

**Royal Netra Constructions Pvt Ltd**

**Annual Report**

**Financial Year : 2010 - 11**

**ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**

**BOARD OF DIRECTORS**

Mr. Vijay Arora  
Mr. Preniel Nair  
Mr. Satish Agarwal  
Mr. Rajendra Mirani  
Mr. Navin Ajwani

**AUDITORS**

Shaparia & Mehta,  
Chartered Accountants, Mumbai.

**BANKERS**

Bank of Baroda  
New India Co-op Bank Ltd

**REGISTERED OFFICE**

Office No.808, 8<sup>th</sup> Floor, Krushal Commercial Complex,  
G. M. Road, Chembur (W), Mumbai – 400 089

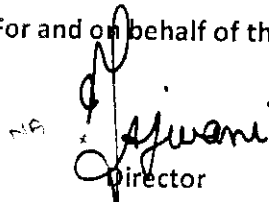
**NOTICE**

NOTICE IS HEREBY GIVEN THAT SECOND ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED WILL BE HELD ON FRIDAY, 10<sup>TH</sup> JUNE, 2011 AT THE REGISTERED OFFICE OF THE COMPANY AT 808, KRUSHAL COMMERCIAL COMPLEX, ABOVE SHOPPERS' STOP, G. M. ROAD, CHEMBUR, MUMBAI- 400089 AT 11.00 A. M. TO TRANSACT THE FOLLOWING BUSINESS:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone and Consolidated Balance Sheet as at 31<sup>ST</sup> March, 2011, Profit and Loss Account for the period ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Vijay Arora who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr. Preniel Nair who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

For and on behalf of the Board

  
Director

Place: Mumbai

Dated: 16.05.2011

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Any instrument appointing a proxy or proxies should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

## DIRECTORS' REPORT

The Members,  
**ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED**  
Mumbai

Your Directors have pleasure in presenting the Second Annual Report on the operations of the Company together with the audited accounts for the period ended 31<sup>st</sup> March, 2011.

### 1. FINANCIAL RESULTS:

The Financial performance of the Company for the period ended 31.03.2011 is as under:

	<u>2010-11</u> <u>(Rs.)</u>	<u>2009-10</u> <u>(Rs.)</u>
Income (Work in progress)	210,496,315	49,640,098
Dividend from Mutual Fund	429,670	
Less: Expenditure	<b>216,291,438</b>	49,713,890
Profit/(loss) before tax	(5,365,453)	(73,792)
Less: Provision for Tax	(1,718)	(2,112)
Profit/(loss) after Tax	(5,367,171)	(71,680)
Balance b/f from earlier years	(71,680)	-
Balance carried to Balance Sheet	(5,438,851)	(71,680)

### 2. DIVIDEND:

In view of losses made by the Company, your Directors do not recommend any Dividend for the period ended on 31<sup>st</sup> March 2011.

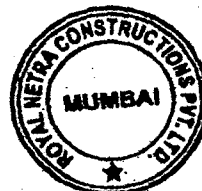
### 3. FIXED DEPOSITS:

The Company has not accepted or renewed any deposit from public during the period under review.

### 4. PARTICULARS OF EMPLOYEES:

The particulars of employees as required in accordance with Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, are not required to be furnished as there is no employee drawing salary more than Rs. 60,00,000/- p.a. where employed throughout the year or Rs. 5,00,000/- p.m. where employed for part of the year.

*[Signature]*  
Ajivani



## 5. DIRECTORS:

The Board of Directors of the Company is duly constituted and there was no change in Board of Directors during the year under review.

## 6. SHAREHOLDERS AND CHANGES TO SHARE CAPITAL:

On 18.05.2010, DB Realty Ltd. Acquired 2520 shares (50.40%) from DB Man Realty Ltd. and accordingly the Company became a subsidiary of DB Realty Ltd. On 10.01.2011, the Company increased its' authorized share capital to Rs.3,00,00,000/- comprising of 1,50,000 equity shares of Rs. 100/- each aggregating to Rs. 150,00,000/- and 1,50,000 0% Redeemable/Convertible Participating Preference Shares of Rs. 100/- each aggregating to Rs. 150,00,000/-. On 02.02.2011, the company has made further allotment of 1,45,000 equity shares for cash to existing shareholders/associates in existing proportion of group holding.

## 7. INVESTMENTS:

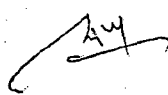
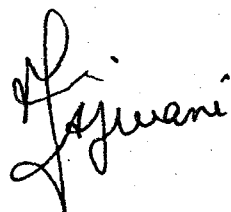
On 13.01.2011, the Company acquired by way of subscription 1,50,000 Equity Shares (42.86%) of Rs. 10/- @ premium of Rs. 90/- each in A.G. Infraconstruction Private Ltd. On 24.02.2011, the Company acquired balance 2,00,000 Equity Shares of A.G. Infraconstruction Private Limited and accordingly A.G. Infraconstruction Private Limited became wholly owned subsidiary of the Company. The Company has executed share purchase agreements dated 03.02.2011 with shareholders for acquisition of aforesaid shares. The total share purchase consideration of Rs. 30,70,99,820/- comprises of monetary consideration of Rs. 16,76,99,820/- and construction cost of Rs. 13,94,00,000/- towards built-up area to be given to the transferors in accordance with provisions of aforesaid Share Purchase Agreements.

On 21.02.2011, the Company has executed the Conveyance Deed for acquisition of land and development rights of the land admeasuring on or about 14,523 sqr. mtrs. and Agreement for sale for land admeasuring on or about 26,191 sqr. mtrs. aggregating to on or about 40,714 sqr. mtrs. located at Goregaon (West), Mumbai for aggregate consideration of Rs. 5,00,00,000/-.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT:

As required by the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- (i) That in the preparation of the annual accounts, the applicable standards had been followed alongwith proper explanations relating to material departures.
- (ii) That the Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and



fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period.

(iii) That the Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of this Act to safeguard the assets of the Company and for preventing and detecting fraud and other irregularities.

(iv) That the Directors have prepared the Annual Accounts on a going concern basis.

#### 9. AUDITORS:

M/s Shaparia & Mehta, Chartered Accountants were appointed as the first Statutory Auditors of the Company by Board and the said appointment will expire at the forthcoming Annual General Meeting. The said Auditors are eligible for re-appointment and have expressed their willingness to act as Auditors of the Company, if appointed. The Company has received a certificate from the said Auditors confirming that their appointment, if made, would be in conformity with the provisions of Section 224 (1B) of Companies Act, 1956.

#### 10. AUDITORS' REPORT:

Observations made in the Auditors' Report are self explanatory and therefore, do not call for any further comments under section 217(3) of the Companies Act, 1956.

#### 11. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, ADAPTATION & INNOVATIONS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

[DISCLOSURE OF INFORMATION PURSUANT TO SECTION 217 (1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988]

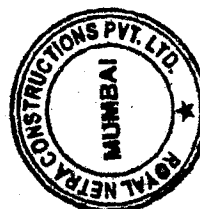
The Company has not carried out any activity which requires disclosure of information as regards conservation of energy or technology absorption adaptation and innovation and hence the same is not furnished. There was no foreign exchange earnings & outgo during the period under review.

#### 12. SECRETARIAL COMPLIANCE CERTIFICATE:

M/s J. H. Ranade & Associates, Company Secretaries were appointed to conduct Secretarial Compliances Audit under Section 383A of Companies Act, 1956 for issuing Compliance Certificate for the period ended March 31, 2011. A certificate issued by the said Firm forms part of this Report.

*J. H. Ranade*

*J. H. Ranade*

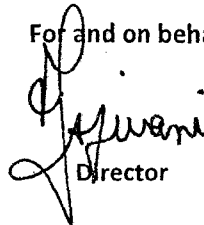


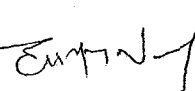
**13. ACKNOWLEDGEMENT:**

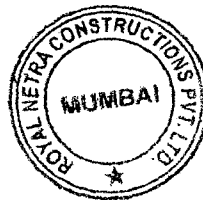
The Directors wish to express their gratitude to the Bankers and all the business associates for their continuous support to the Company and to the Shareholders for the confidence reposed in the Company's management.

Place: Mumbai  
Date: 16.05.2011

For and on behalf of the Board of Directors

  
Director

  
Director



# J. H. RANADE & ASSOCIATES

Company Secretaries

24A/25A, Dhanalaxmi Chambers, Off Gokhale Road, Near Railway Station, Thane (W) – 400 602  
Tele/Fax: 2544 24 34 Email ID: jhr\_asso@rediffmail.com

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## COMPLIANCE CERTIFICATE

(In terms of Section 383A (1) of the Companies Act, 1956)

CIN - U45202MH2009PTC194430

Nominal Capital: Rs. 3 Crores

The Members,  
Royal Netra Constructions Private Limited  
808, Krushal Commercial Complex,  
Above Shoppers Stop, G.M.Road,  
Chembur-(W), Mumbai- 400089.

We have examined the registers, records, books and papers of Royal Netra Constructions Private Limited (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 31<sup>st</sup> March, 2011, (Financial Year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid Financial Year:

1. The Company has kept and maintained all Registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the Rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate, with the Registrar of Companies, Maharashtra, Mumbai within the time prescribed under the Act and the rules made thereunder. The Company has however not filed Form no. 23 in respect of resolution passed under section 293(1) (d) of the Act.
3. The Company being a Subsidiary of a Public Limited Company has the minimum prescribed paid-up capital and its maximum number of members during the said Financial Year was 14 (Fourteen) excluding present and past employees of the company and during the year under scrutiny Company:
  - (i) has not invited public to subscribe for its shares or debentures; and
  - (ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives..
4. The Board of Directors duly met 17 (Seventeen) times respectively on 21/04/2010, 29/04/2010, 12/05/2010, 18/05/2010, 26/05/2010, 19/06/2010, 02/07/2010, 09/07/2010, 17/09/2010, 01/11/2010, 29/11/2010, 16/12/2010, 01/01/2011, 03/01/2011, 11/01/2011, 01/02/2011 and 02/02/2011 in respect of which proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.





