

ESTEEM PROPERTIES PRIVATE LIMITED

ANNUAL AUDITED ACCOUNTS

FOR THE YEAR ENDED 31st MARCH, 2012

M. A. PARIKH & CO.

Chartered Accountants
Yusuf Building, 2nd Floor,
Mahatma Gandhi Road,
Fort, Mumbai – 400 001.

Tel No.: 22041018 *22043850 *22029187
Fax: 22874524 *Email : maparikh@eth.net

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Saturday, the 1st September, 2012 at 10.30 a.m. at the Registered Office of the Company at DB House, Gen. A.K. Vaidya Marg, Goregaon (East), Mumbai – 400063 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2012, Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To appoint Director in place of Mr. Salim Balwa, who retires by rotation and being eligible offers himself for re-appointment
3. To re-appoint Auditors and to fix their remuneration and in this regard to consider, and if thought fit, to pass with or without modification(s), the following resolution, which will be proposed as an ordinary resolution:

"RESOLVED THAT M/s. M.A. Parikh & Co, Chartered Accountants, Mumbai (Reg No. 107556W), the Statutory Auditors of the Company, who are not disqualified to act as Auditors of the Company u/s.224 (1B) of the Companies Act 1956, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting on such remuneration, as may be determined by the Board of Directors, in consultation with the said Auditors plus reimbursement of out of pocket expenses, if any, to be incurred by them in connection with the said audit exclusive of other fees payable for other services, if any, to be rendered by them."

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN HIS/HER STEAD AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, in order to be effective, must be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

**By order of the Board of Directors,
For Esteem Properties Private Limited**

Sd/-

Director

Place: Mumbai
Date: 24.05.2012

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

DIRECTOR'S REPORT

Dear Member

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the year ended on 31st March, 2012:

FINANCIAL RESULTS

During the year under review, your Company has suffered a loss before tax of Rs. 81,44,051/- as compared to the loss before tax of Rs. 72,04,256/- previous year.

DIVIDEND

In the absence of any profits, your Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS

Your Company has not accepted any deposits from public and as such no amount of principal or interest was outstanding on the date of the Balance Sheet.

DIRECTORS RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the annual accounts for the year ended 31st March, 2012, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and the Directors had made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as it exists for the year ended 31st March, 2012 and of the loss of the company for that year;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

DIRECTORS:

During the year under review Mr. Salim Balwa and Ms. Sunita Goenka, are continuing as Directors of the Company.

Mr. Salim Balwa, Director retires by rotation and being eligible, offers himself for re-appointment subject to approval of Members in the ensuing Annual General Meeting. The Board recommends his re-appointment as Director of the Company.

COMPLIANCE CERTIFICATE:

The Compliance Certificate was received in accordance with the Provision of Section 383A read with the Companies (Compliance Certificate) Rules 2001. The Board as appoint M/s. V. Sundaram & Co., Company Secretaries in Whole time Practice, for issuance of the Compliance Certificate in terms of the provisions of Section 383A(1) of the Companies Act, 1956, being annexed to the Report.

AUDITORS:

The Statutory Auditors of the Company M/s. M.A. Parikh & Co., Chartered Accountants, Mumbai, (Reg. No. 107556W) retire at the ensuing Annual General Meeting and being eligible, offer themselves, for re-appointment. The Board recommends their re-appointment as the Auditors of the Company.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no employees drawing the remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956.

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

Considering the nature of the business, it is not necessary to give statement showing required particulars in accordance with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1998 read with the provisions of Section 217(1)(e) of the Companies Act, 1956 and hence it has not been annexed hereto.

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

ACKNOWLEDGEMENT:

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

**By order of the Board of Directors,
For Esteem Properties Private Limited**

Sd/-

Sd/-

Place : Mumbai
Date : 24.05.2012

Director

Director

V. Sundaram & Co.

COMPANY SECRETARIES

COMPLIANCE CERTIFICATE U/S 383A (1) OF COMPANIES ACT, 1956

CIN: U99999MH1995PTC086668

Nominal Capital: Rs. 10 Lakhs

The Members
Esteem Properties Private Limited
DB House, Gen. A. K. Vaidya Marg.
Goregaon (East),
Mumbai - 400063

We have examined the registers, records, books and papers of **Esteem Properties Private Limited** (the Company), as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. 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 and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained the registers as stated in "Annexure - A" to this certificate, as per the provisions of Act and the rules made there under and 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 Ministry of Corporate Affairs or such other authorities as required under the Act and the rules made thereunder. However no forms are or returns were required to be filed with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company being a private limited Company and a subsidiary of a public company has the minimum prescribed paid-up capital and its maximum number of members was 3 excluding its present and past employees. During the year the Company has not invited public to subscribe for its shares and debentures and has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. The Board of Directors duly met 5 (Five) times for the meetings held on 10th April 2011, 30th May 2011, 10th August 2011, 29th October 2011, and 28th January 2012 respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company was not required to close its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 29th August, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose. Necessary consent from the shareholders have been taken for the purpose of shorter notice.

