	307,986,161
Sub Total (A)	<u>7,387,374,776</u>	<u>3,357,383,061</u>
Provisions:		
For Fringe Benefit Tax payable (net of taxes paid)	212,093	285,173
For Gratuity	9,752,654	5,235,482
For Compensated Absences	12,873,473	6,329,593
Provision for tax (net of taxes paid)	238,611,784	44,822,032
Sub Total (B)	<u>261,450,004</u>	<u>56,672,280</u>
Total (A)+(B)	<u>7,648,824,780</u>	<u>3,414,055,341</u>

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Schedules forming part of Consolidated Profit & Loss Account for the year ended March 31, 2010

	For the year ended March 31, 2010 Rupees	For the year ended March 31, 2009 Rupees
Schedule 11 : Sale and Income from operations		
Sale of Properties	4,145,032,477	1,084,986,327
Sale of Transferable Development Rights	5,367,044,775	3,530,782,031
Amount forfeited on cancellation of allotment of property and assignment of development rights	-	28,529,675
Total	9,512,077,252	4,644,298,033
Schedule 12 : Other Income		
Dividend Income on Mutual Fund	40,118,031	-
Interest Received on Loans - others (Tax Deducted at source Rs. 4,022,468, Previous Year Rs. 2,944,701)	107,337,984	14,467,393
Interest on Bank Fixed Deposit (Tax Deducted at source Rs.489,029, Previous Year Rs.6,289,373)	129,865,754	53,276,146
Interest Received - other (Tax Deducted at source Rs. Nil, Previous Year Rs. 5,221)	11,697,867	23,042
Exchange Gain, net	131,582	-
Rent Received	499,215	-
Profit on sale of fixed Assets	1,148,835	-
Miscellaneous Income	510,756	253,669
Total	291,310,024	68,020,250
Schedule 13: Project Expenses incurred		
Land acquisition and purchase of tenancy rights	2,929,035,521	302,160,965
Purchase of Transferable Development Rights (TDR)	67,509,650	382,530,768
Construction Expenses	4,696,590,854	3,090,600,913
Project Salaries, wages and bonus (including managerial remuneration)	109,423,894	110,789,589
Contribution to provident fund and others	1,080,396	855,143
Total	7,803,640,315	3,886,937,378
Schedule 14: (Increase)/Decrease In Inventories		
Project Work in Progress:		
Opening balance (Including revaluation of land - Refer note 7 of Schedule 16 (B))	9,566,659,272	4,460,691,817
Taken over on acquisition	282,642,425	3,432,157,300
Capitalised during the year	-	(17,591,816)
Closing balance	(12,680,117,109)	(9,566,659,272)
(Increase)/Decrease in Project Work in Progress	Sub Total (a)	(1,691,401,971)
Transferable Development Rights		
Opening balance	1,011,819,736	880,523,982
Closing balance	(514,831,599)	(1,011,819,736)
(Increase)/Decrease in Transferable Development Rights	Sub Total (b)	(131,295,754)
Total (a+b)	(2,333,827,275)	(1,822,697,725)

**Schedules forming part of Consolidated
Profit & Loss Account for the year ended 31 March 2010 (Contd.)**

	For the year ended March 31, 2010 Rupees	For the year ended March 31, 2009 Rupees
Schedule 15: Establishment Expenses		
Payment to and Provision for employees:		
a) Salaries, wages and bonus	41,560,475	33,690,803
b) Contribution to provident fund and others	815,897	746,938
c) Staff Welfare and other amenities	10,694,718	6,389,029
Exchange loss, net	-	2,395,179
Rent, rates and taxes (including lease rents - Refer note 16 of Schedule 16(B))	34,676,069	45,880,134
Repairs and maintenance	3,309,582	2,457,659
Legal and professional charges	72,483,324	73,015,574
Donations	11,174,635	41,579,495
Directors Sitting Fees	800,000	160,000
Advertisement and publicity	103,860,757	66,579,973
Books, Periodicals, Subscription and Membership Fees	4,850,476	183,784
Printing, stationery, postage, telegram and telephone charges	3,244,528	3,166,523
Travelling and conveyance expenses	7,300,636	6,926,740
Commission and brokerage	36,307,784	18,502,703
Compensation	24,000,000	-
Provision for doubtful advances	-	10,000,000
Provision for Diminution in Investment	240,231	-
Miscellaneous Expenses (Refer note below)	31,657,848	10,552,863
Total	386,976,960	322,227,396

Note :
Miscellaneous Expenditure includes security charges, house keeping expenses, garden expenses, electricity charges, water charges, hiring charges, registration charges and sundry balances written off etc.

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SCHEDULE 16 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

A) SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF PREPARATION:

- i) These consolidated financial statements pertain to DB Realty Limited (formerly known as DB Realty Private Limited) (“the Company” / “the Parent”/ “the Holding Company”), its subsidiaries (companies and Firms/AOPs where control exists), joint ventures and associates. The Company and its subsidiaries constitute “the Group” as detailed at B (1) hereunder.
- ii) The financial statements of the subsidiaries/ joint ventures/ associates (including partnership firms) are drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2010.
- iii) These financial statements are prepared under historical cost convention and on accrual basis of accounting, in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956 including the applicable accounting standards.

b) PRINCIPLES OF CONSOLIDATION:

These consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiaries have been consolidated in accordance with the Accounting Standard 21 (AS 21) “Consolidated Financial Statements”, on line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions.
- ii) The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances to the extent practicable.
- iii) The excess of the cost to the Company of its investment in the subsidiaries, on the acquisition dates over and above the Company’s share of equity (i.e. Net Worth) in the subsidiaries, is recognised in the financial statements as Goodwill on Consolidation and carried forward in the accounts. The said Goodwill is not amortised, however, it is tested for impairment at each Balance sheet date and the impairment loss, if any, is provided for. Alternatively, where the share of the equity in the subsidiaries as on the date of investments is in excess of cost of investment of the Company, it is recognised as “Capital Reserve on Consolidation” The net amount of Capital Reserve after set-off of the Goodwill amount is presented under “Reserve and Surplus”.
- iv) Minority interest in the net assets of the consolidated subsidiaries consist of:
 - (a) The amount of equity attributable to minorities as at the date on which the investment in a subsidiary is made and,
 - (b) The minorities share of movements in equity since the date the parent-subsidiaries relationship came in existence. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary and further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses. If the subsidiaries subsequently reports profit, all such profits are allocated to the majority interest until the minority’s share of losses previously absorbed by the majority has been recovered.
 - (c) Minority interest is presented separately from the liabilities or assets and the equity of the parent shareholders in the Consolidated Balance Sheet. Minority interest in the income or loss of the Company is separately presented.
- v) In case of associates, where the Company directly or indirectly through subsidiaries holds more than 20% of equity, investments in associates are accounted for using equity method in accordance with Accounting Standard 23 (AS 23)-“Accounting for Investment in Associates in Consolidated Financial Statements”. Accordingly:
 - (a) The Company accounts for its share in the change in the net assets of the associates, post acquisition, through its Profit and Loss Account to the extent such change is attributable to the associate’s Profit and Loss Account and through its reserves for the balance.
 - (b) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of share in the associates is, included in the carrying amount of investment in the associates, identified as Goodwill or Capital Reserves as the case may be and so disclosed.

