

# 17 000 DREAMS DELIVERED



# D B REALTY LTD. ANNUAL REPORT

2 0 1 1 - 2 0 1 2

## CONTENTS

About DB Realty	1-8
Corporate Information	9-10
Notice of Annual General Meeting and Explanatory Statement	11-16
Directors' Report	17-21
Management Discussion and Analysis	22-26
Corporate Governance Report	27-40
Auditors' Report	41-45
Balance Sheet	46
Statement of Profit and Loss	47
Cash Flow Statement	48-49
Notes to the Financial Statements	50-85
Financial Information and Subsidiary Companies	86
Auditors' Report on Consolidated Financial Statements	88-89
Consolidated Balance Sheet	90
Consolidated Statement of Profit and Loss	91
Consolidated Cash Flow Statement	92-93
Notes Forming Part of Consolidated Financial Statements	94-133



## Our legacy: building dreams

D B Realty Ltd. was founded in 2007 with the sole objective of being a front runner in the Indian real estate sector through the design and execution of landmark projects.

Our ambitions were met with robust support from customers and stakeholders alike. Today we are amongst India's fastest growing real estate development companies. Our rapidly expanding project portfolio consists of 25 exclusive projects, all of which are based in Mumbai, and are under various stages of planning and execution.

D B Realty Ltd. is a public limited company listed on both the BSE and NSE.

## Delivering dream figures

The numbers speak for themselves. At D B Realty, we have more than 70 million sq. ft. of prime property across Mumbai, the financial capital of India. And we have just delivered

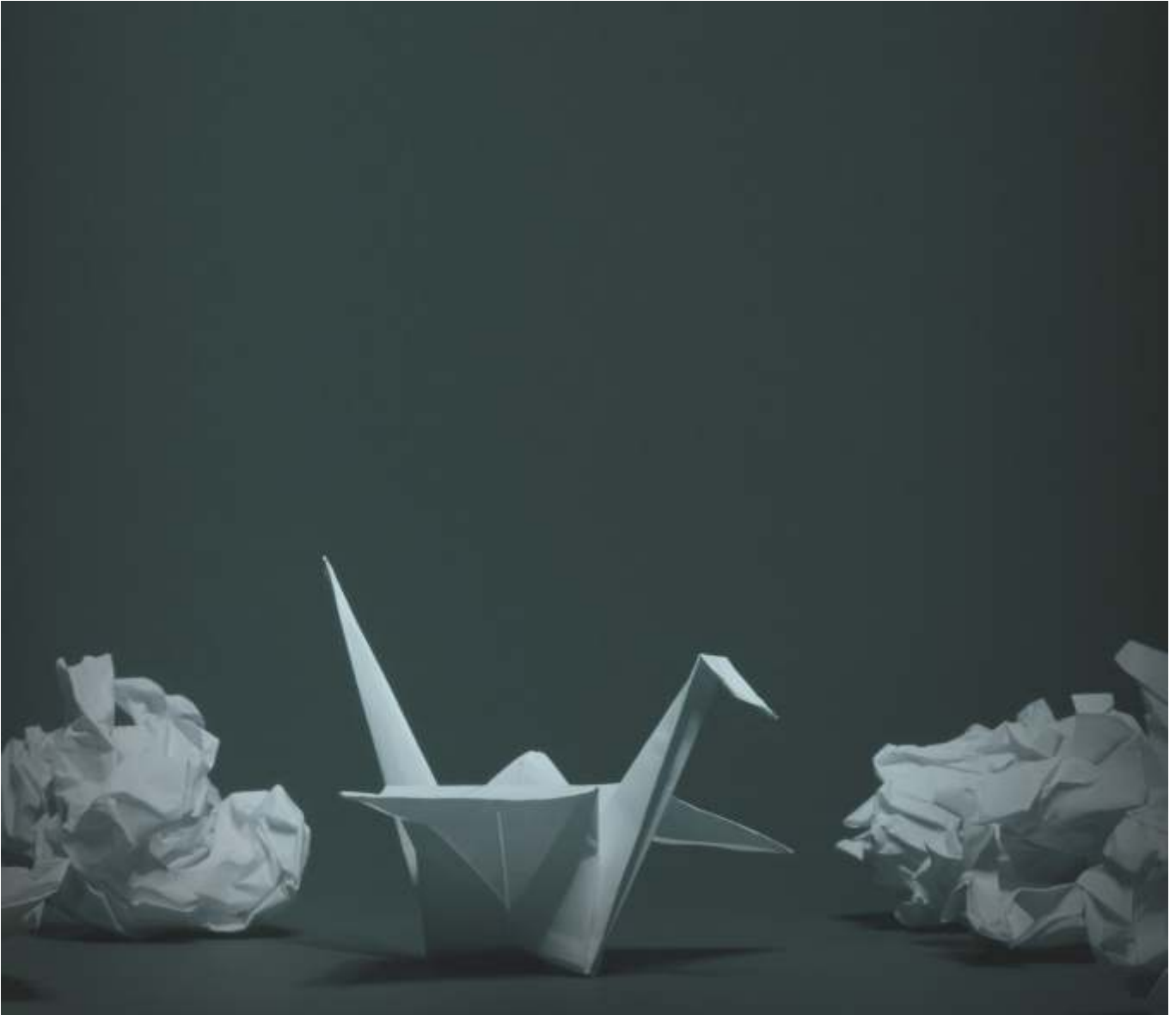
over 17,000 homes in our Mahul Project in 2012.

## Building a dream team

We strive to maintain an organisation that represents the best of local and internationally experienced professionals. Our team works tirelessly to ensure that we are at the leading edge of every aspect of real estate development, be it product design, construction technology and quality or employee and customer satisfaction.

## Creating a dream foundation

To benefit our stakeholders and customers, consultants of international repute, such as Deloitte Haskins and Sells, have honed our organisational framework. This has encouraged highly efficient functioning of all departments across the organisation. To further enable seamless integration across functions and domains, a SAP platform is currently under implementation.



## OUR GUIDING PRINCIPLES

**Commitment to excellence:** We strive to exceed the expectations of our customers and shareholders and aim for the highest standards of excellence in all our operations.

**Integrity and fairness:** Our relationships are built on trust and integrity to ensure fairness and transparency in all that we do.

**Innovation:** We set new benchmarks in innovation that shape our business practices.

**Sustainability:** We strategically and competitively balance environmental concerns and economic objectives as we conduct our business and invest in new opportunities.

## MAHUL PROJECT

The Mahul township has been executed by D B Realty under its joint venture Dynamix Realty (a joint venture between D B Realty Ltd. and Eversmile Construction Co. Pvt. Ltd.).

This township has been developed to accommodate and rehabilitate PAPs (Project Affected People) of Brimstone. It has close to 17,495 tenements (17,152 residential + 172 balwadis + 171 society offices).

More than 50 percent of the total population of Greater Mumbai stay in slums. To bring about a change and transform the lives of these families, D B Realty has developed this SRA project at Mahul. While others would think of this as a noble act, we think of it as our social responsibility aimed towards the betterment of the city. And today Mahul is one big family for thousands of Mumbaikars.

At D B Realty, we appreciate that we have a larger

responsibility in achieving our vision of a truly transformed Mumbai. Thus we assisted the Municipal Corporation of Greater Mumbai (MCGM) in their ongoing infrastructure work by providing shelter for those in need.

The 45.2 acres of land, consists of 69 buildings (7 and 8 storeyed with 229 lifts) and 2 community centre buildings, comprising a total construction area of around 6.5 million sq. ft. and a recreation ground of 4 acres and a garden spread over 7 acres.

This township was designed keeping in mind the needs of its inhabitants and is a part of our ongoing efforts to lift and upgrade living standards in and around Mumbai.

The township has been successfully completed, well within the stipulated timeframe of 5 years using the MIVAN (brickless construction) technology and systems, to execute 550,000 m<sup>3</sup> of earthwork, 350,000 m<sup>3</sup> of concrete, 20,000 metric tonnes of reinforcement.

## On-site images



## OUR PROJECTS

At D B Realty, we aim to reinvent and revamp urban living in Mumbai. Our approach to architecture and design is an expression of this. The homes we create as a result, are some of the finest in the city, making them worthy of the individuals who choose them.

**DB Crown:** Set in the heart of Mumbai, DB Crown offers luxury, space and location. Equipped with the city's best amenities, it is a residential trilogy fit for royalty.

**Orchid Heights:** These stunning towers offer 4 and 5 BHK apartments and large verdant spaces. Excellent amenities

make it one of the most desired residences in the city.

**DB Woods:** The suburb's tallest towers, DB Woods has everything a modern family would need, from a host of amenities and facilities to excellent connectivity.

**Orchid Suburbia:** In the heart of Kandivali, Orchid Suburbia comprises of 6 wings which house exceptionally planned 2 and 3 BHK apartments.

**DB Ozone:** Covering 16 acres with 28 towers, this project in Dahisar is strategically located at the edge of Mumbai city.





DB WOODS



ORCHID HEIGHTS



DB CROWN



ORCHID SUBURBIA



DB OZONE





## OUR CSR INITIATIVES

We believe that growth is linked to the well-being of our society. Consequently at D B Realty, we have developed a programme called 'Vision Mumbai' to address Mumbai's urbanisation challenges from a plethora of different perspectives.