STAR COMPUTER (Certified Filing Centre)

19, Neptune, 29 EMP, Near Gundecha High School, Thakur Village, Kandivli (E), Mumbai - 400 101.

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7. No Extra Ordinary General Meeting was held during the financial year.
8. The company has not advanced any loans to its directors or persons or firms or companies under Section 295 of the Companies Act, 1956.
9. The Company has not entered into contracts falling within the purview of Section 297 of the Act.
10. The Company has made proper entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approval from the Board of Directors, Members or of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i) There was a transfer of securities during the financial year.
(ii) The Company was not required to deposit any amount in a separate bank 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 any money to the Investor Education and Protection Fund during the financial year.
(v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was appointment of an directors and resignation of directors during the financial year. The necessary forms have been filed.
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 under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar 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 not issued any shares, debentures or other securities 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 the rights to dividend, rights 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 the provisions of Sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 during the year under scrutiny.
24. The borrowings made during the financial are in compliance with the provisions of Section 293 (1) (a) & (d) of the Act.
25. The company has not given loans & made investments in other bodies corporate. The Company being Subsidiary of Public Limited Company section 372A of the Companies Act, 1956 is applicable.
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 year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provision of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. The Company has not been prosecuted during the year nor received any show cause notice nor has been fined or penalties or punishment been imposed on it for offences under the Act.
32. The Company has not received any money as a security from its employees during the year under scrutiny.
33. The Company is regular in depositing the statutory dues during the financial year.

Place: - Mumbai

Date: - 24th May, 2012

For V/S. Srinivas & Co.
Company Secretaries
V. Srinivas
Partnership Firm No. 3873

COMPLIANCE CERTIFICATE U/S 383A (1)
ESTEEM PROPERTIES PRIVATE LIMITED

Annexure: A

- a) Register of members under Section 150.
- b) Register and returns under Section 163.
- c) Minutes book of general meeting and Board meetings 193
- d) Books of accounts under Section 209.
- e) Register of contracts under Section 301.
- f) Register of Directors, Managing Director, Manager and Secretary under Section 303.
- g) Register of Directors' shareholding under Section 307.
- h) Register of fixed assets.
- i) Books of Accounts
- j) Register of Transfers

Annexure: B

Forms & Returns as filed by the Company with Registrar of Companies during the financial year ended 31st March, 2012.

Form No.	Section	Purpose	Date of filing	Whether filed within the prescribed time Yes / No	If delay in filing, whether requisite additional fee paid Yes / No
Form 32	303(2)	Appointment of Director	05/04/2011	Yes	N.A
Form 32	303(2)	Resignation of Director	09/05/2011	Yes	N.A
Form 32	303(2)	Resignation and change in Designation of Director	01/10/2011	No	Yes
Form 66	383 A	Compliance Certificate	03/10/2011	No	Yes
Form 20B	159	Annual Return	04/11/2011	No	Yes
Form 23AC & ACA	220	Annual Accounts	28/11/2011	Yes	N.A

Place: - Mumbai
Date: - 24th May, 2012

For V. Sundaram & Co.
Company Secretaries
V. Sundaram
V. Sundaram
Partner CP No. 3373

M. A. PARIKH & CO.
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

To the Members of Esteem Properties Private Limited

1. We have audited the attached Balance Sheet of **Esteem Properties Private Limited** ('the Company') as at March 31, 2012 and the Statement of Profit and Loss and the 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 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 here-in-above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, the statement of Profit and Loss and the 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 March 31, 2012 and taken on record by the Board of Directors, we report that none of the director is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;



- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2012;
- (ii) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date, and
- (iii) In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For M.A.Parikh & Co.
Chartered Accountants
(Registration No. 107556W)



Partner
Name: Chintan Ghelani
Membership No. 132791

Mumbai, Dated: 24 MAY 2012

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

1. Fixed Assets

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed Assets have been physically verified by the management as of the year-end. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) No fixed assets have been disposed off during the year.

2. Inventories

The Company is in the business of real estate development. As upto the year end, the Company has not purchased construction materials as also not commenced any construction activity. Therefore, the requirements of Clause 4(ii) of the Order are not applicable.

3. The Company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the requirements of clause 4(iii) of the Order are not applicable.

4. During the year, there were no transactions for purchase of fixed asset, inventory and for sale of units/services. Therefore, the requirements of clause 4(iv) of the Order are not applicable.

5. 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 a contract or an arrangement referred to in section 301 of the Companies Act, 1956, that needed to be entered into the register required to be maintained under the said section have been so entered.

(b) The transaction is in excess of rupees five lakhs and the said transaction has been made at a price which is prima facie reasonable having regard to the prevailing market price at the relevant time.

6. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable.