vi) The financial statements of entities, where there is joint control (pursuant to a contractual arrangement), have been combined by using proportionate consolidation method and accordingly, Company's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported as a separate line items in the consolidated financial statements as per Accounting Standard 27 (AS-27)-"Financial Reporting of Interests in Joint Ventures".

c) **USE OF ESTIMATES**

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialize.

d) **FIXED ASSETS**

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

Land (under development) is stated at cost of acquisition and incidental expenses incurred till date.

e) **DEPRECIATION/AMORTISATION**

Depreciation on fixed assets, other than leasehold improvements and computer software, is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. The cost of improvements on leasehold properties is amortised over the period of the lease. Computer software is being depreciated on straight line basis over a period of 3 years.

Structures constructed for purpose of demonstration to prospective buyers (to be demolished before the project completion) are capitalised as buildings and depreciated over the period by which the respective project is expected to be completed – not exceeding 36 months.

f) **IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying amount exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g) **INVENTORIES**

Inventories are valued at lower of cost and net realizable value. Inventories mainly include parcels of land, expenditure on projects under construction and Transferable Development Rights ("TDR"). Project work in progress cost include costs incurred, as applicable, upto the completion of the project viz. cost of land/ development rights, materials, services, depreciation on assets used for project purposes and other expenses (including borrowing costs) attributable to the projects. Project and construction related work in progress includes any adjustment arising due to foreseeable losses.

Inventory also includes cost incurred (including tender fees/ deposit) in relation to infrastructure projects for which the Company bids. Such costs incurred are monitored regularly by the management and in respect of unsuccessful/ infructuous bids, all cost incurred, other than refundable tender deposit, are charged to profit and loss account at that time. The amounts of such refundable tender fees are grouped under "Loans and Advances".

TDR Entitlements included under inventory represents entitlement under agreement with the Slum Rehabilitation Authority (SRA) computed based on an agreed level of development and construction of property. The same is valued taking into consideration the entitlement under the agreement and the cost attributable to the project or estimated net realisable value, whichever is lower.

h) **REVENUE RECOGNITION**

(i) Revenue from sale of properties under construction is recognized on the basis of percentage of completion method, subject to transfer of significant risks and rewards to the buyer. The percentage of completion is 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 and atleast 20% of construction cost (excluding cost incurred in acquisition of land and its development rights) is incurred. Accordingly cost of construction / development is charged to the profit and loss account in proportion to the revenue recognized during the period and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable / payable are reflected as Debtors / Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable

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area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes to estimates is recognized in the period such changes are determined.

- (ii) Revenue from TDR Entitlement in respect of Slum Rehabilitation Project is recognised as income in the profit and loss account only after the said project work has progressed to the extent of 30% of the total work involved. The TDR entitlement, sold or transferred, is initially credited to "Contract Revenue" and is appropriated towards income on the basis of percentage completion as indicated above. The balance is continued in the said Contract Revenue account and is disclosed under "Current Liabilities".

i) INVESTMENTS

Current Investments are carried at lower of cost and fair value, computed category wise. Long term Investments are stated at cost. Provision for diminution in the value of Long term investments is made only if decline is other than temporary.

j) EMPLOYEE BENEFITS

i) Defined Contribution Plan:

Group's Contribution paid/payable for the year/period to Defined Contribution retirement benefit plan is charged to Profit and Loss account.

ii) Defined Benefit Plan and other long term benefit:

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

iii) Short term employee benefits:

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

k) OPERATING LEASE:

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

l) FOREIGN CURRENCY TRANSACTIONS

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

In case of monetary items which are covered by forward contracts, the difference between the yearend/period end rate and the rate on the date of the contract is recognized as an exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.

m) SHARE ISSUE EXPENSES:

Share issue expenses are carried forward as miscellaneous expenditure to the extent not written off or adjusted till the issuance of shares and on issuance of shares are adjusted against the Securities Premium Account.

n) BORROWING COST

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are considered as a part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for the intended use. All other borrowing cost are charged to revenue.

o) TAXES ON INCOME

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/ recovered from the tax authorities, using the applicable effective tax rates. Deferred tax assets and liabilities are

recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted or substantively enacted effective tax rates as on the balance sheet date.

At each balance sheet date the company reassesses unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

p) PROVISIONS AND CONTINGENT LIABILITY

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized in the financial statements nor disclosed in the financial statements.

B) NOTES TO THE ACCOUNTS:

1) Entities included in the consolidated financial statements with details of the holdings therein are as under.

a) Subsidiary companies consolidated on 'line by line' basis as per AS 21:

Name	Country of incorporation	Percentage of Ownership Interest as at March 31, 2010	Percentage of Ownership Interest as at March 31, 2009
Neelkamal Realtors Suburban Private Limited	India	66.00%	66.00%
Gokuldharm Real Estate Development Company Private Limited	India	75.00%	75.00%
Neelkamal Realtors Towers Private Limited	India	50.72%	50.72%
Neelkamal Shantinagar Properties Private Limited (<i>refer note i below</i>)	India	100.00%	99.38%
Air Inn Private Limited (<i>refer note ii below</i>)	India	N.A.	75.00%
Esteem Properties Private Limited.	India	100.00%	75.00%
D B Properties Private Limited (<i>refer note iii below</i>)	India	100.00%	100.00%
Saifee Bucket Factory Private Limited (w. e. f. September 23, 2009)	India	100.00%	N.A.
Real Gem Buildtech Private Limited (w.e.f. August 31, 2009)	India	85.00%	N.A.
D B Man Realty Private Limited (formerly known as D B Hi-Class Construction Private Limited)(w.e.f. September 22, 2009)(<i>refer note iv below</i>)	India	51.00%	N.A.
Priya Constructions Private Limited (w.e.f. November 18, 2009)(<i>refer note v below</i>)	India	100.00%	N.A.
DB Chandak Realtors Pvt Ltd (w.e.f. March 31, 2010)	India	70.00%	N.A.

- (i) The subsidiary company has a Joint Venture agreement with Shankala Realtors Private Limited having profit sharing ratio of 50% for development and construction of a residential complex in the name and style of M/s. Shree Shantinagar Venture. The said Joint Venture is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for consolidation of the Company.
- (ii) The Company disposed off investment in the subsidiary on May 22, 2009
- (iii) The subsidiary company has an investment in the capital of a partnership firm, viz. M/s. Suraksha DB Realty, having profit sharing ratio of 50% for construction and development of the immovable Properties. The said partnership firm is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for consolidation of the Company.
- (iv) The subsidiary company has an investment in the capital of a company namely Royal Netra Constructions Private Limited with a stake of 70%. The said company is consolidated as per AS – 21 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for consolidation of the Company.