Proof of our commitment to the environment and its sustainability can be seen in technology that we employ to develop our buildings. It gives us great pleasure to announce that our premium residential project "DB Woods"

has received the "IGBC Gold Certification", having complied with IGBC Green Homes Version I.

DB Woods is the first building in Mumbai and only the third in Maharashtra to be conferred with the IGBC Green Homes Gold Certification till date.

Having set a benchmark for ourselves in environmentally conscious projects, we are determined to continue to create buildings that bring green living to more people.



## CORPORATE INFORMATION

### Board of Directors

**Mr. Vinod Goenka**

(Managing Director, Non-Independent Director,  
Chairman from 10-12-2011)

**Mr. Shahid Balwa**

(Vice Chairman & Managing Director,  
Non-Independent Director from 10-12-2011)

**Mr. Mahesh Gandhi**

(Independent Director)

**Mr. Jagat Killawala**

(Independent Director from 17-5-2011)

**Mr. Janak Desai**

(Independent Director from 17-5-2011)

**Mr. N.M Rafique**

(Independent Director from 17-5-2011)

**Mr. Salim Balwa**

(Non-Independent Director  
from 10-12-2011)

**Mr. Jayvardhan Goenka**

(Non-Independent Director  
from 10-12-2011)

**Mr. K. M. Goenka**

(Non-Independent Director from 21-4-2011 to 9-12-2011;  
Chairman from 17-5-2011 to 9-12-2011)

**Mr. Usman Balwa**

(Non-Independent Director  
from 21-4-2011 to 9-12-2011)

**Mr. Karunchandra Srivastava (IAS Retired)**

(Chairman, Independent Director upto 16-5-2011)

**Mr. Michael McCook**

(Independent Director upto 20-4-2011)

**Group Director (Finance)**

Mr. Asif Balwa

**Company Secretary and Compliance Officer**

Mr. S.A.K.Narayanan

**Statutory Auditors**

M/s. Haribhakti & Co.,  
Chartered Accountants

**General Counsel**

M/s. Negandhi Shah & Himayatullah  
Advocates & Solicitors

**Registered Office**

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

Tel: +91 22 4077 8600

Fax: + 91 22 2842 2444

Website: [www.dbrealty.co.in](http://www.dbrealty.co.in)

## CORPORATE INFORMATION

### Board Committees:

#### Audit Committee:

Mr. Mahesh Gandhi (from 17.3.2011)  
Mr. Janak Desai (from 17-5-2011)  
Mr. Shahid Balwa (from 10-12-2011)  
Mr. Vinod Goenka (from 17-3-2011 to 16-5-2011)  
Mr. N.M.Rafique (from 17-5-2011 to 9-12-2011)  
Mr. Karunchandra Srivastava (upto 16-5-2011)

#### Finance & Investment Committee:

Mr. Mahesh Gandhi (from 17-3-2011)  
Mr. Vinod Goenka (from 10-12-2011)  
Mr. Jagat Killawala (from 10-12-2011)  
Mr. K.M.Goenka (from 17-5-2011 to 9.12.2011)  
Mr. Usman Balwa (from 17-5-2011 to 9.12.2011)  
Mr. Michael McCook (from 17-3-2011 to 20-4-2011)

#### Remuneration Committee:

Mr. Mahesh Gandhi (from 17-3-2011)  
Mr. Jagat Killawala (from 17-5-2011)  
Mr. Janak Desai (from 10.12.2011)  
Mr. K.M.Goenka (from 17-5-2011 to 9-12-2011)  
Mr. Usman Balwa (from 17-5-2011 to 9-12-2011)  
Mr. Karunchandra Srivastava (upto 16.5.2011)

### Share Transfer Committee & Shareholders/ Investors Grievances Committee:

Mr. Janak Desai (from 17-5-2011)  
Mr. Jagat Killawala (from 17-5-2011)  
Mr. Shahid Balwa (from 10-12-2011)  
Mr. Vinod Goenka (upto 16-5-2011)  
Mr. Mahesh Gandhi (from 17-3-2011 to 16-5-2011)  
Mr. K.M.Goenka (from 17-5-2011 to 9-12-2011)  
Mr. Usman Balwa (from 17-5-2011 to 9-12-2011)  
Mr. Karunchandra Srivastava (upto 16-5-2011)

### Bankers / Financial Institute

Oriental Bank of commerce  
Punjab National Bank  
Kotak Mahindra Bank  
HDFC Limited

### Registrar & Share Transfer Agent

Link Intime India Private Limited,  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West), Mumbai 400 078.  
SEBI Registration No: INR000004058  
Tel: +91 22 2596 3838  
Fax: + 91 22 2594 6969  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

## NOTICE

**NOTICE** is hereby given that the 6<sup>th</sup> Annual General Meeting of the members of the Company will be held on Saturday, the 22<sup>nd</sup> September, 2012 at 3.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai – 400 063 to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2012, the Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jagat Killawala, who retires by rotation and offers himself for re-appointment.
3. To appoint a Director in place of Mr. Janak Desai, who retires by rotation and offers himself for re-appointment.
- 4.. To re-appoint M/s. Haribhakti & Co, Chartered Accountants, Mumbai (Reg No.103523W) the retiring Auditors of the Company as Statutory Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors.

### **SPECIAL BUSINESS:**

5. To pass with or without modification the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Shahid Balwa, who was appointed as an Additional Director and who holds office as such upto the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956, signifying the intention to propose Mr. Shahid Balwa for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

6. To pass with or without modification the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Salim Balwa, who was appointed as an Additional Director and who holds office as such upto the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956, signifying the intention to propose Mr. Salim Balwa for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. To pass with or without modification the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Jayvardhan Goenka, who was appointed as an Additional Director and who holds office as such upto the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 257 of the Companies Act, 1956, signifying the intention to propose Mr. Jayvardhan Goenka for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

8. To pass with or without modification the following resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to Sections 198, 269, 309, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactments thereof for the time being in force), and subject to such approvals, consents, permissions and sanctions of appropriate/concerned authorities, and subject to such other conditions or modifications, as may be prescribed / imposed by any such appropriate / concerned authorities while granting such approvals, consents, permissions and sanctions, and as may be agreed to by the Board of Directors (including any committee of the Board), consent of the members in general meeting be and is hereby accorded to the appointment of Mr. Shahid Balwa, a Director of the Company as Vice Chairman & Managing Director for a period of five years with effect from 10<sup>th</sup> December, 2011 and upto and including 9<sup>th</sup> December, 2016, to carry overall responsibilities and management of operations and affairs of the Company and such other functions as may be assigned to him by the Board from time to time, upon the terms and conditions including remuneration as mentioned below:

Remuneration: ₹ 10,00,000/- per month

Perquisites:

- i) Chauffeur driven car, operational and maintenance costs to be borne by the Company
- ii) Rental and other charges of the Telephone installed at his residence.



## **D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

---

- iii) Medical reimbursement for himself and family, subject to the condition that cost to the company shall not exceed one month salary in a year or five months salary in a block of five years.
- iv) Leave with full pay and allowance not exceeding one month leave for each completed year of service and encashment of accumulated leave at the end of the tenure.
- v) Leave travel allowance for self and family every year as per Rules of the Company.
- vi) Gratuity not to exceed half month's salary for each completed year of service and
- vii) Annual Subscription for membership of any one club.

RESOLVED FURTHER THAT the remuneration by way of salary, perquisites and other allowances payable to the Vice Chairman & Managing Director, in the event of loss or inadequacy of profits, in any financial year during the tenure shall be subject to the provisions of Part II of Schedule XIII of the Companies Act, 1956 and the Board of Directors shall have the powers / authority to vary / alter / modify the terms of appointment including the remuneration and perquisites of Mr. Shahid Balwa from time to time within the limits prescribed under the Companies Act, 1956 read with Schedule XIII of the said Act for the time being in force.

RESOLVED FURTHER THAT the Board or a committee thereof be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.

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

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

**Registered Office:**

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

**Place: Mumbai**

**Date: 26<sup>th</sup> May, 2012**

**NOTES:**

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

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

2. The explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of the businesses under Item nos. 5 to 8 set out above are annexed hereto. Brief resume of all Directors including those proposed to be appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and membership/chairmanship of Board committees, shareholdings and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges are provided in the Corporate Governance Report forming part of the Annual Report.
3. In case of joint holders attending the meeting, only joint holder who is higher in the order of names will be entitled to vote.
4. Corporate members intending to send authorized representatives to attend the Meeting are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
5. Members desirous of having any information regarding Accounts are requested to address their queries to the Company at least seven days before the date of the Meeting, so that requisite information is made available at the Meeting.