7. The Company's paid up capital and reserves at the commencement of the financial year concerned did not exceed Rs. 50 lakhs. Further, the Company's average annual turnover for the three consecutive preceding financial years did not exceed Rs. 5 crores. Therefore, the requirements of Clause 4(vii), with respect to internal audit system, are not applicable.



8. The Company's object is to engage in construction activities. However, in view the quantitative criteria's being not satisfied, the maintenance of cost records prescribed by the central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable. Further, as upto the year end the company has yet to commence any construction activities.
9. Statutory Dues
- (a) According to the information and explanations given to us and according to the books and records as produced before us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Income Tax and Other applicable Statutory Dues with the appropriate authorities. According to the information and explanations given to us, undisputed amounts payable in respect of the profession tax of Rs. 9,175/- was in arrears as at March 31, 2012 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no disputed dues of Income – tax / Value Added tax / Wealth tax / Service tax / Custom duty / Excise duty / Cess and hence, the requirements of disclosure with respect to the amounts involved and the forums where the disputes are pending are not applicable.
10. The accumulated losses of the Company at the end of the financial year concerned are more than 50% of its net worth. The Company has incurred cash losses in the current financial year as well as in the immediately preceding financial year.
11. The Company has neither taken any loans from banks or financial institutions nor issued any debentures. Therefore, the requirements of Clause 4(xi) of the Order are not applicable.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the requirements of Clause 4(xii) of the Order are not applicable.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the requirements of Clause 4(xiii) of the Order are not applicable.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the requirements of Clause 4(xiv) of the Order are not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the requirements of Clause 4(xv) of the Order are not applicable.
16. The Company has not obtained any term loan. Therefore, the requirements of Clause 4(xvi) of the Order are not applicable.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that the funds raised on short – term basis have not been utilized for long term investment.



18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the requirements of Clause 4(xviii) of the Order are not applicable.
19. The Company has not issued any debentures. Therefore, the requirements of Clause 4(xix) of the Order are not applicable.
20. The Company has not raised any monies by way of Public Issue. Therefore, the requirements of Clause 4(xx) of the Order are not applicable.
21. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For M.A.Parikh & Co.
Chartered Accountants
(Registration No. 107556W)



C. Ghelani

Partner
Name: Chintan Ghelani
Membership No. 132791

Mumbai, Dated: 24 MAY 2012

ESTEEM PROPERTIES PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH 2012

(Amount in Rs.)

Particulars		Note No	As at 31.03.12	As at 31.03.11
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	3	1,000,000	1,000,000
	(b) Reserves and Surplus	4	(38,373,383)	(30,229,332)
2	Non-current liabilities			
	(a) Long-term borrowings	5	141,417	207,156
	(b) Long-term provisions	6	24,799	15,980
3	Current liabilities			
	(a) Short-term borrowings	7	922,013,484	1,154,171,099
	(b) Trade payables	8	4,486,523	15,284,020
	(c) Other Current Liabilities	9	199,950,372	199,501,738
	(d) Short-term provisions	10	31,834	20,601
	TOTAL		1,089,275,046	1,339,971,262
II.	ASSETS			
1	Non-current assets			
	<u>Fixed Assets</u>			
	Tangible assets	11	631,151	831,696
2	Current assets			
	(a) Inventories	12	1,084,499,868	1,078,048,644
	(b) Cash and bank balances	13	15,183	4,045,232
	(c) Short-term loans and advances	14	584,324	250,162,129
	(d) Other current assets	15	3,544,520	6,883,561
	TOTAL		1,089,275,046	1,339,971,262

See accompanying notes forming part of the financial statements

1 to 35

In terms of our report of even date attached

For.M.A PARIKH & CO.
Chartered Accountants

C. Ghelani



PARTNER
Name : Chintan Ghelani
Membership No. : 132791

For and Behalf of Board of Directors

Sunita Goenka
Sunita Goenka
Director

Salim Balwa
Salim Balwa
Director

Place :Mumbai
Date :

24 MAY 2012

ESTEEM PROPERTIES PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

		(Amount in Rs.)		
Particulars		Note No.	For the Year Ended 31.03.12	For the Year Ended 31.03.11
1	Other Income	16	-	6,883,561
2	Total Revenue		-	6,883,561
3	Expenses:			
	Project Expenses	17	6,250,679	20,286,513
	Changes in inventories of Project Work-in-progress	18	(6,451,224)	(20,538,081)
	Depreciation	11	200,545	251,570
	Other expenses	19	8,110,933	14,087,815
	Total expenses		8,110,933	14,087,817
4	Loss before tax		(8,110,933)	(7,204,256)
5	Tax expense:			
	Current Tax		33,118	-
6	Loss for the year		(8,144,051)	(7,204,256)
7	Earnings per equity share:			
	- Basic		(814)	(720)