# J. H. RANADE & ASSOCIATES

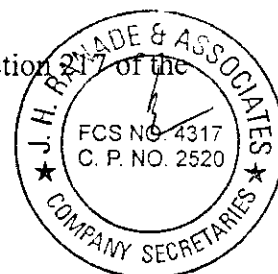
Company Secretaries

24A/25A, Dhanalaxmi Chambers, Off Gokhale Road, Near Railway Station, Thane (W) – 400 602

Tele/Fax: 2544 24 34 Email ID: jhr\_asso@rediffmail.com

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5. The Company has not closed its Register of Members during the Financial Year.
6. The Annual General Meeting for the Financial Year ended on 31<sup>st</sup> March, 2010 was held on 14<sup>th</sup> August, 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. Two Extra Ordinary General Meetings were held during the Financial Year, first for the purpose of increasing Authorized Share Capital of the Company & for Amendment in Articles of Association and second for sanction under Section 372A respectively on 10/01/2011 and 29/11/2010 and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. The Company has not advanced any loan to its Directors and/or to persons or firms or Companies referred in the Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Action 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate certificates during the Financial Year.
13.
  - (i). The Company has delivered all the certificates on allotment of 145,000 Equity Shares of Rs. 100/- each in compliance with the provisions of the Act.
  - (ii). The Company has not deposited any amount in a separate bank account as no dividend was declared during the Financial Year.
  - (iii). The Company was not required to post warrants to any member of the Company as no dividend was declared during the Financial Year.
  - (iv). The Company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven Years to Investor Education and Protection Fund.
  - (v). The Company has duly complied with the requirements of Section 217 of the Act.



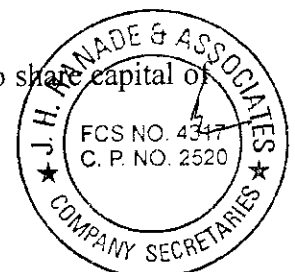
# J. H. RANADE & ASSOCIATES

## Company Secretaries

24A/25A, Dhanalaxmi Chambers, Off Gokhale Road, Near Railway Station, Thane (W) – 400 602  
Tele/Fax: 2544 24 34 Email ID: jhr\_asso@rediffmail.com

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14. The Board of Directors of the Company is duly constituted and there was no appointment of Directors during the Financial Year.
15. The Company has not appointed any Managing Director/ Whole – Time Director/Manager during the Financial Year.
16. The Company has not appointed any Sole-Selling Agents during the Financial Year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the Financial Year.
18. The Directors have disclosed their interest in other Firms/Companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.
19. The Company has issued 145,000 Equity Shares of Rs. 100/- each during the Financial Year.
20. The Company has not bought-back any shares during the Financial Year.
21. There was no redemption of Preference Shares or Debentures during the Financial Year.
22. There were no transactions necessitating the Company to keep in abeyance rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the Financial Year.
24. The amounts borrowed by the Company from Directors, Members, Public, Financial Institutions, Banks and others during the Financial Year ending 31<sup>st</sup> March, 2011 are within borrowing limits of the Company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate during the financial Year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the Financial Year.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the Financial Year.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the Financial Year.
29. The Company has altered the provisions of the Memorandum with respect to share capital of the Company during the Financial Year.



# J. H. RANADE & ASSOCIATES

Company Secretaries


24A/25A, Dhanalaxmi Chambers, Off Gokhale Road, Near Railway Station, Thane (W) – 400 602  
Tele/Fax: 2544 24 34 Email ID: jhr\_asso@rediffmail.com

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30. The Company has altered its Articles of Association after obtaining approval of members in General Meeting and the amendment to the Articles of Association have been duly registered with the Registrar of Companies.
31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other penalties or any other punishment was imposed on the Company during the Financial Year, for offences under the Act.
32. The Company has not received any money as security from its employees during the Financial Year.
33. Provisions of Provident Fund Act are not applicable to the company.

Place: Thane  
Date: 16<sup>th</sup> May, 2011

For J.H.Ranade & Associates  
Company Secretaries



J. H. Ranade  
Proprietor  
(C.P.No: 2520)



# J. H. RANADE & ASSOCIATES

Company Secretaries

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## **SECRETARIAL COMPLIANCE CERTIFICATE** **In terms of Section 383A (1) of the Companies Act, 1956**

### **ANNEXURE A**

#### **Registers as maintained by the Company:**

1. Registered of Charges / Copies of instruments creating charges u/s. 143 and 136.
2. Register of Members and Index of Members u/s. 150 and 151.
3. Register of Transfers u/s. 154.
4. Register and Returns u/s. 163.
5. Books of Accounts u/s. 209.
6. Register of particulars of Contracts in which Directors are interested u/s. 301.
7. Register of Directors, Managing Director, Manager, Secretary u/s. 303.
8. Register of Directors shareholdings u/s. 307.
9. Register of Directors Attendance.
10. Minutes books of Board and General Meetings.

Contd....



# J. H. RANADE & ASSOCIATES

Company Secretaries

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Tele/Fax: 2544 24 34 Email ID: jhr\_asso@rediffmail.com


## ANNEXURE B

Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, Mumbai during the Financial Year ending on 31<sup>st</sup> March, 2011.

Sr. No	Form No./ Return	Filed Under Section	For	Date of filing	Whether filed within prescribed time (Yes/No)	If delay in filing whether requisite additional Fee paid (Yes/No)
1.	Form 20B	159	Annual return for the AGM held on 14/08/2010	30/08/2010	Yes	No.
2.	Form 32	264(2)	Appointment of Additional Director	31/08/2010	Yes	No.
3.	Form 23AC & ACA	220	Balance sheet as on & P&L for the Year 09-10	01/09/2010	Yes	No.
4.	Form 23	94	Alteration to MOA due to Increase in Authorized Capital of the Company	12/01/2011	Yes	No.
5.	Form 5	94	Increase in Authorized Capital of the Company from Rs.	19/01/2011	Yes	No.
6.	Form 2	75	Allotment of 145,000 Equity shares on 02/02/2011	03/02/2011	Yes	No.
7.	Form 23	372A	Registration of resolution passed at EGM held on 29/11/2010.	28/03/2011	No	Yes.

For J. H. Ranade & Associates  
Company Secretaries

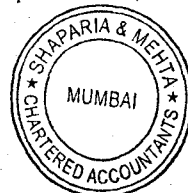

Place: Thane  
Date: 16<sup>th</sup> May, 2011

  
J. H. Ranade  
Proprietor  
(C.P.No: 2520)



**AUDITOR'S REPORT**

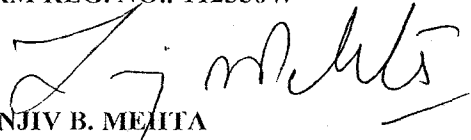
1. We have audited the attached Balance Sheet of **ROYAL NETRA CONSTRUCTIONS PRIVATE LIMITED** as at 31st March 2011, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with 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 disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub -- section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments, in the Annexure referred to in Paragraph 1 above, we report that:-
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examinations of those books;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956;
  - (e) On the basis of written representations received from the Directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with notes thereon and attached thereto, given in the prescribed manner the information required by the Companies Act, 1956 give a true and

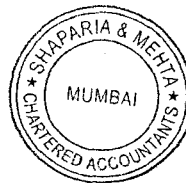


fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the State of the Affairs of the Company as at 31st March, 2011;
- ii. in the case of the Profit & Loss Account, of the Loss for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**FOR SHAPARIA & MEHTA  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 112350W**

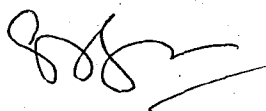
  
**SANJIV B. MEHTA  
PARTNER  
MEMBERSHIP NO.: 34950**



**PLACE: MUMBAI  
DATED: 16<sup>TH</sup> MAY, 2011**

**ANNEXURE TO THE AUDITORS REPORT REFERRED TO IN PARAGRAPH  
(4) OF OUR REPORT OF EVEN DATE**

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. *[Paragraph 4(i)(a)]*  
  
(b) Part of the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. *[Paragraph 4(i)(b)]*  
  
(c) During the year the Company has not disposed off substantial part of fixed assets *[Paragraph 4(i)(c)]*
2. There are no finished goods, stores, spare parts and raw materials and hence paragraph 4(ii)(a), 4(ii)(b) and paragraph 4(ii)(c) are not applicable to the Company.
3. (a) During the year the Company has not granted unsecured loans to any parties covered in the register maintained under Section 301 of the Companies Act, 1956. *[Paragraph 4(iii)(a)]* Hence the question of reporting under Para 4(iii)(b), (c) & (d) does not arise.  
  
(e) The Company had taken unsecured loans from one party covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year end balance of such loans aggregates to Rs. 32,83,16,595/- and Rs. 32,83,16,595/- respectively. *[Paragraph 4(iii)(e)]*  
  
(f) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company. *[Paragraph 4(iii)(f)]*  
  
(g) In respect of the loans taken from parties, the same are repayable on demand and hence the question of taking reasonable steps for payment of principal and interest does not arise. *[Paragraph 4(iii)(g)]*
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets and with regard to the provision of services. During the course of our audit, we have not observed any major weaknesses in internal controls. *[Paragraph 4(iv)]*
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been so entered. *[Paragraph 4(v)(a)]*



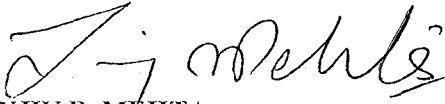


- (b) In our opinion and according to information and explanations given to us, particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 and exceeding the value of Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available. [Paragraph 4(v)(b)]
6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under. [Paragraph 4(vi)]
7. In our opinion the present internal audit system is generally commensurate with its size and the nature of its business. [Paragraph 4(vii)]
8. According to the information and explanation given to us, maintenance of cost records has not been prescribed by the Central Government under section 209(1) (d) of the Act. [Paragraph 4(viii)]
9. (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including, income tax, service tax and other material statutory dues applicable to it. [Paragraph 4(ix) (a)]
- (b) There are no dues of income tax and service tax that have not been deposited on account of any dispute [Paragraph 4(ix)(b)]
10. The Company has accumulated losses as at March 31, 2010 and it has incurred cash losses in the financial year ended on that date. [Paragraph 4(x)]
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date. [Paragraph 4(xi)]
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. [Paragraph 4(xii)]
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund, societies are not applicable to the company. [Paragraph 4(xiii)]
14. The Company has maintained proper records of transactions and contracts in respect of its dealing in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the Company in its own name. [Paragraph 4(xiv)]
15. On the basis of information and explanation given to us, the Company has not given guarantee for loans taken by others from banks or financial institutions during the year. [Paragraph 4 (xv)]