6. Members who hold shares in electronic form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 17<sup>th</sup> September, 2012 to Saturday, the 22<sup>nd</sup> September, 2012 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
8. Members are requested to intimate the Registrar and Share Transfer Agents of the Company- Link Intime India Pvt Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, immediately **their e mail IDs and of any change in their address** and/or the Bank Mandate details in respect of Equity shares held in physical mode and to their Depository Participants (DPs) in respect of Equity shares held in dematerialized form.
9. All the Documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Office at DB House, Gen A.K. Vaidya Marg, Goregoan (E), Mumbai - 400 063 on all working days of the Company between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
10. Members/Proxies are requested to bring the attendance slip duly filled in.
11. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
12. For security reasons, no gadgets, mobile phones, cameras, article/baggage will be allowed at the venue of the Meeting. The Members/attendees are strictly requested not to bring any gadgets, mobile phones, cameras, article/baggage etc. to the venue of the Meeting.
13. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been inducted in both NSDL as well as CDSL to enable shareholders to hold and trade the shares in dematerialized/electronic form. In view of the numerous advantages offered by the depository system, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
14. Pursuant to the Initial Public Offering of Equity shares, the Company had, in respect of certain shares allotted therein, in view of mismatch in particulars of those allottees, parked the same in a demat suspense account. The details of the unclaimed shares outstanding in the suspense account are as under:

Particulars	No of Shareholders	No of Shares
Outstanding Shares as on 1 <sup>st</sup> April, 2011	9	686
Investors who have approached the Company / Registrar and Share Transfer Agent for transfer of shares to their demat account	0	0
Investors to whom shares were transferred from the unclaimed account	0	0
Outstanding Shares in the unclaimed Suspense account as on 31 <sup>st</sup> March, 2012	9	686

15. Details of unclaimed Refunds:

Post Initial Public Offer (IPO) in February, 2010, the Company transferred a sum of ₹ 553.05 crores to the refund account, excluding the ASBA amounts unblocked. Refunds were made through ECS / direct credit /RTGS / issue of physical warrants. The Registrar and Transfer Agents had sent reminders to the shareholders / investors to furnish the correct bank account details to enable the refund of the unclaimed share application amount. The balance in the Refund account, as on 31<sup>st</sup> March, 2012 was ₹ 6,132/- The details are as under:

Particulars	No of unrealized refund orders	Amount (₹)
Outstanding Physical Warrants as on 1 <sup>st</sup> April, 2011	11	6,888
Investors who have approached the Company / Registrar and Share Transfer Agent for refunds	1	756
Investors to whom refunds were made from the unclaimed account	1	756
Outstanding amount in the unclaimed Refund account as on 31 <sup>st</sup> March, 2012	10	6,132

## **D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

---

16. The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17 / 2011 and 18 / 2011 dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance. Recognizing the spirit of the circular issued by the MCA, we propose to send documents like the Notice convening the general meetings, Financial Statements, Directors' Report, Auditors' Report, etc to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the annual report and other documents reach you on your preferred e-mail id.

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

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

**Registered Office:**

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

**Place: Mumbai**

**Date: 26<sup>th</sup> May, 2012**

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### ITEM NO. 5:

Mr. Shahid Balwa was appointed as an Additional Director (Non-Independent and executive Vice Chairman) by the Board of Directors with effect from 10<sup>th</sup> December, 2011. Mr. Shahid Balwa is a Promoter of the Company and was a Director from inception of the Company and appointed as Managing Director for a period of five years w.e.f.1<sup>st</sup> September, 2007. However, consequent to the detention of Mr. Shahid Balwa on 9<sup>th</sup> February, 2011, for the alleged involvement in the 2G telecom licence scam, he resigned as Managing Director and also as a Director of the Company. Since he has been released on bail, Mr. Shahid Balwa was appointed as Additional Director by the Board of Directors w.e.f.10<sup>th</sup> December, 2011 and also as Vice Chairman and Managing Director (VCMD). As Additional Director, he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. The Company has received Notice in writing from a shareholder of the company signifying the intention to propose Mr. Shahid Balwa as a candidate for the office of the Director.

Mr. Shahid Balwa (VCMD) w.e.f. 10<sup>th</sup> December, 2011 has more than a decade of experience in hospitality and real estate / construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, Mumbai. The hotel won several international awards including the Five Star Diamond Award from American Academy Hospitality Sciences in the year 2006 and 2007 and the Best Luxury Hotel of the year 2006 from Hospitality India. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hotel at Marine Lines, Mumbai. The details of directorship, chairmanship and membership of Mr. Shahid Balwa are appearing in the Corporate Governance Report.

Mr. Shahid Balwa is a member of the Audit Committee of the Directors The Board recommends the Ordinary Resolution set forth in Item No. 5 of the Notice for approval of the members.

Other than Mr. Shahid Balwa and Mr. Salim Balwa another Director and brother of Mr. Shahid Balwa, none of the other Directors is in any way, concerned or interested in this resolution.

### ITEM NO. 6:

Mr. Salim Balwa was appointed as an Additional Director (Non-Independent and Non-executive Director) of the Company by the Board of Directors with effect from 10<sup>th</sup> December, 2011 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. The Company has received Notice in writing from a shareholder of the Company signifying the intention to propose Mr. Salim Balwa as a candidate for the office of the Director.

Mr. Salim Balwa hails from promoter family and is the brother of Mr. Shahid Balwa. He has more than a decade of experience in hospitality and construction industry. He along with Mr. Shahid Balwa led the business foray into hospitality. He is in charge of construction / operation of the family business of hotels. The details of directorship, chairmanship and membership of Mr. Salim Balwa are appearing in the Corporate Governance Report.

The Board recommends the Ordinary Resolution set forth in Item No. 6 of the Notice for approval of the members.

Other than Mr. Salim Balwa and Mr. Shahid Balwa, Promoter and Vice Chairman and brother of Mr. Salim Balwa, none of the other Directors is in any way, concerned or interested in this resolution.

### ITEM NO. 7:

Mr. Jayvardhan Goenka was appointed as an Additional Director (Non-Independent and Non-executive Director) of the Company by the Board of Directors with effect from 10<sup>th</sup> December, 2011 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. The Company has received Notice in writing from a shareholder of the company signifying the intention to propose Mr. Jayvardhan Goenka as a candidate for the office of the Director.

Mr. Jayvardhan Goenka hails from promoter family and is the son of Mr. Vinod Goenka, promoter and also Executive Chairman of the Company. He has been inducted into the business and has been rendering assistance to the Executive Chairman from time to time in the management of the Company. Mr. Jayvardhan Goenka is an under graduate pursuing his studies from London School of Economics with Economics and Philosophy as his major. The details of directorship, chairmanship and membership of Mr. Salim Balwa are appearing in the Corporate Governance Report.

## **D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

---

The Board recommends the Ordinary Resolution set forth in Item No. 7 of the Notice for approval of the members.

Other than Mr. Jayvardhan Goenka and Mr. Vinod Goenka, Promoter and Executive Chairman and father of Mr. Jayvardhan Goenka, none of the other Directors is in any way, concerned or interested in this resolution.

### **ITEM NO. 8:**

Mr. Shahid Balwa was appointed by the Board of Directors of the Company as Vice Chairman and Managing Director (VCMD) of the Company on 10<sup>th</sup> December, 2011 for a period of five years upon the recommendation of the Remuneration Committee, subject to the approval of the members and other necessary approvals, if any. The terms and conditions of his appointment as VCMD are as specified in the Resolution appearing in Item No.8 of the Notice.

Pursuant to the provisions of Section 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII thereto, the approval of the members is required for the appointment of Mr. Shahid Balwa and payment of remuneration to him as stated in the Resolution.

The Board recommends the Special Resolution set forth in Item No. 8 of the Notice for approval of the members.

Other than Mr. Shahid Balwa and Mr. Salim Balwa another Director and brother of Mr. Shahid Balwa., none of the other Directors is in any way, concerned or interested in this resolution.

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

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

### **Registered Office:**

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

**Place: Mumbai**

**Date: 26<sup>th</sup> May, 2012**



## DIRECTORS' REPORT

To  
The Members  
D B REALTY LIMITED

Your Directors have pleasure in presenting the 6<sup>th</sup> Annual Report on the business and operations of the Company along with the audited accounts for the financial year ended 31<sup>st</sup> March, 2012.

### Financial Highlights

(Amount ₹)

Particulars	Standalone		Consolidated	
	F.Y.2011-12	F.Y.2010-11	F.Y.2011-12	F.Y.2010-11
<b>Gross sales and other receipts</b>	1,263,202,903	3,611,500,769	6,955,137,061	13,272,398,669
Profit before interest, depreciation, amortization and taxation	730,645,604	3,032,247,319	1,228,969,125	4,130,373,400
Interest and Finance Charges	72,129,377	410,849,958	71,334,332	654,264,214
Depreciation and amortization	71,887,953	64,446,795	77,647,589	69,797,453
<b>Operating Profit</b>	586,628,274	2,556,950,566	1,079,987,204	3,406,311,733
Provision for Tax	(500,000)	-	213,800,630	386,745,799
Deferred Tax	(44,821,441)	-	(54,105,513)	(1,368,453)
Minority Interest	-	-	(58,740,220)	30,357,527
Share of Profit/(Loss) in Associates (Net)	-	-	2,047,590	(3,565,589)
<b>Profit after taxation</b>	631,949,715	2,556,950,566	863,599,457	2,987,011,271
Balance brought forward	7,251,202,051	4,694,251,485	6,305,975,810	3,718,964,539
Loss of amalgamated subsidiary taken over	-	-	(14,322,356)	-
Amount available for appropriation	7,883,151,766	7,251,202,051	7,155,252,911	6,705,975,810
Appropriation towards Capital Redemption Reserve in Subsidiary	-	-	-	(400,000,000)
<b>Balance carried to Balance Sheet</b>	7,883,151,766	7,251,202,051	7,155,252,911	6,305,975,810
<b>Net Worth</b>	34,159,029,778	33,527,080,063	33,844,630,923	32,981,853,822

During the year under review, the consolidated total income of the Company was ₹ 69,551.37 Lakhs (Previous year ₹ 1,32,723.98 Lakhs). Profit before tax stood at ₹ 10,799.87 Lakhs for the year compared to ₹ 34,063.11 Lakhs for the previous year .