See accompanying notes forming part of the financial 1 to 35 statements

In terms of our report of even date attached

For.M.A PARIKH & CO.
Chartered Accountants

C. Ghelani

PARTNER
Name : Chintan Ghelani
Membership No. : 132791



For and Behalf of Board of Directors

Sunita Goenka
Sunita Goenka
Director

Salim Balwa
Salim Balwa
Director

Place : Mumbai

Date : 24 MAY 2012

ESTEEM PROPERTIES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the Year Ended 31.03.12		For the Year Ended 31.03.11	
	Rs.	Rs.	Rs.	Rs.
(A) Cash Flow From Operating Activities:				
(Loss) before tax as per Statement of Profit and Loss		(8,144,051)		(7,204,256)
Adjustments for:				
Depreciation	200,545		251,570	
Provision for Leave encashment	11,233		8,128	
Provision for Gratuity	8,819	220,597	9,089	268,787
Operating Income before working capital changes		(7,923,454)		(6,935,469)
Working Capital Changes:				
Inventories	(6,451,224)		(20,538,080)	
Loans and advances	249,577,805		136,198,933	
Other Current Assets	3,339,041		6,883,561	
Current Liabilities	(10,348,863)	236,116,759	(11,021,715)	111,522,699
Net Cash Flow From Operating Activities		228,193,305		104,587,230
Less: Taxes paid				
Net Cash from Operating Activities		228,193,305		104,587,230
(B) Cash Flow From Investing Activities:				
Purchase of Fixed Assets			(51,522)	
Net Cash used in Investing Activities				(51,522)
(C) Cash Flow From Financing Activities:				
Borrowings	(232,223,354)		(102,065,214)	
Net Cash used in Financing Activities		(232,223,354)		(102,065,214)
Net Increase in Cash and Cash Equivalents		(4,030,049)		2,470,494
Add: Cash and Cash Equivalents (Opening)		4,045,232		1,574,738
Cash and Cash Equivalents (Closing)		15,183		4,045,232
(D) Cash and Cash Equivalents includes:				
Cash on hand		15,183		51,425
Bank Balances				3,993,807
		15,183		4,045,232

In terms of our report of even date attached

For M.A. PARIKH & CO.
Chartered Accountants

C. Ghelani



Partner
Name : Chintan Ghelani
Membership No. : 132791

Place: Mumbai
Date :

24 MAY 2012

For and on Behalf of Board of Directors

Sunita Goenka
Sunita Goenka
Director

Salm Baiwa
Salm Baiwa
Director

ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

1 NATURE OF OPERATIONS

The Company, a subsidiary of D B Realty Limited, is engaged in the business of development and construction of complexes. In furtherance thereof, it has undertaken development and construction of a Commercial Complex at Sahar, Mumbai. The development and construction rights in respect thereof have been acquired.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("GAAP") under the historical cost convention on an accrual basis, to comply in all material aspects with the applicable mandatory Accounting Standards and the relevant provisions of the Companies Act, 1956.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria's set out in the Schedule VI to the Companies Act, 1956.

2.2 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

2.3 Fixed Assets and Depreciation

Tangible Assets:

Fixed Assets are capitalized at cost of acquisition, net of accumulated depreciation. Cost includes cost incurred to bring the assets to their present location and condition. Depreciation on fixed assets has been provided for on written down value method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.

2.4 Inventories

Project Work- In- Progress represents cost incurred in relation to development and construction of the Project. Direct expenses and construction overheads are taken as the cost of the Project. It is valued at lower of cost or net realizable value.

2.5 Borrowing Cost

Borrowing costs which have a direct nexus with the Project, being a qualifying asset, are allocated to the cost of the Project. Other borrowing costs are expensed out as period cost.

2.6 Revenue Recognition

Revenue from construction and development of the Project is recognized on the basis of percentage of Completion method. The initial revenue shall be recognized after the work has progressed to the extent of 25% of the total construction cost excluding cost incurred in relation to acquisition of land and its development rights and atleast 25% of the saleable project area is secured by contracts or agreements with buyers. Further, revenue shall be recognised out of the secured contracts/agreements only if 10% of the revenue as per the enforceable document is realised and these is no uncertainty towards realisation of the balance amount.



2.7 Employee Benefits

Short term employee benefits:

Employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefits and are recognized in the year in which the employee renders the related service.

Post employment benefits:

Contribution to the provident fund, which is a defined contribution scheme, is recognized as an expense in the Statement of Profit & Loss in the period in which the contribution is due.

Provision for gratuity and leave encashment is made on the basis of actuarial valuation done by an independent valuer as of year-end.

2.8 Taxes on Income

Income tax expense comprises current tax, (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

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

2.9 Operating Lease

Lease rentals under an operating lease in respect of an Office Premise are charged off to the Statement of Profit & Loss in accordance with the terms of the lease agreement.

2.10 Provision and Contingent Liabilities

Provisions are recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.11 Earnings per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share . Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating dilute earnings per share, the net profit or loss for the period attributable to equity shareholders and weightage average number of shares outstanding for the period is adjusted for the effects of all dilutive potential equity shares.

2.12 Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and present the cash flows by operating, investing and financing activities of the Company.