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(v) During the year the Holding Company step by step has acquired stake in this subsidiary i.e. 66% on September 25, 2009 and remaining 34% on November 18, 2009. Thereby, the said company became wholly owned subsidiary from November 18, 2009 and accounted under AS-21 from the said date. The subsidiary company has an investment in the capital of a partnership firm, viz. M/s. Evergreen Industrial Estate having profit sharing ratio of 66% for construction and development of the Immovable Properties. The said partnership firm is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for consolidation of the Company.

b) Joint Ventures/Partnership Firms (where the Company has overall control and management) consolidated on a 'line by line' basis (AS-21) :

Name	Country of Formation	Percentage of ownership interest as at March 31, 2010	Percentage of ownership interest as at March 31, 2009
Conwood DB Joint Venture	India	90.00%	90.00%
ECC DB Joint Venture	India	75.00%	75.00%
Mira Salt Works Company @	India	100.00%	100.00%

@ 100% includes share of nominees of D B Realty Limited acting as partners on behalf of the Company.

c) Joint ventures/ partnership firms/company accounted on proportionate consolidation basis as per AS- 27:

Name	Percentage of Ownership Interest as at March 31, 2010	Percentage of Ownership Interest as at March 31, 2009
Turf Estate JV (Refer note i below)	66.67%	66.67%
Dynamix Realty (Partnership Firm) (in construction TDR) (Refer note ii below)	99.00%	99.00%
DBS Realty (Partnership Firm)	33.33%	33.33%
Lokhandwala Dynamix Balwas JV	50.00%	50.00%
M. K. Malls and Developers Private Limited	36.23%	36.23%

(i) The Joint Venture has investment of Rs. 2,600,000/- in a partnership firm viz. M/s. Evergreen Industrial Estate towards 1% share in Profit/ Loss and is accounted under AS-13 in the books of said joint venture.

(ii) The said partnership firm has a SRA project by which it is entitled for two components of TDR viz. Land Component TDR and Construction Component of TDR. Since the partners and their sharing of profit / (loss) are different in each component, the said project is divided into two projects viz. a) Project I- Land component of TDR (Partners – Eversmile Construction Company Private Limited – profit/ (loss) sharing ratio of 99% and Conwood Construction and Developers Private Limited – profit/ (loss) sharing ratio of 1%) and b) Project II – Construction component of TDR (Partners – D B Realty Limited – profit/ (loss) sharing ratio of 99% and Conwood Construction and Developers Private Limited – profit/ (loss) sharing ratio of 1%). Since, the Holding Company has share only in the profit / (loss) in the Project II, the profit/ (loss) has been considered for the same on the basis of project wise break-up of audited accounts.

2) The associates accounted under 'equity method' as per AS-23:

Name	Percentage of equity interest as at March 31, 2010	Percentage of equity interest as at March 31, 2009
Dynamix Building Materials Private Limited	50.00%	50.00%
Sangam City Township Private Limited	31.67%	31.67%
D B Hi-Sky Construction Private Limited	50.00%	50.00%
Nine Paradise Hotels Private Limited	33.00%	33.00%
Crossway Realtors Private Limited	28.00%	28.00%
Heaven Star Realty Private Limited (w.e.f. September 26, 2009)	24.00%	N.A.

3) Contingent Liabilities and Commitments:

	As at March 31 2010	As at March 31, 2009
	(Rupees)	(Rupees)
i. Estimated amount of contracts remaining to be executed on the capital account (net of advances) and not provided for	24,270,666	13,456,900
ii. Guarantees to banks and financial institutions (in India and overseas) against credit facilities extended to (refer note 4 below)		
a) Jointly Controlled Entity		
- M K Malls and Developers Private Limited (Refer note ii below)	-	-
Sub Total (A)	-	-
b) Companies under the same management		
- Etisalat DB Telecom Private Limited (refer note iii below)	-	6,070,000,000
- Allianz Infratech Private Limited (wholly owned subsidiary of Etisalat DB Telecom Private Limited) (refer note iv below)	420,000,000	420,000,000
- D B Hospitality Limited, Mauritius (wholly owned subsidiary of DB Hospitality Private Limited) (USD 138 Million)	6,229,320,000	6,441,440,000
Sub Total (B)	6,649,320,000	12,931,440,000
c) Others		
- Neelkamal Realtors and Builders Private Ltd. (refer note iii below)	4,125,000	4,125,000
- Tiger Trustees Private Limited (refer note i and iv below)	8,530,000,000	8,530,000,000
Sub Total (C)	8,534,125,000	8,534,125,000
Grand Total (A+B+C)	15,183,445,000	21,465,565,000

Notes:

- (i) Together with collateral securities of the Company's that property admeasuring 80,934 sq meters at Malad (East), (Seksaria Project) Mumbai with all including all development rights, unutilized Floor Space Index/or such other FSI that may be granted in future.
- (ii) No amount has been utilized towards a total corporate guarantee provided of Rs. 2,448,000,000 (Previous year: Nil)
- (iii) Towards vehicle loan.
- (iv) Towards financial and performance guarantee.

iii. Arrears of Dividend on 0.001 % Compulsorily Convertible Cumulative Preference Shares (CCPS)	185	147
iv. Contingent payments to the holders of CCPS (converted into equity shares during the half year ended September 30, 2009) as well as equity shares subscribed in 2007-08 – Representing the amount payable or adjustable on exercise of various exit options by the holders based on agreement entered with them	-	Amount unascertainable
v. Esteem Properties Private Limited, as per terms of Consent Terms entered into with Air Inn Private Limited, is liable to re-imburse to Air Inn Private Limited the liability that may devolve upon it on account of suit pending against it in the Hon'ble High Court of Judicature of Bombay.	15,000,000	-
vi. Impact of various amendments to service tax in construction industry as per Finance Act, 2010 not determinable as the effective date to be notified including abatement is awaited.	Amount unascertainable	NA
vii. The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.		

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- 4) With respect to above guarantees, the Holding Company is confident that those entities would fulfil their obligations under those funded and non funded credit facilities.

The Holding Company has received in its favour irrevocable and unconditional personal guarantees for an amount aggregating USD 138 million plus Rs. 16,570 million from its each Managing Director. On that basis, the company does not expect any financial liability on this account at present.