The Stand alone total income for the year was ₹ 12,632.03 Lakhs (Previous year ₹ 36,115.01 Lakhs) Profit before tax stood at ₹ 5,866.28 Lakhs for the year (Previous year ₹ 25,569.51 Lakhs)

### Business Initiatives

During the year, your Company through its SPV, Dynamix Realty successfully completed the SRA Project at Mahul and delivered possession of 17,495 dwelling units on schedule in accordance with the highest levels of quality standards as was required in a project of its size. The other ongoing project of the Company's subsidiary viz. DB Woods at Goregaon (East), Mumbai, is nearing completion and the company is expected to hand over possession by the end of the current financial year. High end residential project viz. DB Crown, at Prabhadevi, is progressing satisfactorily. The other projects in the implementation schedule viz. Orchid Suburbia at Kandivli and DB Ozone at Dahisar are also progressing well and are executed by two other SPVs in which your Company has substantial stake. The real estate sector is undergoing sluggish market conditions. This has affected the over-all growth of the Company in the year under review.

The project for the redevelopment of Sector J of Govt Colony, in Bandra East, Mumbai is to be undertaken through a Subsidiary Company viz. Spacecon Realty Pvt Ltd after approvals are received and financial tie up is made.

As stated in the last Annual Report, the project which was proposed to be undertaken in Pimpri Chinchwad, Pune by one of the subsidiary Companies, viz. D B Man Realty Limited was abruptly cancelled by the Pimpri Chinchwad New Town Development Authority after a lapse of almost two years from the date of Letter of Allotment by the Pimpri Chinchwad New Town Development Authority, although the SPV Company has complied with all the terms of the Letter of Allotment. The Company has taken suitable legal action in the matter, by filing a petition in the High Court, Bombay.

**2G Spectrum case**

As stated in the last Annual Report, the Managing Directors and two key Management Personnel who have been implicated in the 2G spectrum case, are fighting the legal battle in their personal capacities and are on bail, while the judicial processes are going on in appropriate courts. The Company is in the meanwhile managed by the two Managing Directors assisted by a team of professional managers under the overall control of the Board of Directors.

**Audit Report:**

The Statutory Auditors in their Report have drawn attention of the members to certain notes to the Financial Statements. While the said notes are themselves self explanatory, your Directors offer the following clarifications and further explanations on the same:

1. Para 3(a) and 3(c) of the Report are self explanatory and are matters of record.
2. Para 3(b) (Note 38) and Para 3 (d)(ii) (Note 27 (A)(v): With regard to the provisional attachment upheld by the Enforcement Directorate (ED), involving bank balance, two flats belonging to the Company and loans given to a subsidiary company of D B Hospitality Private Limited, these relate to the 2G case in which the Managing Directors of the Company and two of its Key Management Personnel have been charged with commission of offences based on the investigation by CBI. The matter is sub judice and all the concerned are in the process of fighting the legal cases. The attachment order is also contested by the company in the Tribunal. The Company is confident that the outcome of the cases will have no adverse impact on the company and its functioning. The advances to the subsidiary company of D B Hospitality Pvt Ltd have been converted into investment in Preference Capital in the said D B Hospitality Pvt Ltd prior to the issue of the Notice which was brought to the notice of ED.
3. Para 3 (d) (i) – (Note 27 (A)(i) (1) and (2): Notes referred to are self explanatory and the receivables are good for recovery as stated in the said notes and hence this observation is a matter of record.
4. Para 3 (e) (Note 26 to the Accounts) The guarantees referred to amounting to ₹ 1558.96 crores were given by the Company for loans taken by two promoter group companies while the Company was a private limited company and both the companies are honouring the commitments in respect of servicing and/or repayments. Besides the above Guarantees are secured and supported by counter guarantees of the promoters in favour of the Company and are adequately secured by the promoters of the Company
5. Para 3 (f) (Note 32 to the Accounts) : The Company has made investments in the shares / capital of the subsidiaries / associates / firms etc and also advanced loans from time to time towards their projects for various activities. These entities are having negative net worth, since they have not yet commenced the execution of the projects. The payments are in the nature of seed capital by the company. Hence your Directors are of the firm view that these projects which are of medium to long term nature would fetch results in the future not only to justify the initial investments but also yield reasonable and adequate return on these investments and deployment of funds, With regard to the investment of ₹ 2.41 crores in the Joint Venture, financial statements of which have not been received, your Directors would like to state that the said investments are having no impairment and the project will commence in due course.
6. Para 3 (g) (Notes. 28 to 30): These relate to (a) Acquisition of additional 1/3<sup>rd</sup> stake in a company for which an advance of ₹ 40 cores has been paid, with the matter pending litigation among the prior stakeholder's family, which according to the legal opinion would result in a favourable settlement to enable your Company to exploit the development of the property in a profitable manner; (b) Investment in a wholly owned subsidiary and advances made to it both aggregating to ₹ 141.8 crores in relation to the project to be undertaken by it which is pending development on account of certain litigations, in which your Company has filed SLP before the Hon. Supreme Court. Your Directors believe that these investments are of long term nature and would fetch adequate return in the long term.
7. With regard to Note 5 (b) of the Auditors Report to the Consolidated Accounts, relating to accounting of brokerages, the Directors would like to state that the same would be accounted for as and when the revenue is recognized and in the event of changes in the project scope and the possible cancellation of the bookings, the amount of brokerage paid will have to be refunded by the broker(s) to the company.
8. With regard to the observation of the Auditors in Para (v) of the CARO Report relating to the strengthening of the internal controls for tenancy payments/compensation, and also Project contracting, it may be noted that such payments are made in accordance with the decisions taken in the competitive business environment and the payments are continuously monitored and documented. The internal control systems continuously evolve in a rapid business environment and implemented with a view to achieve efficiency and cost effectiveness. As observed by the Auditors, there is no continuing failure to correct major weakness.

9. In Para (v) (b) of the CARO Report, the Auditors have referred to certain transactions in respect of aircraft usage charges of ₹ 56.25 Lakhs for which comparative quotations are not available. Your Directors are of the view that the services as per specifications to be rendered to the Company were of unique and specialized nature at competitive prices and hence, in their best judgment these charges, in relation to the services rendered and availed were reasonable. As regards the civil engineering contract awarded to an entity where comparable quotations for additional scope of work were not available, your Directors would like to state that the additional work entrusted to the said entity entailed various jobs relating to clearances, approvals etc., which are not undertaken by a civil contractor and by awarding such a contract for such specialized activities, your Company has been benefited by appointment of one agency with specialized skills and expertise at economical costs, in the best business interests of the Company. In their best judgment, your Directors would like to reiterate that comparative quotations for carrying out all such specialized activities would involve multiple agencies and hence not be available with one agency.
10. With regard to observation of auditor as stated in Para (viii) of the CARO Report about proper maintenance of cost records under clause (d) of sub-section 1 of Section 209 of the Companies Act, 1956, your directors have to state that the Company has already appointed a firm of Cost Accountants for the same and the Company is in process of obtaining compliance report from them for maintenance of Cost records.
11. With regard to observation as stated in Para (ix)(b) about non-depositing of service tax of ₹ 4,55,163/- on booking of flats / premises, your directors have to state that already communications have been sent to the customers to pay the service tax applicable for the booking of their respective flats to the Company and the Company has started depositing the same with the service tax authority upon receipt of the same from customers.

#### Dividend

With a view to conserve the resources and to meet the fund requirements for Company's projects and also its growth plans, your Directors have not recommended any payment of dividend for the year 2011-12.

#### Subsidiaries

Your Company had the following subsidiaries as on 31<sup>st</sup> March, 2012:

Sr No	Name of the Subsidiaries	Shareholding (%)
1	Esteem Properties Private Limited	100.00
2	Gokuldham Real Estate Development Company Private Limited	74.99
3	Neelkamal Realtors Tower Private Limited	50.72
4	Neelkamal Realtors Suburban Private Limited	66.00
5	Neelkamal Shantinagar Properties Private Limited	100.00
6	Real Gem Buildtech Private Limited	100.00
7	Saifee Bucket Factory Private Limited	100.00
8	D B Man Realty Limited	51.00
9	Priya Constructions Private Limited	100.00
10	Royal Netra Constructions Private Limited	50.40
11	D B View Infracon Private Limited	100.00
12	Spacecon Realty Private Ltd (Formerly D B Spacecon Private Limited)	74.00
13	D B MIG Realtors & Builders Private Limited	100.00
14	Vanita Infrastructure Private Limited	100.00
15	N A Estates Private Limited	100.00
16	Nine Paradise Erectors Private Limited	100.00
17	D B Contractors & Builders Private Limited	100.00

A G Infraconstructions Private Limited, one of the erstwhile subsidiaries, by virtue of being a wholly owned subsidiary Company of Royal Netra Constructions Pvt Ltd has been merged with Royal Netra Constructions Pvt Ltd by order of the Hon. High Court, Bombay dated 22<sup>nd</sup> March, 2012 w.e.f. 1<sup>st</sup> April, 2011.