2.13 Accounting policies not specifically referred to otherwise are consistent with the generally accounting principles followed by the Company.



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

3 Share Capital

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised				
Equity Shares of Rs.100/- each	10,000	1,000,000	10,000	1,000,000
	10,000	1,000,000	10,000	1,000,000
Issued & fully paid up				
Equity Shares of Rs.100/- each	10,000	1,000,000	10,000	1,000,000
	10,000	1,000,000	10,000	1,000,000
Subscribed & fully Paid up				
Equity Shares of Rs.100/- each	10,000	1,000,000	10,000	1,000,000
Total	10,000	1,000,000	10,000	1,000,000

3.1 > Reconciliation of number of Equity Shares

Particulars	As at 31 March 2012	As at 31 March 2011
	Number	Number
Shares outstanding at the beginning of the year	10,000	10,000
Shares Issued during the year	-	-
Shares outstanding at the end of the year	10,000	10,000

3.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 100 per share

3.3 10,000 Equity Shares (Previous Year -10,000) are held by the holding company DB Realty Limited and its nominee.

4 Reserves & Surplus

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
Surplus as per Statement of Profit and Loss		
Balance as at the beginning of the year	(30,229,332)	(28,025,076)
Add: (Loss) for the year	(8,144,051)	(7,204,256)
Balance as at the end of the year	(38,373,383)	(30,229,332)
Total	(38,373,383)	(30,229,332)

5 Long Term Borrowings

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
Secured		
Car Loan from Bank (Secured against hypothecation of Car)	141,417	207,156
Total	141,417	207,156

6 Long Term Provisions

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
Provision for employee benefits		
Gratuity (Unfunded)	24,799	15,980
Total	24,799	15,980

In absence of information with respect to short term and long term provision for gratuity as at 31st March, 2011, the entire amount of provision of gratuity has been classified as "Long Term".



7 Short Term Borrowings

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
(Unsecured)		
- Loan from Holding Company (Refer note below)	907,005,057	1,139,162,672
- Loan from other (Refer note below)	15,008,427	15,008,427
Total	922,013,484	1,154,171,099

Note:

Above loans are without interest and repayable on demand.

8 Trade Payable

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
Sundry Creditors (Refer Note No. 28)	4,486,523	15,284,020
Total	4,486,523	15,284,020

9 Other Current Liabilities

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
(a) Employees' Benefits payable	43,967	53,900
(b) Statutory dues payable	88,978	85,538
(c) Liability for expenses	471,500	22,414
(d) Current maturities of long term debt	66,854	60,813
(e) Due to Holding Company (Refer Note No.23)	199,279,073	199,279,073
Total	199,950,372	199,501,738

10 Short Term Provisions

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
Provision for employee benefits		
Leave Encashment (Unfunded)	31,834	20,601
Total	31,834	20,601



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

11 Fixed Assets

(Amount in Rupees)

Fixed Assets	Gross Block		Accumulated Depreciation		Net Block		
	Balance as at 1 April 2011	Addition during the year	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charge for the year	Balance as at 31 March 2012	Balance as at 31 March 2011
Tangible Assets							
Furniture and Fixtures	8,438	-	8,438	8,438	-	8,438	-
Office equipment	312,961	-	312,961	137,003	24,476	161,479	151,482
Computer	97,000	-	97,000	52,366	17,854	70,220	26,780
Vehicles	861,268	-	861,268	250,164	158,215	408,379	452,889
Total	1,279,667	-	1,279,667	447,971	200,545	648,516	631,151
Previous Year	1,228,145	51,522	1,279,667	196,401	251,570	447,971	831,696



12 Inventories

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
Project Work-in-Progress	1,084,499,868	1,078,048,644
Total	1,084,499,868	1,078,048,644

13 Cash and Cash Equivalents

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
a. Cash on hand	15,183	51,425
b. Bank Balances in current accounts		3,993,807
Total	15,183	4,045,232

14 Short-Term loans and advances

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
(Unsecured, considered good)		
Loans	50,967	250,078,467
Prepaid Expenses	134,521	8,325
Income Tax (Net of Provision made thereagainst)	398,836	46,102
Other Advances		29,235
Total	584,324	250,162,129

15 Other Current Assets

Particulars	As at 31 March 2012	As at 31 March 2011
	Amount in Rs.	Amount in Rs.
Interest Accrued and due on Loans	3,544,520	6,883,561
Total	3,544,520	6,883,561

16 Other Income

Particulars	For the Year ended 31.03.12	For the Year ended 31.03.11
	Amount in Rs.	Amount in Rs.
Interest Income		6,883,561
Total	-	6,883,561

17 Project Expenses

Particulars	For the Year ended 31.03.12	For the Year ended 31.03.11
	Amount in Rs.	Amount in Rs.
Direct Cost of Construction	648,136	340,897
Construction Overheads		
- Salaries, Wages and Bonus	291,505	364,858
- Staff Welfare and Other Amenities	41,944	102,528
- Gratuity	8,819	9,089
- Other Overheads	5,237,388	19,441,370
Interest on car loan	22,887	27,771
Total	6,250,679	20,286,513