- 5) Significant disclosures made in the audited financial statements of the subsidiaries / partnership firms / joint ventures and jointly controlled entities:

A) Partnership firm (consolidated as per AS-27)

- i) The High-court of Mumbai has dismissed the writ petition filed by Bharat Petroleum Corporation Limited (BPCL), inter-alia praying for passing appropriate order for stoppage of the construction work, demolition of construction carried out and declaration of land as "Non-Development" in relation to development and construction of the project by the firm on various grounds inclusive of affecting security of assets of BPCL being national assets. The Special Leave Petition filed by BPCL against the said dismissed writ petition is pending disposition before the Supreme Court of India. In the opinion of the Firm, the litigation initiated by BPCL will not have material adverse impact on the project revenue realized and expected to be realized in relation to project work pending completion, as of March 31, 2010.
- ii) During the year, the firm has recognized proportionate Project Revenue in respect of the project referred at 'i' above. No provision for current tax has been made on the profit of Rs. 3,459,565,669 (Previous year : Rs. 2,930,330,616) derived keeping in view the following:
- a. The Profits computed on Percentage Completion Method are derived from construction and development Project and are eligible for 100% deduction under section 80IB (10) of the Income Tax Act, 1961 subject to compliance of the enumerated conditions therein.
- b. Percentage completion method is followed for revenue recognition.
- c. Clarification issued by Central Board of Direct Taxes that the deduction can be claimed on a year to year basis where profits are shown on partial completion of the Project every year.

In the event, the firm does not satisfy the enumerated conditions as contained in Section 80IB(10) of the Act, more particularly of completing the Project within the specified time limit of 5 year i.e. 2012, the deduction shall stand withdrawn for the respective year(s), and the Firm would called upon to pay Income Tax and Interest thereon.

- iii) Unsecured loans taken and granted are subject to confirmation, wherever applicable. Further, the firm considers such loans granted to be good of recovery.
- iv) In accordance with the terms and conditions of term loans from IL&FS Financial Services Limited (IFIN), the firm, over and above the designated interest and other incidental charges, has to extend incentive to IFIN of a minimum of Rs. 53,000,000 in case the average sale realisation of TDR does not exceed Rs. 1,500 per sq. ft. In the event the average sale realisation exceeds Rs. 1,500 per sq. ft., then such excess has to be shared equally between the Firm and IFIN, subject to an upper cap of Rs.240,000,000 (the said incentive) which shall accrue to IFIN at the end of the tenure of term loans. Based on the average price on which project revenue has been recognised as up to March 31, 2010, the Firm made provision on estimate basis for such incentive payable based on the sq. ft. of TDR for which revenue has been recognised in the profit and loss account of the firm.

B) Subsidiaries (Consolidated as per AS 21):

- i) Keeping in view the following aspects, the Management has decided not to make provision for "Value Added Tax" which a "Dealer" is liable to pay under the Act, on sale of units of a premise under construction by the enterprise engaged in the business of construction as per the circular dated 29th August, 2007, issued by the Sales Tax Authority.
- a. Interim Order of December, 2007 passed by the Hon. High Court of Bombay to the writ petition filed inter-alia pleading for non-applicability of the ratio laid down in the decision of the Apex Court in the matter of K. Raheja Development Corporation to the transaction for the sale of flats under the Maharashtra Ownership Flats Act, 1963, directing that the Members of the Maharashtra Chambers of Housing Industries not to register as "Dealer" and no order of assessment be passed subject to compliance of procedural formalities.
- b. Pending final outcome to the writ filed.

- c. In any view the matter, in the event the said liability is crystallised, the said subsidiary company shall be able to recover the attributable amount from the allottees.
- ii) During the previous year, the subsidiary company had changed the conceptualization of its project from “Mall” to “Residential cum Commercial”. In relation to Mall project, the subsidiary company had executed Joint Venture Agreements with parties for constructing part of the project on their land as per the agreed terms therein. The subsidiary company expects to execute the requisite Deed of Modification, having no material impact on the rights and obligations of the subsidiary company, qua the executed Joint Venture Agreements. Pending reaching finality in the matter, in these accounts, land cost has been provided for on the following basis:

(Amount in Rupees)

Sr. No.	Particulars	Amount Provided	Amount Paid/Cost of Construction allocated	Outstanding amount of provision as of 31.03.2010
(a)	Estimated Monetary Price to be paid by the said subsidiary company	104,132,500	-	104,132,500
(b)	Estimated construction cost referable to the saleable area to be provided by the said subsidiary company free of cost to the respective party	978,241,017	108,622,213	869,618,804
(c)	Estimated cost of Transferable Development right(s)	138,000,000	-	138,000,000
	Total	1,220,373,517	108,622,213	1,111,751,304

Notes:

- a) Necessary adjustments, if any, shall be made for the estimated cost of land so provided in the year of reaching finality in the matter.
- b) Term Loans from Banks:

The subsidiary company has availed off term loans from banks, which were sanctioned for construction and development of Mall Project. However, consequent to change in conceptualization of developing the land as Residential and Commercial Project, the subsidiary company has written letters to its bankers for according their approval for the change in such conceptualization. The subsidiary company expects that the bankers shall accord their approval for such change.

- 6) Group Share in Inventories (Schedule 7 of the Balance Sheet) represents the unsold TDR of the partnership firms' and valued at cost as per the accounting policy followed on inventories. However, the said firms have considered such unsold TDR at its estimated realisable value prevailing as at the year end and recognised as revenue / provided as contract revenue to the extent of unrecognised revenue, which has been reversed for the purpose of consolidation.
- 7) Group Share in Inventories (schedule 7 of the Balance Sheet) includes an opening balance of Rs. 1050,000,000 which the management believes the same needs to be considered as land under development and grouped under inventories, hence accordingly reclassified from fixed assets to Inventories for consolidation purposed. Further, the management believes that the said land is considered to be under deemed perpetual lease though under dispute.
- 8) As on September 26, 2009, the Holding Company acquired 66% equity interest in Priya Constructions Private Limited and it became a wholly owned subsidiary of the Company from the said date. This subsidiary company had an investment in the capital of a partnership firm viz. Evergreen Industrial Estate with a profit sharing ratio of 66%. The said partnership firm had revalued building in its books of account and the said revalued amount and credit was given to old partners in the year ended March 31, 2007. The management of the Holding Company believes that the said revaluation of land amounting to Rs.172,015,800, which is carried forward, needs to be considered as land under development and grouped under Inventories together with rights in respect of plot of leasehold land of Rs.10,531,740 in the books of Priya Constructions Private Limited and hence accordingly reclassified amount aggregating to Rs.182,547,540 from Fixed Assets to Inventories (Refer Schedule 7 to Balance Sheet) for the consolidation purposes. The said consideration paid for investment in the said partnership firm represents the cost of such building.
- 9) Group share in Loans and Advances (Schedule 9 of Balance Sheet) includes Rs.4,448,609,166 (Previous year Rs. 3,013,295,902) being the share in the advance granted by a partnership firm (M/s. Dynamix Realty) to another partner (Eversmile Construction Company Private Limited) towards its expected share in the profits of Project I. Accordingly, the said amount withdrawn by other partners in partnership firm have been considered good of recovery by the management of the Company.