All the other Subsidiary Companies are engaged and/or proposing to launch some of the Company's Projects, as Special Purpose Vehicles. The Company is also through other associates, joint Ventures, firms, AOPs etc, acting as SPVs undertaking few other projects of development of the properties for which it has acquired development rights. In the last quarter of the year under review, the Company has disposed off its shareholding in two of the associate companies viz. Crossway Realty Pvt Ltd and Dynamix Building Materials Pvt Ltd to the other Joint Venture partner, since the projects slated to be undertaken by the said associates have not made progress.

## **D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

---

Particulars under Section 212 of the Companies Act, 1956, the Audited Statement of Account and the Auditors' Report of the Subsidiary Companies for the year ended 31<sup>st</sup> March, 2012 along with the Reports of the Board of Directors have not been annexed in terms of the exemption availed by the company as per the General Circular No.2/2011 issued by the Ministry of Corporate Affairs, Government of India on fulfillment of the conditions stated therein. Copies of the audited accounts of the Company's subsidiaries can be sought by any member by making a written request to the Company in this regard. The Consolidated financial statements have been prepared pursuant to the applicable Accounting Standards, the Listing Agreement and include the financial information of its subsidiaries. The Annual Accounts of the subsidiary companies will also be available for inspection by any member at the registered office of the Company and at the Company's website [www.dbrealty.co.in](http://www.dbrealty.co.in).

During the year, your Company has invested in the Equity Shares, Cumulative Redeemable Preference Shares (CRPS) Compulsorily Convertible Cumulative Preference Shares (CCCPS) and Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS), of D B Hospitality Private Limited by way of primary and secondary investments, constituting 49% of its post diluted paid up capital, to the exclusion of CRPS. Three hotels are already in operation at Ahmedabad, Mumbai and Goa under this Company / its Subsidiaries and contribute to the asset valuation of the Company.

### **Cash Flow Statement**

In Conformity with the provisions of clause 32 of the Listing Agreement with the Stock Exchanges, the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2012 is annexed hereto.

### **Directors**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Jagat Killawala and Mr. Janak Desai retire by rotation at the forthcoming Annual General Meeting.

Mr. Shahid Balwa, one of the promoters and Managing Director of the Company who opted to resign from the position of Managing Director and also as Director w.e.f. 9<sup>th</sup> February, 2011 after he was detained in the alleged telecom 2G licence matters, has been reappointed as Additional Director w.e.f. 10<sup>th</sup> December, 2011 and has been designated as Vice Chairman and Managing Director of the Company. The necessary resolutions have been included in the accompanying Notice for approval of the members for his appointment.

Mr. Vinod Goenka, Managing Director has been appointed as Executive Chairman by the Board of Directors at the meeting held on 10<sup>th</sup> December, 2011 and designated as Chairman and Managing Director.

Mr. K M Goenka and Mr. Usman Balwa were appointed as Additional Directors w.e.f. 21<sup>st</sup> April, 2011 in order to take charge of the business of the Company and to look after the day-to-day operations. Since the promoters of the Company Mr. Vinod Goenka and Mr. Shahid Balwa who were earlier detained in connection with the investigation and subsequent Judicial proceedings in respect of the ongoing 2G spectrum cases, were released and have taken over the Management, both these Directors resigned from the Board w.e.f. 10<sup>th</sup> December, 2011.

Mr. Salim Balwa and Mr. Jayvardhan Goenka have been appointed as Additional Directors w.e.f. 10<sup>th</sup> December, 2011. Both these Directors hail from promoters' families and hence are non independent Directors under Clause 49 of the listing agreement. All the Additional Directors hold their respective offices up to the date of the ensuing Annual General Meeting of the Company and the Company has received Notices from the members proposing their appointments as Directors liable to retire by rotation.

The Board of Directors has also reconstituted various committees in accordance with Clause 49 of the Listing Agreement.

Brief resume of the retiring Directors as well as Directors whose appointments are to be made under Section 257 of the Companies Act, 1956 and a brief profile as stipulated under Clause 49 of the Listing Agreement with the stock exchanges form part of Notice.

### **Fixed Deposits**

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

### **Directors' Responsibility Statement**

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

- a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) they have 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 profit of the Company for the year;

- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) they have prepared the annual accounts on a going concern basis.

**Corporate Governance and Management Discussion and Analysis Report**

The Report of Corporate Governance and Management Discussion and Analysis as stipulated under Clause 49 of the Listing Agreement are given separately and form part of this Annual Report.

**Auditors**

M/s. Haribhakti & Co., Chartered Accountants, the Statutory Auditors of the Company, hold office up to the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

The Company has appointed a firm of Cost Accountants as Cost Auditors and is in process of obtaining compliance report from them for maintenance of Cost records, in compliance of the Companies (Cost Accounting Records) Rules, 2011 applicable to the company.

**Investors' Relation and Grievances**

Investors' relation have been cordial during the year. There were no investors' grievances pending as on 31<sup>st</sup> March, 2012. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent.

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

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

Value of imports of Capital Goods on c.i.f. basis for the year is Rs Nil. (Previous year ₹ 29,82,632 )

Expenditure in Foreign Currency:

Stand alone Amounts.

<b>PARTICULARS</b>	<b>Fiscal 2012 (Rs)</b>	<b>Fiscal 2011 ( Rs)</b>
Professional Fees	-	9,38,242
Interest	-	-
Other Expenses	-	35,30,034

**Information regarding Employees Relations/Particulars of Employees**

The statement of particulars required pursuant to Section 217(2A) of the Companies Act, 1956, (the Act) read with the Companies (Particulars of Employees) Amendment Rules, 2011, forms part of this report. However, as permitted under the Act, this Report and Accounts are being sent to all members and others entitled excluding the above statement. Those interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office. The statement is also available for inspection at the registered office during working hours up to the date of the forthcoming Annual General Meeting (AGM).

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

**Acknowledgement**

Your Directors wish to place on record their appreciation to the Banks, Financial Institutions, Government Authorities, customers and other business associates for their support and co-operation and wish to place on record their gratitude to the shareholders and the investors for their trust, support and confidence in the Company. The Board also places on record its appreciation for the dedication displayed by employees at all levels.

**Place : Mumbai**  
**Date: 26<sup>th</sup> May, 2012**

**On behalf of the Board of Directors**  
**Vinod K. Goenka**  
**Chairman**



---

## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC REVIEW

#### Global Economy

After suffering a major setback during 2011, global prospects are gradually strengthening again. Improved activity in the United States during the second half of 2011 and better policies in the euro area in response to its deepening economic crises have reduced the threat of a sharp global slowdown.

Emerging and developing economies continue to benefit from past policy improvements. Policies directed at real estate markets can accelerate the improvement of household balance sheets and thus support otherwise anemic consumption.

#### Indian Economy

In India, while part of the expected slowdown to 7 percent in 2012 is a cyclical response to higher interest rates and lower external demand, policy uncertainty and supply bottlenecks are playing a role and will need to be tackled in the near term to ensure that potential growth does not decline.

### INDUSTRY REVIEW

#### Real Estate

Real estate plays a crucial role in the Indian economy. It is the second largest employer after agriculture. The housing sector alone contributes to 5-6% of the country's GDP. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Availability of affordable housing in adequate numbers is one of the greatest necessities of urban India today. Indian cities fall short of planned housing for low income and economically weaker households, resulting in a perennial and an ever growing housing shortage, alongside compromised living conditions.

#### Mumbai Real Estate

Mumbai is the financial powerhouse that fuels the Indian economic growth engine and is understandably the most active residential market in the country in terms of transaction density.

The Mumbai real estate market has stagnated during FY 2012 as buyers have largely kept away from the market expecting an imminent drop in prices in the near future. Project approvals that were practically stalled in 2011, have started coming through again as the Development Control Regulations were amended early this year. However, demand is likely to remain subdued due to the prevailing uncertainty in the economy.

### COMPANY STRENGTHS

#### Execution and Delivery

D B Realty has focus on execution and delivery of projects. Mahul Mass Housing project having 17495 residential units with green building initiatives like Rain Water Harvesting, Sewage Treatment Plant, etc is delivered in FY 2011-12.

#### Quality of Execution

D B Realty strives for quality of projects execution. It is an ISO 9001:2008, ISO 14001:2004 and OHSAS 18001 certified company.

D B Realty's property D B Woods, located at Goregaon (E), that is getting completed in FY 2012-13 has been awarded Gold Rating by Indian Green Building Council (IGBC) as it is being designed and constructed in keeping with the guidelines established by the IGBC.

D B Realty's green building initiative, strives to balance environmental responsibility and resource efficiency, with the occupants' health and well-being and community sensitivity. Systems are integrated with the design and are constructed, monitored and controlled to operate at maximum efficiency throughout the building's lifetime.

#### Focus on performance

Promoters and senior management focus is on Project Planning and Execution. Activities such as architectural design and construction are outsourced to the best in the Industry.

#### Highly qualified Execution Team

The Project management team comprises of international resources reflecting expertise and proven experience in their functional areas. The organizational framework has been designed to manage the design, engineering, procurement and execution of concurrent, multi site projects keeping a focus on delivery of developments of International standards.

#### Leveraging Potential

Debt Equity ratio of the company is 0.06 and has high potential of leveraging for construction activities.

## BUSINESS OVERVIEW

We remain committed to completion and delivery of projects in a timely manner. The progress on our key business parameters continues at a reasonable pace. The company continues to consolidate its steps in the right direction for growth while it will take couple of quarters to gain momentum considering the current market situation.