18 Changes in Inventories of Project Work-in-progress

Particulars	For the Year ended 31.03.12	For the Year ended 31.03.11
	Amount in Rs.	Amount in Rs.
Balance as of commencement of the year	1,078,048,644	1,057,510,563
- Project work in progress		
Less:		
Balance as of end of the year	1,084,499,868	1,078,048,644
- Project work in progress		
Total	(6,451,224)	(20,538,081)

19 Other Expenses

Particulars	For the Year ended 31.03.12	For the Year ended 31.03.11
	Amount in Rs.	Amount in Rs.
Rent	4,631,893	3,761,198
Communication Expenses	3,291	22,348
Hire Charges	-	9,206,000
Donation	-	500
Advertisement and Business Promotion	-	491,508
Electricity Expenses	390,176	489,660
Water Charges	18,420	27,932
Remuneration to Auditors	56,180	55,150
- Audit Fees	19,854	33,090
- Other Services	3,921	-
- Out of Pocket Expenses	2,945,205	-
Interest receivable written off	41,993	429
Miscellaneous Expenses		
Total	8,110,933	14,087,815



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

- 20 The Company is a subsidiary of D B Realty Limited, which has become a "public company" w.e.f. 23.09.2009. Therefore, w.e.f. the said date, the Company has become a private company which is a subsidiary of a public company and accordingly, by virtue of provision of section 3(1)(iv)(c) of the Companies Act, 1956, the Company is a public company. The Company continues to use the word Private Limited as permitted by law.
- 21 **Status of the Project**
- 21.1 The Company had acquired under Agreement, a plot of land situated at Sahar, Andheri (East), Mumbai from Gonsalves Family and Ors, the ownership whereof was vested with them consequent to the Order passed by the Revenue Minister of the Government of Maharashtra (Revenue Minister) in the year 1995. The said Order was subsequently reversed by the Revenue Minister in the year 1998, holding that the said plot of land belongs to the Government and not Gonsalves Family and Ors (Reversed Order). The Company has challenged the said Reversed Order before the Hon. High Court of Bombay, which is pending as of now. However, in the year 2007, the Revenue Minister cancelled the Reversed Order and restored the Order passed in the year 1995, consequent to which the Company obtained ownership thereof.
- 21.2 In this background, a Public Interest Litigation (PIL) was filed before the Bombay High Court and their Lordships in Order dated 1st May, 2010 have restored the Revenue Minister's Order passed in 1998 whereby the ownership of the said plot of land is held to be that of the State Government but subject to the outcome of the petition before the Civil Court. In the PIL, the Order of 1995 was not challenged. Further, the Company has challenged the judgment of the Bombay High Court in PIL by way of Special Leave Petition before the Supreme Court of India, which is pending and a status quo order has been passed by the Supreme Court of India.
- 21.3 Pending outcome of reaching finality in the matter, the cost incurred in acquiring the land as well as other costs and expenses considered by the management incurred in relation to the development and construction of the said land have been allocated to Project Work in Progress and the value thereof as of 31st March, 2012 is Rs. 1,08,44,99,866/-.
- 21.4 The Company has been legally advised that the outcome of the petition before the High Court of Bombay against the Reversed Order and that of the Supreme Court of India against the Order of the Bombay High Court in PIL could be in its favour and accordingly, in the opinion of the Management of the Company, the said land may be available to it for development. Further, the Company is in physical possession of the land.
- 22 The accumulated losses have exceeded the Company's net worth. However, these accounts have been prepared by adopting the principle of going concern in view of management's expectation of developing the land.
- 23 During the year ended 31st March 2010, the Company had executed Consent Terms with Air Inn Private Limited (Air Inn), whereby a portion of land admeasuring about 5,128.09 square meters was transferred to Air Inn in lieu of settlement of its claim on the Company, the implications thereof was translated in the accounts. The Company in principle, had agreed to bear the loss resulted in the hands of holding Company on account of transfer of its shares in Air Inn to other shareholders of Air Inn, being transferred to facilitate the settlement of Air Inn's claim and to expedite the development activity in the hands of the Company. Accordingly, the holding Company recovered such loss of Rs.17,99,52,658/- from the Company and the same stands allocated to Project Expenses as in the opinion of the Company it represents additional cost incurred towards the settlement of claim of Air Inn. Further, in view of the amount not being paid as upto the year ended 31st March, 2010, the holding Company had charged interest of Rs. 1,93,26,415/- on such recovery.
- 24 During the year ended 31st March 2010, the Company had executed a deed of exchange with Dynamix Developers Private Limited for exchanging the land inter-se between both the parties to facilitate the development of the Project on hand. In the accounts for the year ended 31.03.2010 necessary entries for transfer and acquisition of land were accounted for based on the market value adopted for payment of stamp duty. Pending ascertainment of direct cost attributable to the land transferred, the cost of Rs. 49,590,254/- referable to the land transferred, has been determined by pro-rating the amount allocated to project work-in-progress based on the ratio of total area of the land to area of land transferred and the same was charged off to the Profit & Loss Account as period cost by adjusting the value of closing project work-in-progress. Necessary adjustment entries shall be passed in the event of ascertainment of direct cost referable to the land so transferred.