16. The Company has not obtained/availed any term Loans during the year. [Paragraph 4(xvi)]
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. [Paragraph 4(xvii)]
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. [Paragraph 4(xviii)]
19. In our opinion and according to information and explanation given to us, the Company has not issued any secured debentures during the period covered by our report. [Paragraph 4(xix)]
20. During the period covered by our audit report, the Company has not raised any money by public issues. [Paragraph 4(xx)]
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit. [Paragraph 4(xxi)]

FOR SHAPARIA & MEHTA  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 112350W



SANJIV B. MEHTA  
PARTNER  
MEMBERSHIP NO.: 34950



PLACE: MUMBAI  
DATED: 16<sup>TH</sup> MAY, 2011

**ROYAL NETRA CONSTRUCTIONS PVT. LTD.**

**BALANCE SHEET AS ON 31ST MARCH, 2011**

PARTICULARS	SCH.	31.03.2011	31.03.2010
<b>SHAREHOLDERS FUNDS</b>			
Share Capital	1	15,000,000	500,000
<b>LOAN FUNDS</b>			
Secured Loans		-	-
Unsecured Loans	2	455,415,175	111,704,151
<b>TOTAL FUNDS EMPLOYED</b>		<b>470,415,175</b>	<b>112,204,151</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	3	38,300	38,300
Less: Depreciation		16,176	1,427
Net Block		22,124	36,873
<b>INVESTMENTS</b>			
	4	368,997,243	-
<b>DEFERRED TAX ASSET</b>			
		394	2,112
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Work-in-progress	5	210,496,315	49,640,098
Cash & Bank Balances		11,096,524	13,178,730
Loans and Advances & Deposits		15,242,063	49,750,000
		236,834,902	112,568,828
<b>Less: CURRENT LIABILITIES &amp; PROVISION</b>			
Sundry Creditors	6	140,288,598	475,342
Provision		589,741	-
		140,878,339	475,342
<b>NET CURRENT ASSETS</b>			
		95,956,563	112,093,486
<b>MISCELLANEOUS EXPENSES</b>			
(To the extent not written off)			
Preliminary Expenses	7	-	-
Profit & Loss a/c		5,438,851	71,680
<b>TOTAL FUNDS APPLIED</b>		<b>470,415,175</b>	<b>112,204,151</b>
Notes forming Part of Financial Statements.	10		

For SHAPARIA & MEHTA  
 CHARTERED ACCOUNTANTS  
 FIRM REGISTRATION NO : 112350W

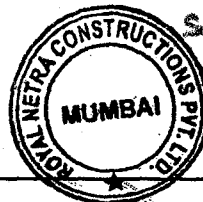
SANJIV MEHTA  
 PARTNER  
 M.NO: 34950

PLACE : MUMBAI  
 DATE : 16th MAY, 2011



For ROYAL NETRA CONSTRUCTIONS PVT LTD

DIRECTOR



DIRECTOR

**ROYAL NETRA CONSTRUCTIONS PVT. LTD.**

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

PARTICULARS	SCH.	31.03.2011	31.03.2010
<b><u>INCOME</u></b>			
Dividend from Mutual Fund		429,670	-
Closing Work In Progress	8	210,496,315	49,640,098
		<b>210,925,985</b>	<b>49,640,098</b>
<b><u>EXPENDITURE</u></b>			
Opening Work In Progress	8	49,640,098	-
Add : Construction Cost Incurred During the period	8	160,856,217	49,640,098
Administrative Expenses	9	5,739,563	51,408
Auditor's Remuneration		40,811	20,957
Depreciation	3	14,749	1,427
		<b>216,291,438</b>	<b>49,713,890</b>
<b>PROFIT / ( Loss ) BEFORE TAX</b>		<b>(5,365,453)</b>	<b>(73,792)</b>
<b><u>Less: Provision for Tax</u></b>			
Current tax		-	-
Deferred Tax		(1,718)	(2,112)
			(2,112)
<b>PROFIT AFTER TAX</b>		<b>(5,367,171)</b>	<b>(71,680)</b>
Balance brought forward from earlier years		(71,680)	-
Net Profit / ( Loss ) for the year		(5,367,171)	-
<b>Balance carried to the Balance Sheet</b>		<b>(5,438,851)</b>	<b>(71,680)</b>
Notes forming Part of Financial Statements.	10		

For SHAPARIA & MEHTA  
 CHARTERED ACCOUNTANTS  
 FIRM REGISTRATION NO : 112350W

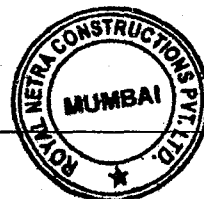
*Sanjiv Mehta*  
 SANJIV MEHTA  
 PARTNER  
 M.NO: 34950



For ROYAL NETRA  
 CONSTRUCTIONS PVT LTD

*Sanjaywani*  
 DIRECTOR

*SA*  
 SA DIRECTOR

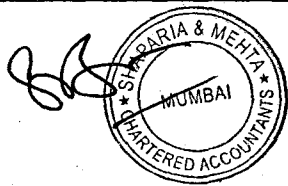


PLACE : MUMBAI  
 DATE : 16th MAY, 2011

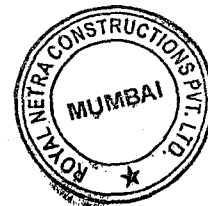
**ROYAL NETRA CONSTRUCTIONS PVT. LTD.**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

A. <b>CASH FLOW FROM OPERATING ACTIVITIES</b>	(` in Lakhs )		(` in Lakhs )	
	FY 2010 - 2011		FY 2009 - 2010	
Profit/(Loss) before tax and extraordinary items		(53.65)		(0.74)
<b>Adjustment for :</b>				
Depreciation	0.15		0.01	
Interest Income	-		18.94	
Interest Expense	53.67		-	
Dividend Income	-		-	
		53.82		18.95
		0.16		18.21
<b>Adjustment for :</b>				
Work - In - Progress	(1,608.56)		(496.40)	
Deposits And Advances	345.50		(497.50)	
Current liabilities & Provisions	206.60		4.75	
		(1,056.46)		(989.15)
Cash generated from operations		(1,056.30)		(970.94)
Taxes paid		(0.42)		
<b>Net cash from operating activities - (A)</b>		<b>(1,056.72)</b>		<b>(970.94)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Investment In Shares of Subsidiary	(1,834.68)			
Investment In Mutual Fund	(231.13)			
Fixed Assets	-		(0.38)	
Interest Income	-			
Dividend received on Mutual Funds	-	(2,065.81)		
				(0.38)
<b>Net cash used in investing activities - (B)</b>		<b>(2,065.81)</b>		<b>(0.38)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Issue Of Fresh Share Capital	145.00		5.00	
Interest paid	-		(18.94)	
Loan Repaid	(1,729.04)		-	
Loan Received	4,915.91		1,117.04	
		3,331.87		1,103.11
<b>Net cash from financing activities - (C)</b>		<b>3,331.87</b>		<b>1,103.11</b>
		....2		



*S.A. Shivani*  
S.A. Shivani



: 2 :

D. NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	209.34		131.79
Opening cash and cash equivalent as at 31.03.2010 / 31.03.2009	131.79		-
Closing cash and cash equivalent as at 31.03.2011 / 31.03.2010	341.13		131.79
Increase in Cash Balance	209.34		131.79

## NOTES:

1 The above statements have been prepared in indirect method except in case of interest, dividend and purchase of investments, which have been considered on the basis of actual movement of cash.

2 Cash and cash equivalent represents cash and bank balances, bank fixed

Cash & Cash Equivalents as under	As at 31.03.11	As at 31.03.10
Cash on Hand	0.08	-
Balance In Current accounts with scheduled Banks	22.88	131.79
Balance In Deposit accounts with scheduled Banks	88.00	-
Investment in Mutual Funds	230.16	-
	341.13	131.79

## AS PER OUR REPORT OF EVEN DATE

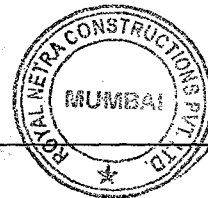
For SHAPARIA & MEHTA  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO : 112350W

SAN MEHTA  
PARTNER  
MEMBERSHIP NO.: 34950



FOR ROYAL NETRA  
CONSTRUCTIONS PVT LTD

*[Signature]*  
DIRECTOR  
N/A



*[Signature]*  
DIRECTOR  
S.A.

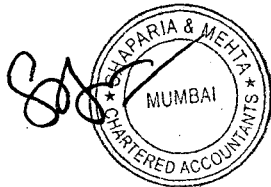
PLACE : MUMBAI  
DATE : 16th MAY, 2011

**ROYAL NETRA CONSTRUCTIONS PVT. LTD.**

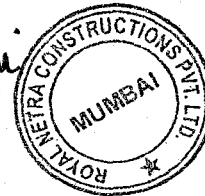
**SCHEDULES FORMING PART OF THE BALANCE SHEET**

**AS AT 31st MARCH, 2011**

PARTICULARS	31.03.2011	31.03.2010
<b><u>SCHEDULE 1: SHARE CAPITAL</u></b>		
<u>Authorised Capital</u>		
150,000/ 5,000 Equity shares of Rs 100/- each	15,000,000	500,000
150,000/nil 0%Preference shares of Rs 100/- each	15,000,000	-
	<b>30,000,000</b>	<b>500,000</b>
<u>Issued, Subscribed and Paid up capital</u>		
150,000 /5,000 shares of Rs.100/- each fully paid up	15,000,000	500,000
<i>(Of the above, 75,600 shares are held by the holding company DB Realty Ltd)</i>	15,000,000	500,000
<b><u>SCHEDULE 2:UNSECURED LOAN</u></b>		
From Companies	351,558,270	111,704,151
From Others	103,856,905	-
	<b>455,415,175</b>	<b>111,704,151</b>



N.A. Agwani



S.A. [Signature]