The project wise development status is as below:

### Mahul Township

Mahul Mass Housing project having 17495 residential units (17152 residential + 172 Balwadies + 171 Society offices) is completed in FY 2011-12. The 45.2 acres land consists of 69 buildings of 7 and 8 storey and 2 community centre buildings, comprising of total construction area of around 65 lakhs sqft.

The township has been successfully completed well within the stipulated timeframe using the innovative MIVAN construction methodology and construction system.

Mahul Township is uniquely equipped with green building initiatives like:

- Rain Water Harvesting  
The entire development of 45.2 acres of area is connected through collection drains which transfers rain water to 35 bore holes to renew the underground water table of the area and meet the local water requirements during summer.
- Sewage Treatment Plant  
The 9.40 MLD sewage treatment plant is designed with primary, secondary and tertiary treatment for 100% recycling of waste water and reusing it for flushing and gardening of the entire green belt of the project.
- Development of RG and Plantation of Trees  
16000 sqm of recreational ground and green gardens admeasuring 28000 sqm consisting of 4000 trees, is the green belt created within the project to ensure ecological balance and to create a place for fresh natural healthy environment for residents of the project.

### DB Woods

DB Woods is located away from the urban chaos of the city next to the green belt of Mumbai. Spread over an area of 2.38 acres in the suburb of Goregaon, this property offers panoramic views of the scenic hills and picturesque plans that surround the area. DB Woods connects its residents to the heart of Mumbai through the expressway and is an address that redefines the concept of suburban luxury living.

Total units: 630

### DB Ozone

DB Ozone sprawling over 17 acres is located in Dahisar adjoining the western express highway, amidst the scenic and tranquil hills of the National Park.

Total units: 3661

### Orchid Suburbia

Orchid Suburbia introduces a lifestyle that is plush with comforts and space in the bustling metropolis of Kandivali in Mumbai. This residential complex is a short distance away from the heart of Mumbai and its many getaways.

Total units: 678

### DB Crown

DB Crown is located in the upscale neighborhood of Prabhadevi, South Mumbai. It has luxury of ampleness of space and an endless view of the sea. It offers to its residents state of the art amenities and the added luxury of access to a multitude of prominent shopping areas in the vicinity.

Total units: 458

### Orchid Heights

Orchid Heights is a spectacular residential tower located at Mahalaxmi in Mumbai offering its elite residents the luxury of size and space along with an unmatched view of the Arabian Sea as well as the Golf Course. Spread over 4 acres of prime real estate, the Orchid Heights offers quick access to any part of the city. The Worli sea-link, financial districts of Nariman Point and the Mumbai Airport are all a few minutes drive away from it.

Total units: 324

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

## FINANCIAL PERFORMANCE OVERVIEW

### 1. Balance sheet analysis:

A comparative table showing synopsis of FY 2012 vs. FY 2011 Consolidated Balance Sheet is provided below:

	2012	2011	Increase / (Decrease)	% Increase / (Decrease)
₹ Mn				
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders Fund</b>				
Share capital	2,433	2,433	-	0%
Reserves and surplus	31,412	30,549	863	3%
<b>Net worth</b>	<b>33,845</b>	<b>32,982</b>	<b>863</b>	<b>3%</b>
Minority interest	946	786	160	20%
Non-current liabilities	2,208	2,475	(267)	-11%
Current liabilities	14,912	15,247	(336)	-2%
<b>Total</b>	<b>51,911</b>	<b>51,490</b>	<b>421</b>	<b>1%</b>
<b>ASSETS</b>				
Non-current assets	23,369	16,810	6,559	39%
Current assets	28,541	34,680	(6,138)	-18%
<b>Total</b>	<b>51,911</b>	<b>51,490</b>	<b>421</b>	<b>1%</b>
<b>A. Non-Current Liabilities:</b>				
Long-term Borrowings	1,515	1,706	(191)	-11%
Other Long Term Liabilities	438	601	(163)	-27%
Long-term Provisions	255	168	88	52%
<b>Total</b>	<b>2,208</b>	<b>2,475</b>	<b>(267)</b>	<b>-11%</b>
<b>B. Current Liabilities:</b>				
Short-term Borrowings	1,305	2,262	(957)	-42%
Trade Payables	1,334	1,647	(313)	-19%
Other Current Liabilities	11,431	10,038	1,393	14%
Short-term Provisions	842	1,300	(458)	-35%
<b>Total</b>	<b>14,912</b>	<b>15,247</b>	<b>(336)</b>	<b>-2%</b>
<b>C. Non-Current Assets:</b>				
Fixed Assets including CWIP	2,450	1,602	849	53%
Goodwill on Consolidation	2,445	992	1,453	146%
Non-current Investments	10,052	1,105	8,947	809%
Deferred Tax Assets (net)	58	4	54	1408%
Long-term Loans and Advances	7,829	11,668	(3,839)	-33%
Other Non-current Assets	535	1,440	(905)	-63%
<b>Total</b>	<b>23,369</b>	<b>16,810</b>	<b>6,559</b>	<b>39%</b>
<b>D. Current Assets:</b>				
Current Investments	1	1,113	(1,112)	-100%
Inventories	18,432	18,714	(282)	-2%
Trade Receivables	920	2,699	(1,779)	-66%
Cash and Bank Balances	311	514	(203)	-39%
Short-term Loans and Advances	6,757	10,940	(4,184)	-38%
Other Current Assets	2,121	699	1,422	204%
<b>Total</b>	<b>28,541</b>	<b>34,680</b>	<b>(6,138)</b>	<b>-18%</b>

## 2. Profit and Loss analysis:

A comparative table showing synopsis of FY 2012 vs. FY 2011 statement of Profit and Loss is provided below:

₹ Mn

	2012	2011	Increase / (Decrease)	% Increase / (Decrease)
Revenue from Operations	5,909	12,684	(6,775)	-53%
Other Income	1,047	588	458	78%
<b>Total Revenue</b>	<b>6,955</b>	<b>13,272</b>	<b>(6,317)</b>	<b>-48%</b>
Total Expenses	5,875	9,866	(3,991)	-40%
Profit before tax	1,080	3,406	(2,326)	-68%
Profit after tax and before Minority Interest and Share of Profit/ (Loss) in Associates	920	3,021	(2,101)	-70%
Minority Interest	(59)	(30)	(28)	93%
Share of Profit / (Loss) in Associates	2	(4)	6	-157%
Profit after tax	864	2,987	(2,123)	-71%
Basic and diluted EPS (₹)	3.55	12.28	(8.73)	-71%
<b>A. Revenue from operations:</b>				
Revenue from Projects	3,082	5,545	(2,463)	-44%
Sale of Transferable Development Rights (TD ₹)	993	5,632	(4,640)	-82%
Trading Sales - Transferable Development Rights (TD ₹)	1,833	1,507	327	22%
<b>Total</b>	<b>5,909</b>	<b>12,684</b>	<b>(6,775)</b>	<b>-53%</b>
<b>B. Expenses:</b>				
Operating Costs	4,831	7,988	(3,157)	-40%
Employee Benefits Expenses	212	174	38	22%
Finance Costs	71	654	(583)	-89%
Depreciation and Amortization Expenses	78	70	8	11%
Exceptional items	1	-	1	
Prior period items	21	-	21	
Other Expenses	662	981	(319)	-32%
<b>Total</b>	<b>5,875</b>	<b>9,866</b>	<b>(3,991)</b>	<b>-40%</b>

## 3. Cash Flow analysis:

A comparative table of FY 2012 vs. FY 2011 Cash Flows is provided below:

₹ Mn

	2012	2011
Opening Cash and Cash Equivalents	408	717
Net Cash Inflow from Operating activities	9,865	(730)
Net Cash Outflow from Investing activities	(8,752)	2,368
Net Cash Outflow from Financing activities	(1,442)	(1,947)
Closing Cash and Cash Equivalents	80	408

### INTERNAL CONTROL SYSTEMS

D B Realty has a team of professionals including Chartered Accountants, Company Secretaries, Lawyers and MBAs, to ensure systems in place as per applicable laws and regulations. The internal audit of the company is conducted by Deloitte Haskins & Sells. The Audit Committee and the Board of Directors review the internal audit reports. The statutory audit of the company is conducted by Haribhakti & Co. A dedicated team of professionals ensure ISO compliances are adhered to by employees, contractors, suppliers, vendors, and any other person connected to the project operations.

### OUTLOOK GOING FORWARD

India is witnessing urbanization on an unprecedented scale with the share of the urban population increasing from 28% in 2001 to 31% in 2011. According to the United Nations, India has the highest urban population rate of change among the BRIC nations. At this rate, an estimated 843 million people will live in Indian cities by 2050, a figure which is the combined population of present day USA, Brazil, Russia, Japan, and Germany. Urbanization in India is changing the face of Indian metropolises as

their fast evolving skylines become filled with skyscrapers and iconic architecture. This rapid urbanization is expected to offer large scale opportunities for real estate and infrastructure development in Indian cities, as well as access to a large skilled workforce.

India has a growing young population as nearly 64% of the Indian population is in the 15-64 working age group and 35% is in the 15-34 years age group. It is estimated that in 2020, the average age in India will be only 29 years, providing immense opportunities for growth and development across industries. The growth in opportunities will increase employment leading to a rise in disposable incomes and consumption expenditure. Increase in consumption will further drive the growth of the manufacturing, retail, residential and commercial sectors.