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10) Security deposits under Loans and Advances include:

- a) An interest free deposit of Rs. 261,000,000 (Previous year Rs. 261,000,000) placed by the Holding Company with the owners of land towards development of IT/ ITES Park as per the agreement.
- b) An interest free security deposit of Rs. 450,000,000 (Previous year Rs. 450,000,000) placed by one of the subsidiary companies with the developer companies vide agreement for acquisition of sub-development rights from them. In consideration of the development rights granted by the developer company in favour of the subsidiary company being sub-developer, an aggregate 10% out of total sales proceeds, realised in respect of allotment/ reservation/ sales, etc. of the said premises or any part thereof, shall be paid to the developer companies. As per agreement, the subsidiary company were to deposit such sales proceeds first in the designated jointly operated bank account and balance 90% were to be transferred thereafter to its bank account. However, the said arrangement has not been followed and no amount has been deposited in jointly operated bank account and accordingly, Rs.139,076,930 payable to developers in aggregate 10% out of the sale proceeds for the year ended March 31 2010 as compensation is considered as part of construction cost incurred during the year and aggregate Rs.298,803,246 (Previous year Rs. 159,734,732) disclosed under the head "Sundry Creditors" (Schedule 10).
- c) an interest free performance refundable deposit of Rs. 29,000,000 (Previous year Rs. 29,000,000) placed by one of the subsidiary company with individuals and other company for development of a residential /commercial project.
- d) an interest free deposit of Rs. 17,993,934 (Previous year Rs. 18,605,934) (Maximum outstanding balance during the year Rs. 18,605,934 (Previous year Rs. 19,217,934) placed by one of the subsidiary joint venture with a company being another venturer of the said joint venture for acquiring development rights of the land, settling claims of the claimant and other costs and expenses.
- e) An interest free adjustable refundable security deposit of Rs. 1,000,000,000 (Previous year Rs. Nil) placed by one of the subsidiary company with other company towards development rights.

- 11) a) On September 22, 2009, (a) 810,000 Compulsorily Convertible Preference Shares (CCPS) of Rs. 10/- each issued in earlier year at a premium of Rs. 3,990/- per CCPS were converted into 810,000 equity shares of Rs. 10/- each fully paid up and (b) 937,500 Compulsorily Convertible Debenture of Rs. 5,600/- (allotted during the year) were converted into 937,500 equity shares of Rs. 10/- each fully paid up. (c) Further, pursuant to the consent accorded in the general meeting held on September 15, 2009, bonus equity shares were allotted on September 26, 2009 in the ratio of 20 equity shares of Rs. 10/- each fully paid up for each equity share held by Shareholders as on September 25, 2009.
- b) The initial public offer (IPO) of the Holding Company's Equity Shares aggregating to Rs.15,000,000,000 closed the subscription on February 2, 2010. The Holding Company allotted 32,051,282 equity shares of Rs. 10/- each at a premium of Rs. 458 per share on February 16, 2010. The Equity Shares of the Holding Company were listed on Bombay Stock Exchange Limited and The National Stock Exchange of India Limited on February 24, 2010.

The share issue expenses amounting to Rs. 653,522,843 have been debited to the Securities Premium Account.

Details of utilization of funds received from IPO of Equity Shares are as under:

(Rs. In Lacs)

Particulars of funds utilisation for	Amount to be utilised as per prospectus		Amount utilised till March 31, 2010
	Total	Up to March 2010	
Construction and development costs of projects specified in the prospectus of the Group	104,417	9,106	10,140
Deployed for other projects of the Group (Refer Note below)	-	-	28,789
Prepayment of loan from IDFC as specified in the prospectus	8,000	8,000	8,000
General Corporate Purposes	31,483	10,000	8,656
Share Issue Expenses	6,100	6,100	3,798
Total (A)	150,000	33,206	59,383

Notes:

- 1) The monitoring agency report from Punjab National Bank, Capital Market Services Branch, Mumbai for utilisation of IPO proceeds is awaited.
- 2) Utilised for certain project payments of Rs.15,658 Lacs and repayment of borrowings of Rs.13,131 Lacs as an interim measure though not forming part of specified utilisation of IPO proceeds as stated in the prospectus. The amount has been deployed till the actual requirement of funds for projects specified in the prospectus instead of

parking it in low yield liquid instruments. The Management of the Company has taken approval of the Board in this respect for such revision in its utilisation plans as specified in the prospectus.

Pending utilisation, the funds are temporarily invested / held in:

	(Rs. In Lacs)
a. Bank Balances (including Rs. 84 lacs in escrow account)	1,617
b. Mutual Funds	89,000
Total (B)	90,617
Grand Total (A+B)	150,000

12) Managerial Remuneration (pertaining to the Holding Company):

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
	(Rupees)	(Rupees)
a) Salaries and Allowances	29,329,745	22,171,165
b) Contribution to Provident and other funds	4,264	780
c) Perquisites	-	-
d) Directors' sitting fees	800,000	160,000
Total	30,134,009	22,331,945

a) The above remuneration for the year also includes remuneration per month of Rs.250,000 per month (Previous year: Rs. Nil) to Mr. Asif Balwa, Whole Time Director (now Chief Financial Officer w.e.f. September 15, 2009) with effect from April 1, 2009 to September 15, 2009 as approved by the Board of Directors.

b) The above remuneration excludes;

- (i) contributions to provident and other funds as per declarations of non deduction received from the respective directors;
- (ii) provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them and in respect of the other whole time director (now Chief Operating Officer w.e.f. September 15, 2009) is ascertained on an aggregated basis for the Company as a whole by way of actuarial valuation.
- (iii) the commission payable (not exceeding 1% of the net profits) to non-executive director of the Company as it has been waived by them.

Such waivers in (i) to (iii) above have been approved by the Board of Directors.

13) Payment to Auditors of the Group (included in Legal and Professional charges and IPO related fees adjusted to Securities Premium and service tax) :

Particulars	For the year ended March 31, 2010	For the year ended March 31, 2009
	(Rupees)	(Rupees)
Statutory Audits	5,808,308	2,771,054
Consolidation audit, certification, IPO related work and other matters	11,145,815	-
Others	149,370	3,130,422
Out of Pocket Expenses	81,964	56,507
Total	17,185,457	5,957,983

14) The disclosures under the Accounting Standard 15 notified by the Companies (Accounting Standards) Rules 2006 are given below.