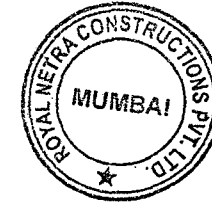
ROYAL NETRA CONSTRUCTIONS PVT LTD

SCHEDULE 3: FIXED ASSETS

Sr No	Particulars	Rate of Dep	Gross Block				Depreciation				Net Block	
			Op Bal	Additions	Deletions	Cl Bal	Op Bal	During the period	Deletions	Cl Bal	as on 31.03.11	as on 31.03.10
1	Computer	40%	38,300	-	-	38,300	1,427	14,749	-	16,176	22,124	36,873
	Pervious Yr		-	38,300	-	38,300	-	1,427	-	1,427		36,873



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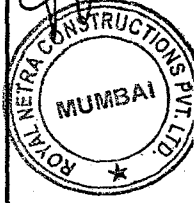
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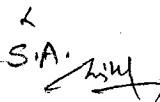


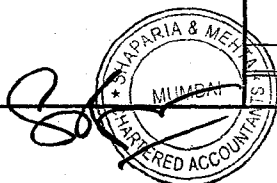
**ROYAL NETRA CONSTRUCTIONS PVT. LTD.**

**SCHEDULES FORMING PART OF THE BALANCE SHEET  
AS AT 31st MARCH, 2011**

PARTICULARS	31.03.2011	31.03.2010
<b>SCHEDULE 4: INVESTMENTS</b>		
<u>Investment In Mutual Funds</u>		
LIC Nomura Interval Fund	23,113,346	-
S B I Mutual Fund	23,016,324	-
<u>Investment In Shares</u>		
350,000 Shares of A G Infraconstruction Pvt Ltd	322,867,573	-
	368,997,243	
<b>SCHEDULE 5:</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<u>Work - In - Progress</u>	210,496,315	49,640,098
<u>Cash &amp; Bank Balances</u>		
Balance in Current Accounts with Scheduled Bank	2,288,123	13,178,730
Balance in Deposit Accounts with Scheduled Bank	8,800,000	-
<u>Cash On Hand</u>		
Cash At Office	4,500	-
Cash At Site	3,901	-
	11,096,524	13,178,730
<u>Loans &amp; Advances</u>		
Advances Recoverable in cash or kind	14,823,944	49,750,000
Accrued Interest on Fixed Deposit	376,307	-
T D S on Fixed Deposit Interest	41,812	-
	15,242,063	49,750,000
<b>SCHEDULE 6: CURRENT LIABILITIES &amp; PROVISION</b>		
<b>CURRENT LIABILITIES :</b>		
<u>Sundry Creditors</u>		
Shaparia & Mehta	44,175	23,823
Riddhi Enterprises	421	-
ROC fees payable	1,500	600
Duties & Taxes	842,502	450,919
Ajit Waman Bhosle	17,425,000	-
Alpa Ketan Shah jtly with Ketan M Shah.	2,788,000	-
Ketan Mahendra Shah	13,103,600	-
Mina Mukesh Shah Jtly with Mukesh P Shah	16,170,400	-
Mohammed Ayub Abdulgafur Khokar	11,152,000	-
Mukesh Punamchand Shah	30,668,000	-
Pramod Waman Bhosle	17,425,000	-
Salim Abdul Khokar	30,668,000	-
	140,288,598	475,342
<b>PROVISION :</b>		
Bonus Payable	253,725	-
Gratuity Payable	125,919	-
Leave Encashment Payable	210,097	-
	589,741	-
<b>SCHEDULE 7: PRELIMINARY EXPENSES</b>		
Opening Balance	-	-
Add: Incurred During the year	-	21,123
Less: Written off during the year	-	21,123
Carried to the balance sheet	-	-

  
 N. A. Jiwani  


  
 S.A. Jiwani



**ROYAL NETRA CONSTRUCTIONS PVT. LTD.**

**SCHEDULE 8: WORK - IN - PROGRESS**

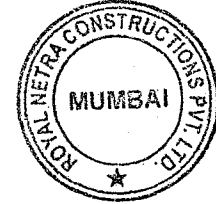
PARTICULARS	OPENING	ADDITION	CLOSING
<b>a.) Suryakirti : Jijamata Nagar</b>			
Compensation for shifting	-	13,129,000	13,129,000
Land Premium	-	5,664,995	5,664,995
Purchase of Rights	-	23,200,000	23,200,000
Maharashtra Purchase	-	396,307	396,307
Labour Job	-	130,107	130,107
Cordination Charges	2,500,000	-	2,500,000
Salary	246,597	4,419,795	4,666,392
Bonus	-	281,071	281,071
Conveyance	-	66,475	66,475
Gratuity	-	125,919	125,919
Leave Encashment	-	218,912	218,912
Bank Gurantee Charges	-	34,934	34,934
Diwali Expenses	-	81,909	81,909
Food & Beverage	-	244	244
Interest on Loan Taken	1,893,501	10,280,389	12,173,890
Misc. Expenses	-	190	190
Office Expenses	-	2,514	2,514
Printing & Stationery	-	402	402
Professional Fees ( Architech )	-	1,906,618	1,906,618
Service Tax Input Credit	-	210,958	210,958
Site Expenses	-	8,929	8,929
VAT @ 1%	-	162	162
VAT @ 5% ( Indirect )	-	3,539	3,539
VAT @ 12.5% ( Indirect )	-	42	42
	4,640,098	60,163,411	64,803,509
Less : Interest on F D R	-	418,119	418,119
	-	418,119	418,119
Total :(a)	4,640,098	59,745,292	64,385,390

PARTICULARS	OPENING	ADDITION	CLOSING
<b>b.) Royal Builders</b>			
Purchase of Rights	-	37,500,000	37,500,000
Diwali Expenses	-	778,141	778,141
Interest on Loan Taken	-	5,014,713	5,014,713
VAT @ 1%	-	1,539	1,539
VAT @ 5%	-	31,234	31,234
Total :(b)	-	43,325,627	43,325,627

PARTICULARS	OPENING	ADDITION	CLOSING
<b>c.) Bhargavi</b>			
Purchase of Rights	45,000,000	-	45,000,000
Diwali Expenses	-	778,138	778,138
Interest on Loan Taken	-	5,995,795	5,995,795
VAT @ 1%	-	1,538	1,538
VAT @ 5%	-	31,236	31,236
Total :(C)	45,000,000	6,806,707	51,806,707

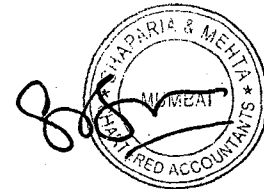
PARTICULARS	OPENING	ADDITION	CLOSING
<b>d.) A G Infra</b>			
Purchase of Development Rights	-	12,300,000	12,300,000
Purchase of Land	-	37,700,000	37,700,000
Agreement Franking Charges	-	9,615	9,615
Interest on Loan Taken	-	968,976	968,976
Total :(d)	-	50,978,591	50,978,591

Gross Total ( a + b + c +d ) : 49,640,098      160,856,217      210,496,315



*S.A. Jiwani*

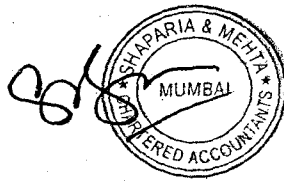
*S.A. Jiwani*



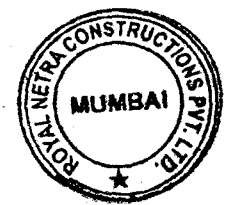
ROYAL NETRA CONSTRUCTIONS PVT. LTD.

SCHEDULES FORMING PART OF THE PROFIT & LOSS  
ACCOUNT AS AT 31ST MARCH 2011

PARTICULARS	31.03.2011	31.03.2010
<b>SCHEDULE 9: ADMINISTRATIVE EXPENSES</b>		
Bank charges	3,312	22,250
Professional Fees	13,375	5,515
Office Expenses	9,564	-
ROC Fees	5,800	2,100
Legal Fees	-	420
Interest on Late Payment of T D S	7,500	-
Interest on Loans Taken	5,367,026	-
Misc. Expenses	10,668	-
Profession Tax	2,500	-
Printing & Stationery	5,910	-
Preliminary Expenses w/off	-	21,123
Share Issue Expenses w/off	313,500	-
Service Tax Input Credit	361	-
VAT 5% ( Indirect )	47	-
	<b>5,739,563</b>	<b>51,408</b>

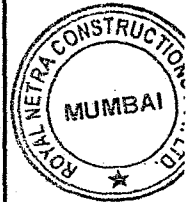


*SA* *Shahparia & Mehta*



*SA* *Shahparia & Mehta*

ROYAL NETRA CONSTRUCTIONS PVT. LTD.		
GROUPINGS FORMING PART OF THE BALANCE SHEET		
PARTICULARS	31.03.11	31.03.2010
<b>UNSECURED LOAN</b>		
<u>From Companies</u>		
DB Man Realty Ltd	-	111,704,151
Ajwani Infrastructure Pvt Ltd	23,241,675	-
D B Realty Ltd	328,316,595	-
<u>From Others</u>		
Parag K Shah	42,621,042	-
Manan Parag Shah	7,309,152	-
Mansi Parag Shah	52,520,768	-
Vandna B Desai	1,405,943	-
	455,415,175	111,704,151
<b>LOANS &amp; ADVANCES</b>		
Advances receivable in cash or kind (Advance towards Purchase of Rights)		
Royal Builders	-	37,500,000
Surya Kirti Corporation	-	12,000,000
Subhash Shreeram Giri	250,000	250,000
Pre-paid Bank Gurantee Charges	62,032	-
Pre-paid Insurance Charges	10,912	-
Pre-paid Compensation for Shifting	14,501,000	-
	14,823,944	49,750,000
<b>DUTIES &amp; TAXES</b>		
TDS on Professional Fees	4,908.00	2,649
TDS on Co-ordination Charges	-	250,000
TDS on Salary	77,955	8,920
TDS on Interest	758,141	-
TDS on Contractors	323	-
Employee Profession Tax	1,175	189,350
	842,502	450,919

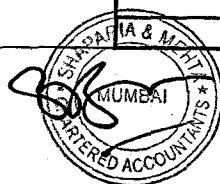


*Ajwani*

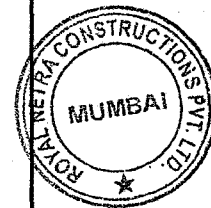
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**CASH & BANK BALANCES**