The Indian households are relatively deleveraged having household saving rates of 21-24%. Nowadays, more credit is available to Indian households through availability of easy loans and this has increased the purchasing power of consumers. The ability to afford housing is important to the aspirations of the rapidly increasing middle and upper middle segment of the urban population, which is desirous of a higher standard of living. Residential units are one of the most favoured investment options of the Indian household and as incomes rise, many households will invest in second homes as investment vehicles.

In a bid to curb inflation, the Reserve Bank of India (RBI) increased the key interest rate for the 13<sup>th</sup> time, since March 2010, in October 2011. High interest rates reduced the ability to purchase of the home buyer, which dampened residential sales, primarily in the low and middle income segments. However, as inflation took a downward trajectory from November 2011, the RBI slashed the cash reserve ratio (CRR) by 125 bps in two phases, followed by 50 bps reduction in the repo rate in April 2012, to ensure economic growth. The lowering of interest rates is expected to improve the affordability of homes thereby improving buying sentiment in the near term.

**Cautionary Statement:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) in India. Readers are advised that this discussion may contain "Forward-Looking Statements" by D B Realty Ltd (DBR) that are not historical in nature. These forward-looking statements, which may include statements relating to future results of operations, financial conditions, business prospects and projects etc, are based on the current assumptions, estimates, expectations about the business, industry and markets in which your Company operates. These statements do not guarantee any future performance and are subject to known and unknown risks, uncertainties and other factors, many of which are beyond DBR's control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements. Such statements are not and should not be construed as a representation of future performance or achievements of DBR nor be regarded as a projection of future performance of DBR. It should be noted that the actual performance or achievements of DBR may vary significantly from such statements and the Company takes no responsibility for any consequences of decisions made which are based on such statements and also holds no obligation to update these in the future. This report should be read in conjunction with the financial statements included herein and the notes thereto.

## CORPORATE GOVERNANCE REPORT 2011-2012 OF D B REALTY LIMITED

Pursuant to Clause 49 of the Listing Agreement entered with the Stock Exchanges, we provide the information of the governance systems and processes of the Company followed for the year ended 31<sup>st</sup> March, 2012:

### I. The Company's Philosophy on code of Corporate Governance

Continuing the traditions of good Corporate Governance and being a responsible corporate citizen, and with a view to serve the best interests of all the stakeholders, viz. the employees, shareholders, customers, vendors and society, your Company constantly endeavors and is committed to achieving the highest level of standards of Corporate Governance. The Company seeks to achieve this goal by being :

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

Good Corporate Governance being a continuing exercise, your Company stands by its commitment to maintain highest standards of Corporate Governance in the overall interest of all the stakeholders.

### II. Board of Directors

#### A] Composition and Category of Board

The Company's policy is to maintain optimum combination of executive and non-executive directors in compliance of the requirements of Clause 49 (I) (A) of the Listing Agreement. The present strength of the Board of Directors is 8 out of which 4 (four) are Independent Directors. The Chairman is an Executive Director and belongs to the Promoter group. The present composition of the Board and category of Directors are as under:

No.	Name of the Director	Category
1	Mr. Vinod K. Goenka, Chairman & Managing Director <sup>^</sup>	Executive Director (Promoter)
2	Mr. Shahid U. Balwa, Vice Chairman & Managing Director <sup>^^</sup>	Executive Director w.e.f. 10.12.2011 (Promoter)
3	Mr. Mahesh M. Gandhi	Non Executive, Independent Director w.e.f.1.11 2010
4	Mr. Jagat A. Killawalla	Non Executive Independent Director w.e.f.17.05.2011
5	Mr. Janak I. Desai	Non Executive Independent Director w.e.f.17.05.2011
6	Mr. Nasir M. Rafique	Non Executive Independent Director w.e.f.17.05.2011
7	Mr. Salim U. Balwa <sup>*</sup>	Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011
8	Mr. Jayvardhan V. Goenka <sup>*</sup>	Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011

<sup>^</sup> appointed as Executive Chairman w.e.f. 10.12.2011.

<sup>\*</sup>Appointed as Additional Directors w.e.f.10.12.2011.

<sup>^^</sup> Appointed as a Managing Director, designated as Vice-Chairman w.e.f. 10.12.2011.

Mr. Karunchandra A. Srivastava erstwhile Non Executive Independent Director and Chairman resigned as Director and Chairman w.e.f. 17.05.2011. Mr. K.M.Goenka and Mr. Usman Balwa both hailing from Promoter families were appointed as Additional Directors (Non Executive and Non independent) w.e.f. 21.04.2011. Mr. K.M.Goenka was appointed as Non Executive Chairman of the Board w.e.f.17.05.2011, on resignation of Mr. Karunchandra Srivastava as Non Executive Chairman. Mr. K.M.Goenka and Mr. Usman Balwa subsequently resigned from their Directorship w.e.f.10.12.2011. Mr. Michael McCook who was a Non Executive Independent Director resigned as Director w.e.f. 21.04.2011.

The Board of Directors of the Company met 8 times during the Financial Year 2011–2012 and the dates of the said meetings were viz. 21.04.2011, 17.05.2011, 08.06.2011, 12.08.2011, 12.11.2011, 10.12.2011, 11.02.2012 and 28.02.2012. The interval between any two meetings was not more than four calendar months.



**The Composition, category of Directors, Attendance at Board / Annual General Meeting(s), Directorships and Committee Memberships in other Companies as on 31<sup>st</sup> March, 2012 is as under:**

Name	Category	Attendance Particulars			No. of other Directorships and Committee Memberships / Chairmanships including DBRL		
		Number of Board Meetings		Last AGM	^^ Other Directorship	^^ Committee Chairmanship	^^ Committee Membership
		Held	Attended				
Mr. Karunchandra Srivastava\$	NE & ID* Chairman	1	1	No	5	1	4
Mr.K.M.Goenka@	NE & NID'' Chairman	5	5	Yes	1	1	1
Mr. Usman Balwa#	NE & NID''	5	3	No	1	Nil	Nil
Mr. Vinod K. Goenka&	ED** Chairman & Managing Director	8	3	No	7	Nil	1
Mr. Shahid U. Balwa^	ED** Vice Chairman & Managing Director	3	3	No	2	Nil	2
Mr. Mahesh M. Gandhi	NE& ID*	8	8	Yes	1	1	1
Mr. Michael McCook©	NE & ID*	1	0	No	2	Nil	Nil
Mr. Jagat Killawala®	NE & ID*	7	5	Yes	1	Nil	1
Mr. Janak Desai®	NE & ID*	7	7	Yes	1	1	3
Mr. Nasir M Rafique®	NE & ID*	7	6	Yes	Nil	Nil	1
Mr. Salim U. Balwa+	NE & NID''	3	Nil	No	11	Nil	Nil
Mr. Jayvardhan V. Goenka+	NE & NID''	3	2	No	Nil	Nil	Nil

- 1) \* Non-Executive & Independent Director
- 2) \*\* Executive Director
- 3) \$ Resigned as Director and Chairman w.e.f. 17.05.2011
- 4) @Appointed as Additional Director on 21.04.2011 and as Chairman on 17.05.2011- Resigned as Director and Chairman w.e.f.10.12.2011
- 5) # Appointed as Additional Director on 21.04.2011 and resigned w.e.f.10.12.2011
- 6) & Appointed as Chairman of the Board of Directors w.e.f.10.12.2011.
- 7) ^ Appointed as Additional Director and designated as Vice Chairman & Managing Director w.e.f.10.12.2011.
- 8) + Appointed as Additional Directors w.e.f. 10.12.2011.
- 9) '' Non Executive and Non Independent Director.
- 10) © Resigned as Director w.e.f. 21.04.2011.
- 11) ® Appointed as Additional Director w.e.f. 17.05.2011.
- 12) ^^ Information is provided as per earlier year disclosure for Directors resigned before 31.03.2012.

**Notes:**

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

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

As detailed in table above, none of the Directors of the Board is a member in more than 10 Board level Committees of public Companies in which they are Directors and the Chairman of more than five such committees.

**B] Non-Executive Directors' Compensation Disclosures**

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

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

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

### **C] Code of Conduct**

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

**“We hereby confirm that:**

**As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel available have affirmed compliance with the code of conduct of DBRL for the year ended 31<sup>st</sup> March, 2012 and the copy of the code of conduct is put on the website of the Company viz. [www.dbrealty.co.in](http://www.dbrealty.co.in).**

**On behalf of the Board of Directors**

**Vinod Goenka  
Chairman**

### **III. Audit Committee**

#### **Constitution of Audit Committee (During the Year 2011-12):**

The composition, role and power of the Audit Committee meet the requirements of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956. The Audit Committee comprised of Mr. Mahesh Gandhi, Mr. Karunchandra Srivastava and Mr. Vinod Goenka from 1.4.2011 till 16.05.2011, when Mr. Karunchandra Srivastava resigned as Director and also as a Member of the committee. The Audit Committee was subsequently reconstituted on 17.05.2011 and consisted of Mr. Mahesh Gandhi, (Chairman), Mr. N. M. Rafique and Mr. Janak Desai as the members of the Committee. Mr. K M Goenka and Mr. Usman Balwa were the invitees. Subsequently on 10.12.2011, the Committee was again reconstituted, when Mr. K.M.Goenka and Mr. Usman Balwa resigned from the Board. The reconstituted Audit Committee as on date includes Mr. Mahesh Gandhi (Chairman), Mr. Janak Desai and Mr. Shahid Balwa as the members of the Committee. All except Mr. Shahid Balwa are Non-Executive Independent Directors of the Company. Mr. S.A.K. Narayanan, Company Secretary acts as the Secretary to the Committee. All the members of the Audit Committee are financially literate.