Defined Contribution Plan:

Contribution to defined Contribution Plan recognized as an expense for the period is as under:

	For the Year Ended	
	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Employers contribution to Provident fund	1,896,294	1,602,081

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Defined Benefit Plan:

The present value of obligation is determined based on actuarial valuation by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan (unfunded) and the amounts recognised as at March 31, 2010:

a) Reconciliation of opening and closing balances of Defined Benefit Obligation:

Particulars	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Liability at the beginning of the year	5,235,486	1,773,899
Interest cost	660,177	446,602
Current Service cost	3,859,590	3,614,795
Liability transfer in	4,640	761,852
Actuarial (gain)/loss on obligations	(7,239)	(1,320,412)
Benefit Paid	-	(41,250)
Liability at the end of the period	9,752,654	5,235,486

b) Reconciliation of fair value of plan assets and obligations:

Particulars	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Liability at the end of the period	9,752,654	5,235,486
Fair value of Plan Assets at the end of the period	-	-
Difference	(9,752,654)	(5,235,486)
Amount Recognised in the Balance Sheet	(9,752,654)	(5,235,486)

c) Expense recognized during the period:

Particulars	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
Current service cost	3,859,590	3,614,795
Interest cost	660,177	446,602
Expected Return on Plan Assets	-	-
Actuarial Gain or Loss	(7,239)	(1,320,412)
Expense Recognised in Profit and loss account	4,512,528	2,740,895

d) Actuarial Assumptions:

Mortality Table	March 31, 2010	March 31, 2009
Discount rate (per annum)	8%	7.75%
Rate of escalation in salary (per annum)	10%	10%

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

e) Other Long Term Employee Benefit:

The compensated absences charge for the year ended 31st March, 2010, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting Rs. 2,694,831 (for Previous Year Rs. 1,456,682) has been recognized in the Profit and Loss Account.

15) Segment Reporting:

The Group is mainly engaged in the business of real estate development viz. construction of residential buildings/commercial complexes during the year and has also placed its bid for certain infrastructure projects for which the outcome of bids are awaited. On that basis, the Group has only one reportable business segment, the results of which are embodied in the financial statements.

- 16) The Group has taken commercial premises on Non Cancellable Operating Lease and lease rent of Rs. 33,937,669 (Previous Year Rs. 45,496,134) has been debited to Profit and Loss Account. The future minimum lease payments are as under:

Particulars	As at March 31, 2010	As at March 31, 2009
	(Rupees)	(Rupees)
Not later than one year	38,085,108	38,466,880
Later than one year but not later than five year	38,761,514	88,789,046
Later than five year	-	-
Total	76,846,622	127,255,926

There are no exceptional/restrictive covenants in the lease agreement.

- 17) Earnings per share (EPS) is calculated as follows:

	Particulars	March 31, 2010	March 31, 2009
A	Net Profit after tax as per profit and loss account (Rs.)	2,519,770,041	1,416,763,601
	Less: Preference Dividend in arrears	185	147
B	Net Profit after tax available to equity shareholders	2,519,769,856	1,416,763,454
	Weighted average number of equity shares outstanding (Nos.)		
	- for Basic EPS	214,238,161	209,460,000
	- for Diluted EPS	214,624,298	210,286,634
C	Earning per equity shares of face value of Rs 10 each		
	- Basic EPS (Rs.)	11.76	6.76
	- Diluted EPS (Rs.) (Refer notes below)	11.74	6.74
D	Reconciliation between number of shares used for calculating basic and diluted Earnings per share:		
	Number of shares used for calculating Basic EPS	214,238,161	209,460,000
	Add : Potential Equity Shares (Refer note 1 below)	386,137	826,634
	Number of shares used for calculating Diluted EPS	214,624,298	210,286,634

Notes:

- As required by AS 20, Bonus issue is treated as if it had occurred prior to the beginning of 2008-09, the earliest period reported. So it is considered as outstanding from April 1, 2008.
- In calculating diluted earnings per share for the year, the effect of convertible preference shares till the date of actual conversion is considered whereas the effect of dilution of debentures converted into equity shares is ignored as the same are considered to be anti-dilutive.

- 18) The components of deferred tax recognised as on March 31, 2010 are as follows:

Sr. No.	Particulars	March 31, 2010 (Rupees)	March 31, 2009 (Rupees)
A.	Deferred Tax Liabilities		
	- Related to Fixed Assets	80,514	12,562,504
	Total (A)	80,514	12,562,504
B.	Deferred Tax Assets		
	- Deduction u/s 35D of the Act	30,950	35,421
	- Disallowance under the Income Tax Act	2,524,024	1,573,123
	- Unabsorbed business loss	-	7,406,933
	Total (B)	2,554,974	9,015,477
	Closing Deferred Tax Assets / (Liability) (B-A)	2,474,460	(3,547,027)

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19) Related Party Disclosure:

(i) Disclosures as required by the Accounting Standard 18 (AS-18) "Related Party Disclosures" are given below:

Sr. No.	Name of the Related Party
Associates:	
1.	Sangam City Township Private Limited
2.	Dynamix Building Materials Private Limited
3.	Nine Paradise Hotels Private Limited
4.	Crossway Realtors Private Limited
5.	DB Hi Sky Constructions Private Limited
6.	Heaven star Realty Private Limited (w.e.f. September 26, 2009)
Key Management Personnel (KMP)	
7.	Mr. Shahid Balwa, Managing Director
8.	Mr. Asif Balwa, Whole Time Director upto September 14, 2009 ; Chief Financial Officer w.e.f. September 15, 2009
9.	Mr. Vinod Goenka, Managing Director (Executive Chairman upto September 14, 2009)
10.	Mr. Rajiv Agarwal, Chief Operating Officer (Whole Time Director from March 7, 2009 to September 14, 2009)
Relatives of KMP	
11.	Mr.Ishaq Balwa
12.	Mr.Mohammed Balwa
13.	Mr.Usman Balwa
14.	Mrs.Shabana Balwa
15.	Mr.Salim Balwa
16.	Mrs.Aseela V.Goenka
17.	Mr.Jayvardhan V.Goenka
18.	Ms.Sanjana Goenka
19.	Mr.Pramod Goenka
20.	Mrs.Sunita Bali
21.	Mrs.Shanita Jain
22.	Mrs Imrana Yasin Balwa
23.	Mrs. Wahida Balwa
Enterprise where individuals i.e. KMP and their relatives have significant influence	
24.	Allianze Infratech Private Limited
25.	Avanti Agro Farms Private Limited
26.	Associated Hotels Limited
27.	Baramati Fruits & Vegetables Private Limited
28.	Conwood Agencies Private Limited.
29.	Conwood Construction & Developers Private Limited
30.	D B Airport Infra Private Limited
31.	D B Contractors & Builders Private Limited.
32.	D B Hospitality Private Limited
33.	D B Modern Build Tech Private Limited.
34.	D B Tele Wimax Private Limited
35.	D B Real Estate Development Private Limited
36.	Dynamix Balwas Infrastructure Private Limited
37.	Dynamix Balwas Realty Ventures Private Limited
38.	Dynamix Balwas Resorts Private Limited
39.	Dynamix Balwas Telecom Private Limited
40.	Dynamix Balwas Telecom Services Private Limited
41.	Dynamix Club Resorts Private Limited
42.	Dynamix Securities and Holdings Limited
43.	D B Next Level Constructions Private Limited.
44.	Dynamix Developers Private Limited
45.	Earthen Agro & Infrastructure Private Limited