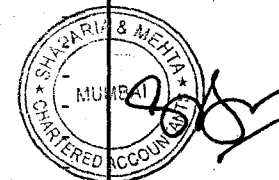
PARTICULARS	31.03.11	31.03.10
<b>FIXED DEPOSIT WITH BANK</b>		
BOB F D : 03950300029316	8,800,000	-
<b>BANK BALANCE IN CURRENT ACCOUNT :</b>		
Bank of Baroda A/c no. 03950200000933	1,445,546	13,148,870
New India Co - op Bank Current a/c 3833	842,577	29,860
<b>CASH ON HAND</b>		
Imp - Sameer Dalvi	4,500	-
Imp - Sandeep Samant	3,901	-
	11,096,524	13,178,730



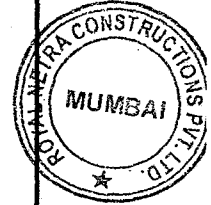
ROYAL NETRA CONSTRUCTIONS PVT. LTD.		
GROUPINGS FORMING PART OF THE BALANCE SHEET		
PARTICULARS	31.03.11	31.03.2010
<b>PREPAID COMPENSATION</b>		
Abaji Piraji Jadhav	58,500	-
Abdul Basheer	58,500	-
Abdul Nabi Shaikh	58,500	-
Abdul Razzaq Sayyad	58,500	-
Abdul Rouf Shaikh	58,500	-
Abdul Salam	58,500	-
Abdul Salam Shaikh	58,500	-
Abhaya Mohan Khanolkar	58,500	-
Akbar Ali Shaikh	130,000	-
Alka Vinod Kamble	58,500	-
Amina Shakil Ansari	65,000	-
Anand Mahadev Chavhan	58,500	-
An Diwakaran	58,500	-
Anil Bakelal Mishra	100,000	-
Anil Jayram Salvi	58,500	-
Anilkumar Kesarlal Bhatia	58,500	-
Anil Shyama Shinde	58,500	-
Anwari Khatun Ansari	58,500	-
Anwer Ali Amirali Saheb Shaikh	58,500	-
Arun Dhanaji Mahadik	58,500	-
Ashok Dashrath Dhage	65,000	-
Ashok Pandurang Khandekar	58,500	-
Ashok Ramdev Gupta	58,500	-
A S Ravi	58,500	-
A.V.Nooruddeen	58,500	-
Baban Sakhararam Borude	58,500	-
Bhagibai Krishna Gamre	58,500	-
Bharti Sambhaji Dhotre	58,500	-
Bharti Shivpuri Goswami	58,500	-
Bibijan Hasan Shaikh	58,500	-
Bilkis Aslam Khan	-58,500	-
Chandrakala Chandrakant Panchal	58,500	-
Chandrakant Maruti Bowle	58,500	-
Chandran Choti Nadar	84,500	-
Chiran Babu Ruke	58,500	-
Chittapurapu Narsayya Rajnarsu	58,500	-
C Natrajan Nadar	58,500	-
Dada Namdev Phadtare	58,500	-
Damyanti Jalandar Bagde	58,500	-
Dattaram Tanaji Masiye	58,500	-
Daulatbi Sardar Shaikh	58,500	-
Daulat Sajan More	58,500	-
Deepak Krishna Mandavakar	58,500	-
Deepika Dilip Bhaire	58,500	-
Devrajan Choti Nadar	84,500	-
Dharampal Khushiram Sharma	58,500	-
Dhonde Ganpat Jadhav	58,500	-



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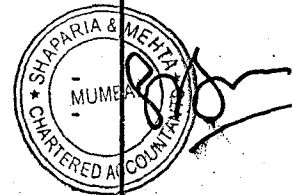


Fakruddin Ansari	71,500	-
Firoz Samath Khan	58,500	-
Ganesh Baburao Nalawade	58,500	-
Ganesh Balwant Vedante	58,500	-
Ganpat Dadu More	58,500	-
Ganpat Surya Sawant	58,500	-
Girish Prabhakar Mandavkar	58,500	-
Godibai Maruti Salvi	58,500	-
Harish Bhagwan Chavhan	58,500	-
Hashim Matiullah Khan	58,500	-
Hiraman Yashwant Gamre	58,500	-
Indubai Vijay Gaikwad	65,000	-
Ismail Amir Ali Shaikh	58,500	-
Jainab Bi Ikram Husain Shaikh	58,500	-
Jairam Balaji Salvi	58,500	-
Janabai Balasaheb Suryavashi	58,500	-
Janu Babu Mandavkar	58,500	-
Jayantilal Ganji Nisar	58,500	-
Josphine Rego	84,500	-
Jospin Rego	100,000	-
Julekha Mohmad Shaikh	58,500	-
Kalpana Paul Parmar	84,500	-
Kamal Anand Kurhade	84,500	-
Kamal Vitthal Sakpal	58,500	-
Kamlesh Shyamnarayan Mali	58,500	-
Kasturi Laxman Dhotre	91,000	-
Kavita Dinkar More	58,500	-
Kesarbhai Ramchandra More	58,500	-
Kiran Anand Kurhade	130,000	-
Kishor Tukaram Salvi	58,500	-
K.K. Mohideen	200,000	-
K.K. Mohidin	58,500	-
Krishna Babu Mandavkar	58,500	-
Lalita Ravindra Jadhav	58,500	-
Lalit Ramesh Lokhare	58,500	-
Laxman Yamnappa Dhotre	91,000	-
Laxmi Gagana Kashveni	58,500	-
Laxmi Goutam Rokde	58,500	-
Laxmi Manohar Pawar	58,500	-
Laxmi Shankar Kamble	58,500	-
Leelabai Laxman Dhotre	91,000	-
Mahadev Trust	-80,000	-
Mahendra Ganpat More	100,000	-
Makulbi Shaikh Biboon	58,500	-
Manish Bhagwan Gorivale	58,500	-
Manohar Sitaram Sawant	58,500	-
Mariya Martina Gaikwad	84,500	-
Meena Ramdas Pal	84,500	-
Mehrunissa Abdul Shaikh	58,500	-
Michal Raju Swami	58,500	-
Mohammad Ahmed Khan	58,500	-
Mohammad Ismail Shaikh	58,500	-
Mohammad Kasim	58,500	-
Mohammad Nasir Abdul Masjid	58,500	-
Mohammed Mobin Khan	100,000	-

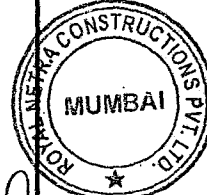


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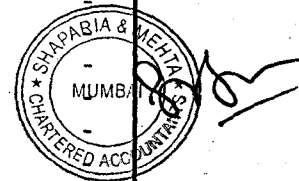


Mohammed Mohsin Mobin Khan	65,000	-
Mohammed Shakil Khan	214,500	-
Mohammed Suleman Metar	-80,000	-
Munir Ahmed Shaikh	84,500	-
Muttamma Mutayya Lachyya	58,500	-
M V Govindan Nayar	58,500	-
Nagesh Maruti Salvi	84,500	-
Namod Genu Tambe	58,500	-
Namrata Narendra Mandavkar	58,500	-
Nanda Jagdish Mhatre	58,500	-
Narendra Shivram Mandavkar	117,000	-
Narsayya Sayna Deti	65,000	-
Nujhat Jaha Harun Shaikh	58,500	-
P. Abdul Rehman	58,500	-
Pandu Babu Kurhade	58,500	-
Parmabhai Chelabhai Patel	100,000	-
Parmanand Hiramam Lanjewar	58,500	-
Parvati Gagaram Gosavi	58,500	-
Perumandla Krishna	117,000	-
Perumandla Krishna Narsayya	84,500	-
Philip Enrico Diniz	58,500	-
P. Mohammed Ali	100,000	-
P. Mohammed Ali Mohidin	58,500	-
Popat Shankar Godge	58,500	-
Prabhakar Shivram Mandavkar	58,500	-
Prakash Gangaram Bobade	58,500	-
Prakash Ramkrishna Sawant	58,500	-
Pramod Popat Godge	58,500	-
Prashant Ramdas Pal	84,500	-
Pratibha Prabhakar Mandavkar	58,500	-
Radha Kuber Patange	58,500	-
Radheyshyam Kauleshwar Yadav	58,500	-
Rahul Kisan Kurhade	165,000	-
Raisa Matiullah Khan	58,500	-
Rajendra Maruti Salvi	58,500	-
Rajendra Pandurang Jadhav	58,500	-
Rajendra Prasad Ramchandra Gupta	65,000	-
Rajesh Suresh Jadhav	117,000	-
Rambrij Shivpujan Yadav	100,000	-
Ramchandra Ramgulam Pal	84,500	-
Ramdas Ramgulam Pal	84,500	-
Ramesh Baburao Nalavde	84,500	-
Ramesh Nathu Lohkare	58,500	-
Ramesh Obbaya Poojari	65,000	-
Ramjan Mohammed Pirani	65,000	-
Razzak Nanji Selot	58,500	-
Rehana Kurshid Khan	58,500	-
Rohini Ramchandra Patkar	-58,500	-
Roshan B. Shaikh Abdul Wahab	58,500	-
Rupa Shyam Kurhade	117,000	-
Sakharam Dadu More	58,500	-
Sakharam Ragho Devlekar	58,500	-
Salma Mohammad Ismail Ansari	58,500	-
Sampada Sunil Kavle	58,500	-
Samsun Manohar Makasare	84,500	-

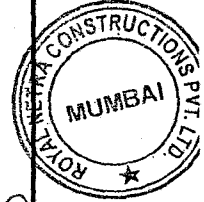


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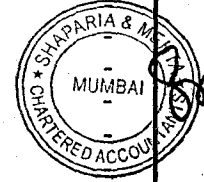