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

- 25 The Company's Statutory Auditors have employed direct confirmation procedure for verification of balances of certain parties from / to whom unsecured loans have been taken / granted as well as of balances held in Bank and balances of advances granted & sundry creditors.

In the opinion of the management of the Company, the balances for which confirmations have not been received, in case of amounts recoverable the same are good for recovery and in case of liabilities, the same are payable.

- 26 In respect of the land undertaken for development and construction, there is charge by way of registered mortgage on land admeasuring 21,876.66 sq. mtrs. in favour of IDBI Trusteeships Services Limited for securing term loan given to DB Realty Limited, the holding Company. The closing balance in respect of the said loan is Rs. 30,62,29,178/- (Previous Year Rs.30,62,29,178/-).

27 **Contingent Liabilities not provided for**

(Amount in Rupees)

Particulars	Year ended	Year ended
	31.03.12	31.03.11
	Rs.	Rs.
The Company, as per terms of Consent Terms entered into with Air Inn, is liable to re-imburse to Air Inn 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	15,000,000
The Company has given Corporate Guarantee in respect of loan taken by Holding Company of Rs. 200,00,00,000/-. Closing balance as of year-end is	306,229,178	306,229,178
Claim made against the Company not acknowledged as debt relating to Service Tax on lease rentals in respect of an Office Premises.	-	1,092,781

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

Particulars	Current Year	Previous Year
	Rs.	Rs.
Principal Amount outstanding to suppliers under MSMED Act, 2006 beyond the appointed date	-	-
Interest accrued on the due to suppliers under MSMED Act on the above amount	-	-
Payment made to suppliers (Other than interest) beyond the appointed date, during the year	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-
Interest due and payable to Suppliers under MSMED Act for payments already made.	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-

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

29 **Segment Reporting**

Keeping in view the object of the Company as that of developing and constructing the Project, it has only one reportable segment and hence separate disclosure requirement of AS-17 Segment Reporting are not applicable.



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

30 Related Party Disclosures

List of Related Parties where control exists and related parties with whom transactions have taken place and relationships

Name of the Related Party
Holding Company: D B Realty Limited
Fellow Subsidiary: Neelkamal Realtors Tower Private Limited
Jointly Controlled Enterprise of Holding Company (Jointly Controlled Enterprise): M/s. Dynamix Realty
Enterprises over which Director(s) exercises Significant Influence: (Associated Enterprises): K. G. Enterprise Conwood Construction & Developers Private Limited BD & P Hotels (India) Private Limited Eon Aviation Private Limited Dynamix Balwas Realty Ventures Private Limited

Transactions during the year

Description of Transactions	Holding Company	Fellow Subsidiary Company	Associated Enterprises	Jointly Controlled Enterprise
Loans Taken				
Opening Balance	1,139,162,672 (1,260,498,372)	- (-)	- (-)	- (-)
Taken / Transfer during the year	21,022,385 (737,200,000)	- (-)	- (-)	- (-)
Repaid during the year	253,200,000 (858,535,700)	- (-)	- (-)	- (-)
Closing Balance	906,985,057 (1,139,162,672)	- (-)	- (-)	- (-)
Recovery of loss on sale of Shares by the Holding Company and charge of interest thereon				
Opening Balance	199,279,073 (199,279,073)	- (-)	- (-)	- (-)
Closing Balance as of year end	199,279,073 (199,279,073)	- (-)	- (-)	- (-)
Loans Granted				
Opening Balance	- (-)	- (-)	- (-)	- (-)
Granted during the year	- (-)	- (5,343,246)	- (1,848,500)	- (-)
Repaid during the year	- (-)	- (5,343,246)	- (1,848,500)	- (-)
Closing Balance	- (-)	- (-)	- (-)	- (-)