46.	Eterna Developers Private Limited
47.	Eterna Realty Private Limited.
48.	Eversmile Construction Company Private Limited.
49.	Etisalat DB Telecom Private Limited (Formerly known as Swan Telecom Private Limited)
50.	K G Enterprises
51.	Khairun Developers Private Limited
52.	Kusegaon Fruits & Vegetables Private Limited
53.	Milan Theatres Private Limited
54.	Neelkamal Realtors and Builders Private Limited
55.	Neelkamal Central Apartment Private Limited
56.	Neelkamal Tower Construction Private Limited
57.	Nihar Construction Private Limited.
58.	Siddharth Consultancy Services Private Limited.
59.	Sahyadri Food Processing Private Limited
60.	Sahyadri Grape Plantation Private Limited
61.	Sahyadri Horticulure Private Limited
62.	Sahyadri Organic Farming Private Limited
63.	Swan Connect Communication Private Limited.
64.	Tiger Trustees Private Limited
65.	Vinod Goenka – HUF
66.	Y. J. Realty Private Limited
67.	Yash Fruit Trading & Packaging Private Limited
68.	Goenka Associates & Educational Trust

(ii) Details of the transactions with the Related Parties (Excluding Reimbursements):

(Amount in Rs.)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Other related party where control/ significant influence exists
a) Loans given				
Opening Balance	557,442,099	594,000	-	6,349,281,018
	(331,756,851)	(-)	(-)	(3,189,862,694)
Adjustment (Refer Note ii below)	-	-	-	(183,500,000)
	(-)	(-)	(-)	(-)
Given during the period/on acquisition	180,294,290	-	-	11,271,613,429
	(1,831,030,425)	(594,000)	(-)	(9,291,069,808)
Returned during the period	90,000	594,000	-	8,859,616,625
	(1,605,345,177)	(-)	(-)	(6,131,651,484)
Closing Balance	737,646,389	-	-	9,027,777,822
	(557,442,099)	(594,000)	(-)	(6,349,281,018)
b) Deposits placed				
Opening Balance	-	-	-	1,953,605,934
	(-)	(-)	(-)	(1,954,217,934)
Placed during the period	-	-	-	-
	(-)	(-)	(-)	(-)
Repaid/ adjusted during the period	-	-	-	612,000
	(-)	(-)	(-)	(612,000)
Closing Balance	-	-	-	1,952,993,934
	(-)	(-)	(-)	(1,953,605,934)

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Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Other related party where control/ significant influence exists
c) Inter-corporate deposits received/ repaid during the year				
Opening Balance	-	-	-	1,470,182,590
	(1,391,792,500)	(-)	(-)	(1,013,751,350)
Taken / adjusted during the period	-	-	-	1,228,459,931
	(-)	(-)	(-)	(5,906,981,452)
Repaid/ adjusted during the period	-	-	-	1,769,749,378
	(1,391,792,500)	(-)	(-)	(5,450,550,212)
Closing Balance	-	-	-	99,953,142
	(-)	(-)	(-)	(1,470,182,590)
d) Other loans received/ repaid during the year				
Opening Balance	-	-	-	-
	(-)	(-)	(-)	(-)
Taken during the period	-	594,000	-	-
	(-)	(-)	(400,000)	(-)
Repaid during the period	-	594,000	-	-
	(-)	(-)	(400,000)	(-)
Closing Balance	-	-	-	-
	(-)	(-)	(-)	(-)
e) Loans from Directors				
Opening Balance	-	-	-	-
	(-)	(28,820,370)	(-)	(-)
Taken during the period/ on acquisition	-	-	-	-
	(-)	(-)	(-)	(-)
Repaid during the period	-	-	-	-
	(-)	(28,820,370)	(-)	(-)
Closing Balance	-	-	-	-
	(-)	(-)	(-)	(-)
f) Advances towards sale of flats / car parking				
Opening Balance	-	-	-	-
	(-)	(-)	(121,876,183)	(123,000,000)
Received during the period	-	-	-	-
	(-)	(-)	(-)	(-)
Repaid/ adjusted during the period	-	-	-	-
	(-)	(-)	(121,876,183)	(123,000,000)
Closing Balance	-	-	-	-
	(-)	(-)	(-)	(-)
g) Sundry Creditors				
Opening Balance	-	-	-	75,308,994
	(-)	(-)	(-)	(73,260,610)
Payable during the period	-	-	-	5,843,496
	(-)	(-)	(-)	(133,664,208)
Repaid/ adjusted during the period	-	-	-	6,253,618
	(-)	(-)	(-)	(91,099,224)
Closing Balance	-	-	-	74,898,872
	(-)	(-)	(-)	(75,308,994)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Other related party where control/ significant influence exists
h) Sundry Debtors				
Opening Balance	-	-	-	20,124,536
	(-)	(-)	(-)	(10,357,982)
Receivable during the period	-	-	847,437	201,220,082
	(-)	(-)	(-)	(9,766,554)
Received during the period	-	-	470,000	221,088,865
	(-)	(-)	(-)	(-)
Closing Balance	-	-	377,437	255,753
	(-)	(-)	(-)	(20,124,536)
i) Other current liabilities				
Opening Balance	-	-	-	55,191,626
	(-)	(-)	(-)	(-)
Payable during the period	-	-	-	51,797,573
	(-)	(-)	(-)	(77,258,728)
Repaid during the period	-	-	-	56,530,479
	(-)	(-)	(-)	(22,067,102)
Closing Balance	-	-	-	99,159,732
	(-)	(-)	(-)	(55,191,626)
j) Advances Recoverable in cash or kind				
Opening Balance	-	-	-	-
	(-)	(-)	(-)	(85,068,617)
Recoverable during the period	-	-	-	-
	(-)	(-)	(-)	(-)
Recovered during the period	-	-	-	-
	(-)	(-)	(-)	(85,068,617)
Closing Balance	-	-	-	-
	(-)	(-)	(-)	(-)
k) Managerial Remuneration/ Remuneration to relatives of KMP	-	19,637,270	3,000,000	-
	(-)	(22,171,945)	(5,500,000)	(-)
l) Rent paid	-	-	-	16,707,550
	(-)	(-)	(-)	(45,496,134)
m) Advance for development rights	-	500,000	1,500,000	2,500,000
	(-)	(-)	(-)	(-)
n) Corporate Guarantee given by the Holding Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies (Refer Note (B) 4 of Schedule 16)	-	-	-	-
	(-)	(-)	(-)	(21,465,565,000)
o) Equity Share Capital	-	274,130,010	152,936,280	1,130,543,400
	(-)	(656,233)	(2,268,056)	(4,492,900)

D B REALTY LIMITED

(Formerly known as D B Realty Private Limited)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Other related party where control/ significant influence exists
p) Irrevocable and unconditional personal guarantee of the then Executive Chairman (now Managing Director w.e.f September 15, 2009) and Managing Director in favour of the Holding Company against guarantees given by company to the lenders on behalf of various entities (Refer note (B) 4 of Schedule 16)	-	USD 138 million plus Rs. 16,570 million	-	-
	(-)	(21,461,440,000)	(-)	(-)
q) Sale of TDR	-	-	-	1,506,960
	(-)	(-)	(-)	(79,661,613)

(Figures in brackets denote Previous Year's balances/transactions).