Sanchita Sachin Patekar	58,500	-
Sangeeta Kisan Kurhade	58,500	-
Sanjay Pandurang Jadhav	58,500	-
Sanjeev Shankar Kamble	58,500	-
Santosh Krishna Shinde	58,500	-
Seema Rambrij Yadav	65,000	-
Sevanand Janu Mandavkar	165,000	-
Shaikh Farida Begum Mohammada Iqbal	58,500	-
Shaikh Sharfudin Mehboob	58,500	-
Shailesh Kashiram Kadam	58,500	-
Shakuntala Bapu Waidende	58,500	-
Shankar Gangaram Kadvadkar	58,500	-
Shantabai Yamnappa Dhotre	91,000	-
Shantaben Parmabhai Patel	58,500	-
Sharda Anand Amin	58,500	-
Sharda Baliram Vedante	58,500	-
Sharda Bhiku Jadhav	58,500	-
Shashikala Bhagwat Kadam	58,500	-
Sheela Suresh Jadhav	84,500	-
Shehnaz Anjum Khan	84,500	-
Shivaji Shankar Yadav	58,500	-
Shobha Mohan Khanolkar	58,500	-
Shriniwas P Ulal	58,500	-
Shyamdev Aasharam Gupta	100,000	-
Shyam Pandu Kurhade	275,500	-
Sioman Anthony Chetiyar	58,500	-
Sitabai Bhanu Mandavkar	58,500	-
Sitaram Raghunath Patil	58,500	-
Sonali Samsun Makasare	84,500	-
Soni Shetty Lokhande	58,500	-
Subhashini Naikar Dharma	84,500	-
Subhash Pandurang Jadhav	58,500	-
Sudha Manohar Makasare	84,500	-
Sumati Genu Tambe	58,500	-
Sunil Bakelal Mishra	58,500	-
Sunil Ganpat Jadhav	58,500	-
Sunil Shyama Shinde	58,500	-
Sunita Yashwant Jadhav	58,500	-
Surekha Dattaram Kadam	58,500	-
Surendra Ramanugrah Pande	58,500	-
Suresh Arjun Shinde	58,500	-
Suresh Shyamrao Dabde	58,500	-
Suryakant Dhondu Pawar	58,500	-
Suryakant Harechandra Sawant	58,500	-
Sushila Shyamrao Dabde	58,500	-
Sushila Suresh Lokhande	58,500	-
Taha Ali K.K	100,000	-
Tahira Ali	58,500	-
Tarabai Pandu Khurade	58,500	-
Tarabai Pandu Kurhade	58,500	-
Tukaram Ganu More	58,500	-
Umrigar Ishwarbhai Govindbhai	-90,000	-
Vandana Krishna Mandavkar	58,500	-
Vasant Ratnakar Mohite	58,500	-
Vijaya Ramchandra Gurav	65,000	-



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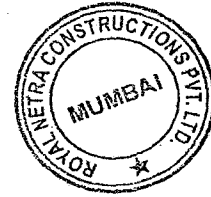
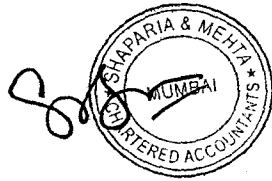
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Vijay Dhondu Gamre	58,500	-
Vijay Gulab Gaikawad	58,500	-
Vijay Kuber Patange	58,500	-
Vilas Hiranman Gamre	58,500	-
Vilson Joseph Anthony	58,500	-
Vinayak Ramchandra Mandavkar	58,500	-
Vinod Chintaman More	84,500	-
Waman Shankar Dhage	58,500	-
Yogita Yauvraj Inarkar	58,500	-
Total :	14,501,000	-



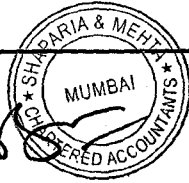
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**ROYAL NETRA CONSTRUCTIONS PVT. LTD.**

**Balance Sheet Extract and Company 's General Business Profile  
as per Schedule VI Part -(IV) of the Company Act 1956.**

<b>I</b>	<b>Registration Details</b>	
	Registration No.	U45202MH2009PTC194430
	State Code	11
	Balance Sheet Date	31st March,2011
<b>II</b>	<b>Capital Raised During the Year (Amount In Thousand)</b>	
	Issue of Shares	14,500.00
	Right Issue	NIL
	Bonus Issue	NIL
	Private Placement	NIL
<b>III</b>	<b>Position of Mobilisation and Deployment of Funds (Rs Lakhs)</b>	
	Total Liability	4,704.15
	Total Asset	4,704.15
	<b>Source of Funds ( Rs. In Lakhs)</b>	
	Paid-up Capital	150.00
	Share Application	-
	Reserve & Surplus	-
	Secured Loans	-
	Unsecured Loan	4,554.15
	<b>Application of Funds ( Rs. In Lakhs )</b>	
	Net Fixed Assets	0.22
	Investment	3,689.97
	Net Current Asset	959.57
	Net Deferred Tax Asset	0.00
	Miscellaneous Expenditure :	54.39
<b>IV</b>	<b>Performance of the Company (Amount In Thousand)</b>	
	Total Income	210,925.98
	Total Expenditure	(216,291.44)
	Profit/(Loss) before tax	(5,365.45)
	Profit/(Loss) after tax	(5,367.17)
	Earning per Share(RS.)	(191.40)
	Dividend Rate (%)	-



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: 2 :

V Generic names of three principal products/services of the Company  
(as per monetary term)  
Item code No.(ITC Code) N.A.  
Product Description

For SHAPARIA & MEHTA  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NO : 106201W

*Sanjiv Mehta*  
SANJIV MEHTA  
PARTNER  
MEMBERSHIP NO.: 34950  
OFFICE : MUMBAI  
DATE : 16th MAY, 2011

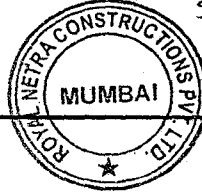


ON BEHALF OF THE BOARD

*A. J. Jwari*  
DIRECTOR  
N.A.

*Chintan J.*  
DIRECTOR

S.A.



**ROYAL NETRA CONSTRUCTIONS PVT LTD**

**SCHEDULE 10: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2011**

**A. BACKGROUND**

ROYAL NETRA CONSTRUCTION PVT LTD is a company registered under the Companies Act, 1956. It was incorporated on 29<sup>th</sup> July, 2009. On 20<sup>th</sup> February, 2010, the company made allotment of 35,000 Equity Shares pursuant to which the Company became subsidiary (70% holding) of DB Man Realty Limited. On 18<sup>th</sup> May, 2010, DB Realty Ltd acquired 25,200 shares equivalent to 50.40% of issued capital of the company from DB Man Realty Ltd and accordingly the Company became a subsidiary of DB Realty Ltd. On 10<sup>th</sup> January, 2011, the Company increased its' authorized share capital to Rs.3,00,00,000/- comprising of 1,50,000 equity shares of Rs. 100/- each aggregating to Rs. 150,00,000/- and 1,50,000 0% Redeemable/Convertible Participating Preference Shares of Rs. 100/- each aggregating to Rs. 150,00,000/-. On 02<sup>nd</sup> February, 2011, the company has made further allotment of 1,45,000 equity shares for cash to existing shareholders/associates in existing proportion of group holding.

The company is engaged in the business of Real Estate Development and Construction with specific concentration on redevelopment under the SRA Projects in the city of Mumbai.

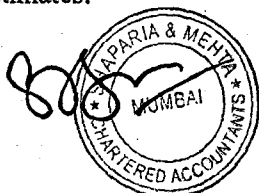
**B. SIGNIFICANT ACCOUNTING POLICIES :**

**1. Basis of preparation**

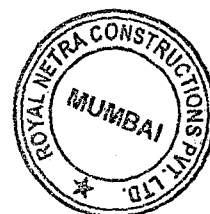
The financial statements have been prepared on accrual basis under the historical cost convention and in accordance with the applicable accounting standards prescribed by Companies (Accounting Standards), Rules 2006. The accounting policies are consistently applied unless otherwise stated.

**2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.



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S.A. K. [Signature]



### 3. Revenue Recognition

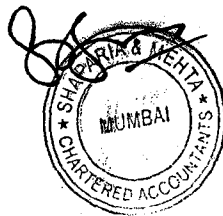
Revenue from projects in relation to the sold areas only is recognized on the 'Percentage of Completion Method' of accounting. Revenue is recognized subject to the project reaching a significant level of completion, which is estimated to be at least 30% of the total estimated construction cost of the project.

Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Costs of construction/development are charged to the Profit and Loss Account in proportion with the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' under inventories. Amounts receivable/ payable are reflected as Debtors / Advances from Customers, respectively, after considering income recognized in the aforesaid manner. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligations/conditions imposed by statutory authorities, is postponed till such obligations are discharged.

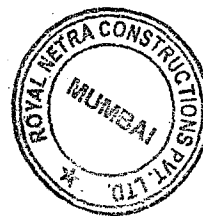
### 4. Inventories

- A. 'Incomplete projects' (Work in Progress) are stated at Cost or Net Realizable Value, whichever is lower. 'Incomplete projects' include costs of incomplete properties for which the Company has not entered into sale agreements. 'Incomplete projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure for the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.
- B. Finished properties are stated at Cost or Net Realisable Value, whichever is lower.
- C. All other inventory (including Transferable Development Rights) is stated at Cost or Net Realisable Value, whichever is lower.

Costs included in inventory include costs incurred upto the completion of the project viz. cost of land, materials, services and other expenses (including borrowing costs) attributable to the projects.



N.A.K. Agwani  
S.A.K.



## 5. Income Taxes

Tax expense comprises of current tax & deferred tax. Deferred tax are accounted for in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", (AS 22) issued by the Institute of Chartered Accountants of India. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent years and are measured using relevant enacted tax rates. The carrying amount of deferred tax assets at each Balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realized.

## 6. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

## 7. Retirement and other Employee Benefits

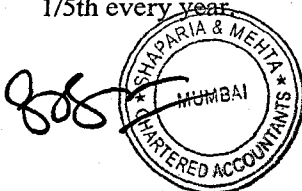
The company has provided for gratuity, bonus and leave encashment for employees.

## 8. Provisions, contingent liabilities and contingent assets

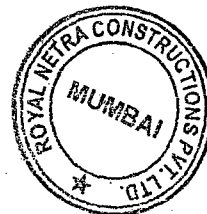
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent assets are neither recognized nor disclosed in the financial statements.

## 9. Miscellaneous Expenditure

Miscellaneous expenditure is written off fully in the books for the period 29th July, 2009 to 31st March 2010, as it does not satisfy the condition of Intangible asset as per AS - 26. Hence in accordance with paragraph 56 of AS - 26, it has been fully expensed off. Since such miscellaneous expenditure is incurred prior to commencement of business, it qualifies as an expenditure u/s 35D of the Income Tax act. However, the expenditure will be allowed over a period of five years - 1/5th every year.