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

Reimbursement of Expenditure incurred on behalf of the Company:				
Opening Balance	4,886,200	-	-	-
	(4,886,200)	(-)	(-)	(-)
Transaction during the year	208,957	-	-	-
	(-)	(-)	(-)	(-)
Repayment/Transfer during the year	5,095,157	-	-	-
	(-)	-	-	-
Closing Balance as of year end	(4,886,200)	(-)	(-)	(-)
Aircraft Hire Charges				
Opening Balance	8,650,000	-	-	-
	(-)	(-)	(-)	(-)
Transaction during the year	-	-	-	-
	(8,650,000)	(-)	(551,500)	(-)
Repayment/Transfer during the year	8,650,000	-	-	-
	(-)	(-)	(551,500)	(-)
Closing Balance as of year end	-	-	-	-
	(8,650,000)	(-)	(-)	(-)
Statutory obligation paid on behalf of company				
Opening Balance	(-)	(-)	(-)	(-)
	(-)	(-)	(-)	(-)
Paid during the year	-	-	-	583,785
	(-)	(-)	(-)	(2,055,892)
Repaid during the year	-	-	-	586,785
	(-)	(-)	(-)	(2,055,892)
Closing Balance	-	-	-	(3,000)
	(-)	(-)	(-)	(-)
Charges for use of premises by the Company				
Opening Balance	-	-	204,828	-
	(-)	(-)	(161,442)	(-)
Transaction during the year	-	-	4,936,682	-
	(-)	(-)	(4,173,263)	(-)
Repayment during the year	-	-	5,141,510	-
	(-)	(-)	(4,129,877)	(-)
Closing Balance as of year end	-	-	-	-
	(-)	(-)	(204,828)	(-)
Lodging and boarding charges				
Opening Balance	-	-	-	-
	(-)	(-)	(-)	(-)
Transaction during the year	-	-	-	-
	(-)	(-)	(12,475)	(-)
Repayment during the year	-	-	-	-
	(-)	(-)	(12,475)	(-)
Closing Balance as of year end	-	-	-	-
	(-)	(-)	(-)	(-)

Notes:

- 1 Previous year figures are denoted in brackets.
- 2 The aforesaid related parties are as identified by the Company and relied upon by the Statutory Auditors.



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

31 As per Accounting Standard-15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard is given below:

Defined Benefit Plan

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

I Reconciliation of opening and closing balances of Defined Benefit obligation.

Gratuity Unfunded
(Amount in Rupees)

Particulars	For the Year ended 31st March, 2012	For the Year ended 31st March, 2011
Defined Benefit obligation at the beginning of the year	15,980	6,891
Current Service Cost	9,339	10,867
Interest Cost	1,278	1,421
Actuarial (gain)/loss	(1,798)	(3,199)
Defined Benefit obligation at the end of the year	24,799	15,980

II Expense recognized in the Profit & Loss Account.

Gratuity Unfunded
(Amount in Rupees)

Particulars	For the Year ended 31st March, 2012	For the Year ended 31st March, 2011
Current Service Cost	9,339	10,867
Interest Cost	1,278	1,421
Actuarial (gain)/loss	(1,798)	(3,199)
Net Cost	8,819	9,089

III Actuarial Assumptions

Gratuity Unfunded
(Amount in Rupees)

Particulars	For the Year ended 31st March, 2012	For the Year ended 31st March, 2011
Discount Rate	8.50%	8.00%
Rate of Escalation in Salary	15.00%	10.00%

Notes:

- 1 The obligation for Gratuity is unfunded and therefore, the following disclosures are not given:
 - a Reconciliation of Opening and Closing Balances of fair value of plan assets.
 - b Details of Investments.
- 2 The obligation of Leave Encashment is provided for on an actuarial valuation done by an independent valuer and the same is unfunded. The amount recognised in the Profit and Loss Account for the year is Rs. 8,819/- (Previous Year Rs. 17,946)



ESTEEM PROPERTIES PRIVATE LIMITED
Notes forming part of the financial statements

32 Operating Lease:

(Amount in Rupees)

Particulars	For the Year ended 31st March, 2012	For the Year ended 31st March, 2011
Lease payments recognized in the profit and loss account	4,631,893	3,761,198
Future Lease Payments		
a. Not later than one year.	85,620	3,698,976
b. Later than one year but not later than five years.	46,245	1,582,380
c. Later than five years.	-	-
Total of Future Lease Payments	131,865	5,281,356

Note:

There are no exceptional/restrictive covenants in the lease agreement

33 Earnings Per Share:

The Loss considered in ascertaining the Company's Earnings Per Share comprises net loss after tax. The number of shares used in computing basic and diluted Earnings Per Share is the weighted average number of shares outstanding during the year.

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Net Profit/(Loss) after tax as per Profit & Loss Account	(8,144,051)	(7,204,256)
Weighted Average number of Shares outstanding during the year	10,000	10,000
Basic Earnings Per Share	(814.41)	(720.43)
Face Value Per Equity Share	100	100

34 As regards deferred tax, the Company will account for deferred tax when there is a reasonable/ virtual certainty for recognition thereof in realisation thereof, in accordance with Accounting Standard 22 dealing with "Accounting for taxes on income".

35 **Previous Year figures:**

The financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to confirm to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.

Signature to Schedule 1 to 35
In terms of our report of even date attached.

For M.A. PARIKH & CO.
Chartered Accountants

C. Ghelani

Partner
Name : Chintan Ghelani
Membership No. : 132791

Place: Mumbai
Date :

24 MAY 2012



For and on Behalf of Board of Directors

Sunita Goenka
Sunita Goenka
Director

Salim Balwa
Salim Balwa
Director