Notes :

- The aforesaid related parties are identified by the Holding Company and relied upon by the Auditors.
- The adjustment is on account of Priya Constructions Private Limited which became a subsidiary w.e.f. September 26, 2009.
- Disclosure in respect of material related party transaction:

Loans & Advances (Given)	Opening Balance as on 1st April 2009	Given during the period	Returned during the period	Closing Balance as on March 31, 2010
Dynamix Balwas Infrastructure Private Limited	3,626,964,000	6,774,174,000	4,304,381,400	-
	-	(3,790,555,749)	(163,591,749)	(3,626,964,000)
Nihar Construction Private Limited	33,709,798	4,627,658,750	712,728,798	3,948,639,750
	(29,700,000)	(193,109,798)	(189,100,000)	(33,709,798)
Kusegaon Fruits & Vegetables Private Limited	311,850,000	1,879,263,281	83,669	2,191,029,612
	(-)	(311,850,000)	(-)	(311,850,000)
Neelkamal Realtors & Builders Private Limited	273,675,133	839,619,000	1,113,294,133	-
	(96,930,120)	(816,662,276)	(639,917,263)	(273,675,133)
D B Hospitality Private Limited	-	1,240,600,000	1,240,600,000	-
	(-)	(-)	(-)	(-)

(Figures in bracket denote previous year balances /transactions)

Inter-corporate Deposits received/ repaid during the year	Opening Balance as on 1st April 2009	Taken during the year	Repaid during the year	Closing Balance as on March 31, 2010
D B Hospitality Private Limited	864,221,518	357,500,000	1,221,721,518	-
	(960,000,000)	(461,971,518)	(557,750,000)	(864,221,518)
Dynamix Club Resorts Private Limited	414,470,000	477,250,000	62,780,000	-
	(-)	(2,954,640,000)	(2,540,170,000)	(414,470,000)
Nihar Constructions Private Limited	-	185,900,000	185,900,000	-
	(-)	(-)	(-)	(-)

(Figures in bracket denote previous year balances /transactions).

Sundry Debtors	Opening balance	Receivable during the year	Received during the year	Closing balance
Eversmile Construction Company Private Limited	10,357,982	201,220,082	211,578,064	-
	(10,357,982)	(-)	(-)	(10,357,982)

Sundry Creditors	Opening balance	Payable during the year	Paid during the year	Closing balance
KG Enterprises	465,544	5,722,183	6,076,227	111,500
	(-)	(465,544)	(-)	(465,544)

Other Current Liabilities	Opening balance	Payable during the year	Paid during the year	Closing balance
Neelkamal Realtors & Erectors Pvt. Ltd.	40,516,600	19,617,800	-	60,134,400
	(-)	(40,516,600)	(-)	(40,516,600)
KG Enterprises	1,423,848	12,215,706	12,060,729	1,268,871
	(-)	(1,423,848)	(-)	(1,423,848)
Turf Estate JV	-	43,000,000	19,335,767	23,664,233
	(-)	(-)	(-)	(-)

(Figures in bracket denote previous year balances /transactions).

Deposits	Opening balance	Placed during the year	Refunded during the year	Closing balance
Conwood Constructions and Developers Private Limited	318,605,934	-	612,000	317,993,934
	(319,217,934)	(-)	(612,000)	(318,605,934)

(Figures in bracket denote previous year balances /transactions)

Sale of TDR	April 1, 2009 to March 31, 2010
Goenka & Associates Educational Trust	1,506,960
	(-)
KG Enterprises	-
	(17,226,000)
Eversmile Construction Company Private Limited	-
	(22,538,201)
Nihar Construction Private Limited	-
	(39,897,412)

Managerial remuneration includes remuneration to Mr. Shahid Balwa, the Managing director, of Rs. 8,500,000 (Previous year Rs. 11,000,000); Mr. Vinod Goenka, the then Executive Chairman (now Managing Director w.e.f. September 15, 2009) of Rs. 8,500,000 (Previous year Rs. 11,000,000), Mr. Rajiv Agarwal, the then Whole Time Director (now Chief Operating Officer w.e.f. September 15, 2009) of Rs. 1,270,603 (Previous year Rs. 171,945) and Mr. Asif Balwa, the then Whole Time director (now Chief Financial Officer w.e.f. September 15, 2009) of Rs. 1,366,667 (Previous year Rs. Nil).

- 20) Comparative financial information (i.e. amounts and other disclosures for the previous year presented above as corresponding figures), is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year have been regrouped / reclassified wherever necessary to correspond to figures of current year.

Signatures to Schedules 1 to 16

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board

R. D. Kamat
Partner

Karunchandra Srivastava
Chairman

Vinod Goenka
Managing Director

Shahid Balwa
Managing Director

Mahesh Gandhi
Director

Sundaram Rajagopal
Director

C.Bhattacharya
Director

Asif Balwa
Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai Dated: May 12, 2010

Notes

Dotted lines for notes.

D B REALTY LIMITED

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

ATTENDANCE SLIP

DP ID : _____

Client ID : _____

Regd.Folio No : _____

Name of the Member(s) or Proxy : _____

No. of Shares held : _____

I/We hereby record my/our presence at the 4th Annual General Meeting of the Company held on Wednesday, the 29th day of September, 2010 at 03.00 p.m. at Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

SIGNATURE OF THE MEMBER(S) OR PROXY

(To be signed at the time of handing over this slip)

D B REALTY LIMITED

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

PROXY FORM

DP ID : _____ Client ID : _____

Ledger Folio No : _____ No.of Shares held : _____ Proxy No : _____

I/We _____ of _____ in the district of _____ being a Member(s) of D B REALTY LIMITED. hereby appoint _____ of _____ in the District of _____ or failing him _____ of _____ in the District of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 4th Annual General Meeting of the Company to be held on the 29th day of September, 2010 and at any adjournment thereof.

Signed this _____ day of _____ 2010.

Signature :
of Member/s

(Affix a
Re.1/-
Revenue
Stamp)

NOTE:- The proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.



OUR PROMISE TO THE ENVIRONMENT.

Our uncompromising commitment to preserve the environment and our accountability to future generations has given birth to Green First, an initiative dedicated to achieving excellence in environmental management. With Green First, the company has embarked upon eco-friendly initiatives, formulated methodology, cultivated green habits and fostered environmental synergy.

Our pledge to uphold this philosophy is a step towards safeguarding the environment, which involves preserving the ecosystem, enhancing the quality of life, and protecting natural resources. For us, respect for the environment and its preservation is not just a duty, but a priority.



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