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## C. NOTES TO ACCOUNTS

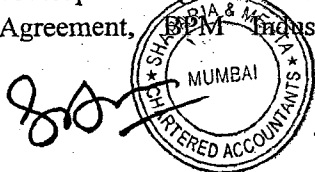
1. On 13.01.2011, the Company acquired by way of subscription 1,50,000 Equity Shares (42.86%) of Rs. 10/- @ premium of Rs. 90/- each in A.G. Infraconstruction Private Ltd. On 24.02.2011, the Company acquired balance 2,00,000 Equity Shares of A.G. Infraconstruction Private Limited and accordingly A.G. Infraconstruction Private Limited became wholly owned subsidiary of the Company. The Company has executed share purchase agreements dated 03.02.2011 with shareholders for acquisition of aforesaid shares. The total share purchase consideration of Rs. 30,70,99,820/- comprises of monetary consideration of Rs. 16,76,99,820/- and construction cost of Rs. 13,94,00,000/- towards built-up area to be given to the transferors in accordance with provisions of aforesaid Share Purchase Agreements. The cost of construction of Rs.15,000/- per sq. mts. equivalent to Rs.1394 per sft is arrived at as per Stamp Duty Ready Reckoner 2011.
2. The company has along with the acquisition of share, purchased land and development rights from AG Infraconstruction Pvt. Ltd. The complete details of the transactions are as under:

Jaldhara Consturctions Pvt. Ltd. (then BPM Industries and now Satellite Developers Ltd) had agreed to acquire 40714 sq. mts. from the Administrator of Estate of Edulji Framroze Dinshaw for Rs.36 lakhs.

Out of 40714 sq.mts., 14523 sq. mts. was under Reservations and the balance 26191 sq.mts. was in R-Zone and accordingly, for transfer of the balance 26191 sq.mts. the requisite permission under Urban Land Ceiling Act was required. Jaldhara Constructions Pvt Ltd paid Rs.36 lakhs to the Administrator of Estate of Edulji Framroze Dinshaw.

Hence under a conveyance deed dated 24th April, 1996 (registered with the Sub-Registrar of Assurances under Sr. No. BBJ/1695/1996), the Administrator of Estate of Edulji Framroze Dinshaw conveyed 14523 sq. mts. to Jaldhara Constructions Private Limited at or for the consideration of Rs.12,84,000/- (Rupees Twelve Lakhs Eighty Four Thousand Only) and it was agreed that the balance area of 26191 sq.mts. would be conveyed by the Administrator of Estate of Edulji Framroze Dinshaw on the receipt of the relevant ULC orders for the balance consideration of Rs.23,16,000/-

By and under a Development Agreement dated 24th March 2007, BPM Industries (earlier known as Jaldhara Constructions Pvt Ltd) granted development rights to AG Infra for Rs.5,00,00,000/-. Under the Development Agreement, BPM Industries is obliged to convey the land to AG



N.A. Jiwani  
S.A. K. [Signature]



Infraconstruction Pvt Ltd or its nominees, as and when called upon by AG Infraconstruction Pvt Ltd. AG Infraconstruction Pvt Ltd received the ULC clearance in the year 2010 for the unconveyed land area for 26,191 sq.mts.

The company decided to acquire interest in the development right held by A G Infraconstruction Pvt. Ltd . Since out of the total land measuring 40,714 sq.mts., 14523 sq. mts. was conveyed to Satellite Developers Ltd and its name was already mutated in the revenue records, it was decided to acquire a conveyance of 14523 sq. mts. directly from Satellite Developers Ltd with AG Infraconstructions Pvt Ltd as a confirming party under Conveyance Deed dated 21st February 2011. This Conveyance Deed will be stamped and registered. Since the balance area of 26,191 sq.mts.was still in the name of the Administrator of Estate of Edulji Framroze Dinshaw, it was decided to take control of the rights to the balance area of 26,191 sq.mts. by taking over AG Infraconstruction Pvt Ltd, so that the company would directly step into the rights of AG Infraconstruction Pvt. Ltd under the Development Agreement dated 24th March 2007 and act there under in respect of the balance area of 26,191 sq.mts.

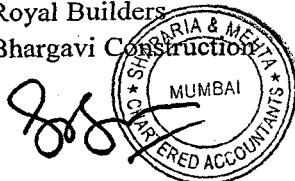
Therefore, the company in addition to taking over AG Infraconstruction Pvt. Ltd has entered into an agreement of Sale dated 21st February 2011 with Satellite and made AG Infraconstruction Pvt. Ltd as the confirming party.

Once the Administrator of Estate of Edulji Framroze Dinshaw agrees to convey the balance 26191 sq.mts, for which they will execute a direct conveyance of the balance area of 26191sq.mts. in favour of the company. However, as of 8th April, 2011, Administrator of Estate of Edulji Framroze Dinshaw have sent a notice to Satellite that they want to terminate the agreement to sell the balance area of 26191 sq.mts, to which the company has replied that their contentions are not valid.

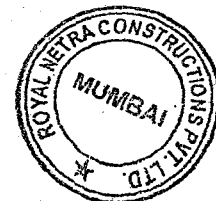
As the conveyance dated 21st February 2011 could not be registered immediately, it was imperative to take control of AG Infraconstruction Pvt Ltd whereby the company stepped into the shoes of A G Infraconstruction pvt Ltd under the Development Agreement dated 24th March 2007.

3. During the year, the company has given Rs. 1,23,00,000 to A.G.Infracontruction Pvt Ltd toward purchase of Development right and Rs.3,77,00,000/- for purchase of land aggregating to Rs.5,00,00,000/-.
4. The Company has paid for purchase of SRA rights for Slum Redevelopment to the following parties:

Suryakirti Corporation - ₹ 2,32,00,000  
Royal Builders - ₹ 3,75,00,000  
Bhargavi Construction - ₹ 4,50,00,000



N.A.I. Agwani  
S.A.I.





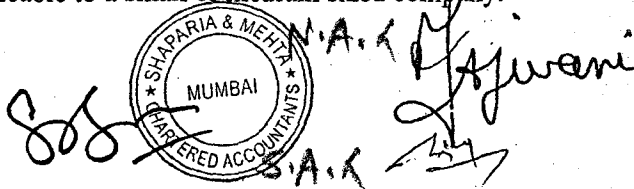
5. Expenses incurred in relation to slum dwellers have been included under Work – In – Progress.
6. During the period, the Company has given advance payment of compensation for shifting for 18 months to various slum occupants for alternate rehabilitation. The same has been accounted on pro rata basis over the period of 18 months.
7. Payments made for the SRA project are being shown as Work –In – Progress.
8. The company was incorporated on 29<sup>th</sup> July, 2009 and it became subsidiary of D B Realty Ltd on 18<sup>th</sup> June, 2010 and hence comparative figures for the period 1st April 2009 to 31st March 2010 given in profit and loss account are not comparable.

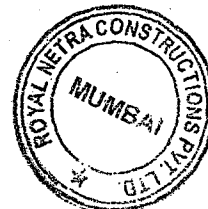
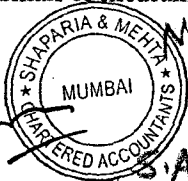
Further, comparative figures as on 31<sup>st</sup> March, 2010 in the Balance Sheet have been given.

9. Remuneration to the Auditors:

Particulars	31.03.11 (₹)
Audit Fees	25,000
Tax Audit Fees	12,000
Return Preparation Fees	7,500
Service Tax	4,583
Total	49,083

10. There are no suppliers covered under the micro, small and medium enterprise hence the detail of any amount unpaid to such supplier as at the end of accounting year is not applicable and consequently making provision of the payment of interest to any suppliers does not arise.
11. The Company is a small & medium sized Company (SMC) as defined in General instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the accounting standard as applicable to a small & medium sized company.





12. Earnings per Share

PARTICULARS	For Year Ended 31.03.2011 (₹)
Net profit / (loss) after tax	(53,67,171)
Weighted average number of Equity Shares Basic (Nos)	28,041
Nominal Value of Equity Shares ( Rupees )	100
Basic earning per share	(191.40)

13. Deferred Tax

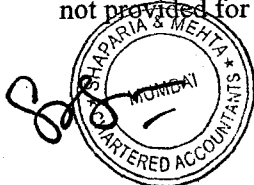
The Breakup of Net Deferred Tax Assets/ (Liabilities) for the year is as follows:

Particulars	31 <sup>st</sup> March 2011 (Amt in ₹)
Difference Between Preliminary Expenses As per Books And Allowable As Per Income Tax	4,225
Difference between Depreciation as per books and allowable as per Income Tax	1,337
Net Deferred Tax Asset for Current Year	5,562
Effective tax rate	30.90%
Provision of Deferred Tax Asset for the year	1,718

14. Sundry Debit and Credit Balances are subject to Confirmation.

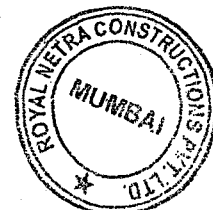
15. Contingent Liabilities: Bank Guarantees issued in favour of Slum Rehabilitation Authority from Bank Of Baroda - Rs. 88,00,000/-

16. Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. Nil



N.A.K  
S.A.K  
S.A.K

*(Handwritten signature)*



17. Additional information pursuant to the provisions of Part II of Schedule VI of the Companies Act, 1956.

- |    |  |         |
|----|--|---------|
| 1. | C.I.F Value of Imports   | Nil.    |
| 2. | Earnings in foreign Exchange.  | Nil.    |
| 3. | Expenditure in foreign currency  | Nil     |
| 4. | Expenditure on employees in respect of salary not less than Rs 60,00,000/- per year or Rs. 5,00,000/- per month when employed for the part of the year | Rs Nil. |

## 18 RELATED PARTY DISCLOSURES

The Management has identified the following Companies, firms and individuals as related parties of the Company for the year ended 31<sup>st</sup> March, 2011 for the purposes of reporting as per AS 18 – Related Party Transactions:

### 1. Holding Company

DB Realty Ltd

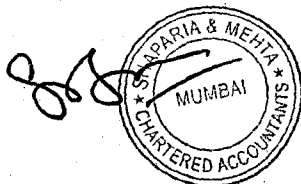
### 2 Subsidiary Company

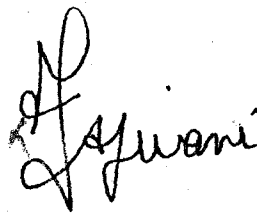

A G Infraconstruction Pvt Ltd

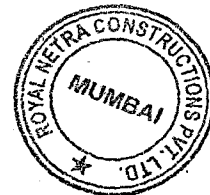
### 3 Key Management Personnel

i. Vijay Arora

ii. Preniel Nair



N.A.   
S.A. 



Related Party Transactions			
Description of the nature of transaction	Description of relationship	Related Party	31 <sup>st</sup> March 2011 (Amt in ₹)
Loan Taken	Holding Company	DB Realty Ltd.	31,00,00,000
Interest paid on Loan taken	Holding Company	DB Realty Ltd.	1,83,29,426
Purchase of Development Right	Subsidiary Company	A G Infraconstruction Pvt Ltd	1,23,00,000
Purchase of Land	Subsidiary Company	A G Infraconstruction Pvt Ltd	3,77,00,000

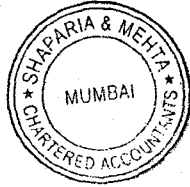
For SHAPARIA & MEHTA  
 CHARTERED ACCOUNTANTS  
 FIRM REGISTRATION NO: 112350W

For ROYAL NETRA CONSTRUCTIONS PVT LTD

*Sanjiv Mehta*

SANJIV MEHTA  
 PARTNER  
 MEMBERSHIP NO.: 34950

PLACE: MUMBAI  
 DATE: 16<sup>th</sup> May, 2011

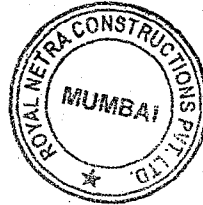


*Ajwari*

DIRECTOR  
 N.A.

*S.A.*

DIRECTOR  
 S.A.



Name of the Entity- ROYAL NETRA CONSTRUCTIONS PVT LTD  
 REGD. OFFICE : 808, KRUSHAL COMMERCIAL COMPLEX, G M ROAD, CHEMBUR ( W ), MUMBAI - 400089  
 AUDITED FINANCIAL RESULTS FOR THE QUARTER/ NINE MONTHS ENDED 31/12/10 / YEAR ENDED 31/03/11

₹. In Lacs

PARTICULARS	STANDALONE RESULTS			
	Year Ended	Nine Months	Half Year Ended	Year Ended
	31/03/2011	31/12/2010	30/09/2010	31/03/2010
	Audited	Audited	Audited	Audited
1 a. Net Sales / Income From Operations / Addition in Work - In - Progeress	2,109.26	1,490.26	191.63	496.40
b. Share of profit from Partnership Firms, net	-	-	-	-
<b>Total Income</b>	<b>2,109.26</b>	<b>1,490.26</b>	<b>191.63</b>	<b>496.40</b>
2 Expenditure				
a. (Increase)/Decrease in Inventories	(2,104.96)	(1,489.11)	(191.63)	(496.40)
b. Project Expenses	-	-	-	-
c. Employee Cost	-	-	-	-
d. Legal and Professional Expenses	-	-	-	-
e. Advertisement and Publicity	-	-	-	-
f. Depreciation and Amortisation	0.15	0.11	0.07	0.01
g. Other Expenses	57.80	4.25	0.34	0.72
<b>Total Expenditure</b>	<b>2,162.91</b>	<b>3.21</b>	<b>0.42</b>	<b>0.74</b>
3 <b>Profit / (Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)</b>	<b>(53.65)</b>	<b>(3.21)</b>	<b>(0.42)</b>	<b>(0.74)</b>
Other Income	-	-	-	-
5 <b>Profit / (Loss) before Interest and Exceptional Items (3+4)</b>	<b>(53.65)</b>	<b>(3.21)</b>	<b>(0.42)</b>	<b>(0.74)</b>
6 Interest & Finance Charges	-	-	-	-
7 <b>Profit / (Loss) after Interest but before Exceptional Items (5-6)</b>	<b>(53.65)</b>	<b>(3.21)</b>	<b>(0.42)</b>	<b>(0.74)</b>
8 Exceptional Items	-	0	-	-
9 <b>Profit / (Loss) from ordinary activities before tax (7+8)</b>	<b>(53.65)</b>	<b>(3.21)</b>	<b>(0.42)</b>	<b>(0.74)</b>
10 Tax Expenses				
Current Tax (Including earlier years)	-	-	-	-
Deferred	(0.02)	(0.01)	(0.02)	(0.02)
Fringe Benefit	-	-	-	-
11 <b>Net Profit / (Loss) from Ordinary activities after tax (9-10)</b>	<b>(53.67)</b>	<b>(3.20)</b>	<b>(0.40)</b>	<b>(0.72)</b>
12 Prior Period Items (Net)	-	-	-	-
13 Extraordinary items	-	-	-	-
14 <b>Net Profit / (Loss) (11-12-13)</b>	<b>(53.67)</b>	<b>(3.20)</b>	<b>(0.40)</b>	<b>(0.72)</b>

FOR SHAPARIA & MEHTA  
 CHARTERED ACCOUNTANTS  
 FIRM REGD. NO : 112350W

FOR ROYAL NETRA CONSTRUCTIONS PVT LTD

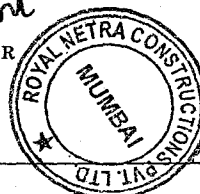
SANJIV MEHTA  
 PARTNER

Place: Mumbai  
 DATE : 16th MAY, 2011

*(Signature)*  
 DIRECTOR

*(Signature)*  
 DIRECTOR

NA SA



Name of the Entity:- ROYAL NETRA CONSTRUCTIONS PVT LTD

REGD. OFFICE : 808, KRUSHAL COMMERCIAL COMPLEX, G M ROAD, CHEMBUR ( W ), MUMBAI - 400089  
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31/03/11

₹. In Lacs

PARTICULARS	STANDALONE RESULTS	
	Year Ended	
	31/03/2011	
	Audited	
Shareholders' Fund :		
(a) Capital		150.00
(b) Reserves and Surplus		-
Minority Interest		-
Loan Funds		4,554.15
TOTAL		4,704.15
Fixed Assets		0.22
Investments		3,689.97
Deferred Tax		0.00
Current Assets, Loans and Advances		
(a) Inventories		2,104.96
(b) Sundry Debtors		-
(c) Cash and Bank Balances		110.97
(d) Other Current Assets		-
(e) Loans and Advances		152.42
Less : Current Liabilities and Provisions		(1,408.78)
Miscellaneous Expenditure (Not written off or adjusted)		
Profit and Loss Account		54.39
TOTAL		4,704.15

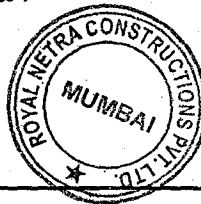
FOR SHAPARIA & MEHTA  
CHARTERED ACCOUNTANTS  
FIRM REGD. NO : 112350W

SANJIV MEHTA  
PARTNER

Place: Mumbai  
DATE : 16th MAY, 2011

FOR ROYAL NETRA CONSTRUCTIONS PVT LTD

NA  
DIRECTOR



SA  
DIRECTOR

## Annexure 3 Part I

Name of the Entity:- ROYAL NETRA CONSTRUCTIONS PVT LTD  
 REGD. OFFICE : 808, KRUSHAL COMMERCIAL COMPLEX, G M ROAD, CHEMBUR ( W ), MUMBAI - 400089  
 Balance Sheet Variance Analysis as on 31st December, 2010

₹. In Lacs

Particulars	As at March 31, 2011 (A)	As at March 31, 2010 (B)	Variance C=(A-B)	%age Variance D=C/B	Reasons for Variance
<b>I. Sources of Funds :</b>					
<b>Shareholders' Funds</b>					
Share Capital	150.00	5.00	145.00	2900.00%	FRESH EQUITY SHARES ISSUED
Share Application Money	-	-	-		
Reserves and Surplus	-	-	-		
<b>Minority Interest</b>	-	-	-		
<b>Loan Funds</b>					
Secured Loans	-	-	-		
Unsecured Loans	4,554.15	1,117.04	3,437.11	307.70%	NET FRESH LOAN AND ACCRUAL OF INTEREST COST
Deferred Tax Liability	-	-	-		
<b>Total</b>	<b>4,704.15</b>	<b>1,122.04</b>			
<b>II. Application of Funds :</b>					
<b>Fixed Assets (At Cost) :</b>					
Gross Block	0.38	0.38	-	0.00%	
Less: Depreciation/ Amortization	0.16	0.01	0.15		
Net Block	0.22	0.37	(0.15)		
Capital Work in Progress	-	-	-		
Deferred Tax Assets	0.00	0.02	(0.02)		
<b>Investments</b>	<b>3,689.97</b>	-	<b>3,689.97</b>		LIQUID FUND PARKED IN MUTUAL FUND UNITS AND INVESTMENT MADE IN SHARES OF A G INFRACONSTRUCTION PVT LTD
<b>Current Assets, Loans &amp; Advances</b>					
Inventories	2,104.96	496.40	1,608.56	324.04%	ADDITION TO W - I - P
Sundry Debtors (Unsecured - Considered good)	-	-	-		
Cash and Bank Balances	110.97	131.79	(20.82)	-15.80%	PLEASE REFER CASH FLOWS
Loans and Advances	152.42	497.50	(345.08)	-69.36%	DECREASE DUE TO ADVANCES CONVERTED TO W-I-P. INCREASE DUE TO PAYMENT OF ADVANCES TO TENANTS AS RENT
<b>Less : Current Liabilities &amp; Provisions :</b>					
Current Liabilities	1,402.89	4.75	1,398.13	29413.19%	INCREASE IN STATUTORY DUES AND CREDITORS
Provisions	5.90	-	5.90		
<b>Net Current Assets</b>	<b>959.57</b>	<b>1,120.93</b>	<b>(161.37)</b>	<b>-14.40%</b>	
<b>Miscellaneous Expenditure (To the extent not written off or adjusted)</b>					
Profit & Loss Account	54.39	0.72	53.67	7487.71%	
<b>Total</b>	<b>4,704.15</b>	<b>1,122.04</b>			

FOR SHAPARIA & MEHTA  
 CHARTERED ACCOUNTANTS  
 FIRM REGD. NO : 112350W

SANJIV MEHTA  
 PARTNER

Place: Mumbai  
 DATE : 16th MAY, 2011

FOR ROYAL NETRA CONSTRUCTIONS PVT LTD

*[Signature]*  
 DIRECTOR  
 MA

*[Signature]*  
 DIRECTOR  
 SA