Mr. Mahesh Gandhi, Chairman of the Audit Committee has more than 30 years of experience in investments, originating, structuring and advising, management of public and private Equity investments across all leading business segments & for the last few years focused around real estate, infrastructure transactions, hotels and hospitality. He served as CEO of Jardine Fleming India Asset Management, India's first foreign institutional asset investor and held the offices of Deputy General Manager UTI and Chief Investment Officer of the Unit Trust of India ("UTI") Investment Advisory Services. He today owns Prama Hospitality Ventures which has promoted Apodis Hotels & Resorts Ltd a brand agnostic, pan-India, hospitality development company. Mr. Mahesh Gandhi has a Masters Degree in Financial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai, a Masters Degree in International Law and Tax Practice from University of Gujarat and a Diploma in Journalism.

Mr. N M Rafique, a member of the Audit Committee during the year till 09.12.2011 has been associated as freelance consultant in the fields of HR, Management, customer service etc. He has been a nominee director on the Boards of various hotel companies and also Baisan Institute of Hospitality Management, National Council for Hotel Management & Catering Technology, New Delhi.

Mr. Shahid Balwa (M D and Member of the Audit Committee w.e.f. 10.12.2011) has more than a decade of experience in hospitality and real estate / construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, Mumbai. The hotel won several international awards including the Five Star Diamond Award from American Academy Hospitality Sciences in the year 2006 and 2007 and the Best Luxury Hotel of the year 2006 from Hospitality India. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hotel at Marine Lines, Mumbai.

Mr. Janak Desai has over six years of experience in financial management, business administration and capital market. He has graduated with Honors in MBA with Capital Market as Major from University of Houston, Texas, USA.

**Meetings of Audit Committee during 2011-2012**

The Audit Committee met Four times during the Financial Year 2011-2012, i.e., on 07.06.2011, 12.08.2011, 12.11.2011 and 11.02.2012. The Statutory Auditors are also invited to the Committee. The Attendance of each Audit Committee member in the above meetings is given hereunder:-

Name of Member	Audit Committee Meetings	
	Held	Attended
Mr. Mahesh Gandhi	4	4
Mr. Janak Desai	4	4
Mr. Shahid Balwa	1*	1
Mr. N.M.Rafique	3*	3

Denotes No of Meetings held during the tenure of the member

**Powers of Audit Committee:**

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

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

**Terms of Reference:**

The terms of reference to this committee, inter alia covers all the matters specified under Section 292A of the Companies Act, 1956 and also all the matters under Clause 49 of the Listing Agreement with the Stock Exchanges such as oversight of the Company's financial reporting process, recommending the appointment / re-appointment of statutory auditors, reviewing with management annual financial statements, quarterly financial statements and other matters.

**Review of Information by Audit Committee:**

The Audit Committee reviews all the information that are required to be mandatorily reviewed.

**IV. Remuneration Committee**

The Board had reconstituted the Remuneration Committee on 17.05.2011 with four directors namely Mr. Mahesh Gandhi, Mr. K.M.Goenka, Mr.Usman Balwa and Mr.Jagat Killawala consequent to the resignation of Mr. Karunchandra Srivastava. The remuneration Committee has been constituted to recommend/review the remuneration and increments of Executive Directors of the Company based on their performance and defined assessment criteria. Consequent to the resignation of Mr.K.M.Goenka and Mr.Usman Balwa. from the Board of Directors, the Remuneration Committee was again re-constituted w.e.f. 10.12.2011. The present members of the Remuneration Committee are Mahesh Gandhi (Chairman), Mr.Janak Desai and Mr. Jagat Killawala.

The Committee met once during the financial Year 2011 – 2012 on 10.12.2011 and the details are as under:

Name of Member	Remuneration Committee meetings	
	Held	Attended
Mr Mahesh Gandhi	1	1
Mr. Janak Desai	1	1
Mr. Jagat Killawala	1	1

**Remuneration policy**

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

- a. To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc.;

- b. Fixed and performance linked incentives along with the performance criteria;
- c. Increments and Promotions;
- d. Service Contracts, notice period, severance fees; and
- e. Ex-gratia payments.

**V. Share Transfer Committee and Shareholders/Investors Grievances Committee as on the date of the Report :**

The Share Transfer Committee and Shareholders/Investors Grievances Committee was reconstituted on 17.05.2011, subsequent to the resignation of Mr. Karunchandra A Srivastava of the erstwhile committee. The reconstituted committee as on 17.05.2011 comprised of Mr. K.M.Goenka as Chairman, Mr. Usman Balwa, Mr. Jagat Killawala and Mr. Janak Desai as members. The Committee is mainly authorised to approve the transfer / transmission of shares, dematerialization and rematerialization of shares, split, consolidation and issuance of duplicate shares and review from time to time overall working of secretarial department relating to shares of the Company. The Committee oversees the performance of the Registrars and Share Transfer Agents i.e. Link Intime India Private Limited. The Investor Grievance Committee is mainly responsible to look into the redressal of all shareholders and investors complaints. The Committee receives the details of complaints in the nature of non-receipt of refund/shares etc received from the Registrar to the issue and Share Transfer Agents, which were replied by them.

The functions of the Share Transfer Committee and Shareholders/Investors Grievance Committee were combined together since last year after the I P O with the constitution of the committees remaining the same and the matters were taken together and were noted as reported by the Registrar.

The said Committee was again reconstituted on 10.12.2011 after the resignations of Mr. K.M.Goenka and Mr. Usman Balwa as Directors w.e.f.10.12.2011 and the committee so reconstituted comprises of the following Directors as on the date of this Report:

Name of the Member	Date of Appointment
Mr. Janak Desai (Chairman)	10.12.2011
Mr. Jagat Killawala	10.12.2011
Mr. Shahid Balwa	10.12.2011

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

The Committee met once during the financial Year 2011 – 2012 on 11.02.2012 and the details are as under:

Name of Member	Share Transfer Committee and Shareholders/Investors Grievances Committee meetings	
	Held	Attended
Mr Janak Desai	1	1
Mr. Jagat Killawala	1	1
Mr. Shahid Balwa	1	1

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

No. of requests/complaints pending at the beginning of the year: Nil  
 No. of requests/complaints received during the year: 03  
 No. of requests/complaints resolved: 03  
 No. of requests/complaints pending: Nil

**VI. Constitution of Finance & Investment Committee as on date of this Report:**

The Finance & Investment Committee was reconstituted on 17.05.2011 subsequent to the resignation of Mr. Sundaram Rajagopal and Mr. Michael McCook the members of the erstwhile Finance & Investment Committee. The reconstituted committee as on 17.05.2011 comprised of Mr. K.M.Goenka as Chairman and Mr. Mahesh Gandhi and Mr. Usman Balwa as members from the Board and Mr. N. Shridhar, Group Director (Finance & Strategy) as another member. The Finance & Investment Committee was again reconstituted on 10.12.2011 and comprises of Mr. Vinod Goenka, Mr. Mahesh Gandhi and Mr. Jagat Killawala. The committee, during the year held a meeting on 06.09.2011. The details of the committee meeting are as under:

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

Name of the Member	Finance/Investment Committee meetings	
	Held	Attended
Mr. Mahesh Gandhi	1	1
Mr. K.M.Goenka	1	1
Mr. Usman Balwa	1	0
Mr. N.Shridhar	1	1

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

Name of Director	Category	Sitting Fees (₹)	Remuneration paid during 2011-2012	
			Salary & perquisites (₹)	Total (₹)
Mr. Karunchandra A. Srivastava	NE & ID* Chairman upto 16.05.2011	20000	Nil	20,000
Mr. K.M.Goenka	NE & NID*** w.e.f. 21.4.2011 till 09.12.2011 Chairman w.e.f.17.5.2011	1,40,000	Nil	1,40,000
Mr. Usman Balwa	NE & NID*** w.e.f. 21.4.2011 till 09.12.2011	60,000	Nil	60,000
Mr. Vinod K. Goenka @	ED** Managing Director, Chairman w.e.f.10.12.2011	Nil	@ @ 2,16,79,645	@ @ 2,16,79,645
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director w.e.f. 10.12.2011	Nil	@ @ @ 36,79,645	@ @ @ 36,79,645
Mr. Mahesh M. Gandhi	NE& ID*	2,80,000	Nil	2,80,000
Mr. Jagat Killawala	NE & ID* w.e.f.17.05.2011	1,40,000	Nil	1,40,000
Mr. Janak Desai	NE & ID* w.e.f.17.05.2011	2,60,000	Nil	2,60,000
Mr. Nasir M. Rafique	NE & ID* w.e.f.17.05.2011	1,80,000	Nil	1,80,000
Mr. Salim Balwa&	NE & NID*** w.e.f.10.12.2011	Nil	57,00,000	57,00,000
Mr. Jayvardhan Goenka	NE & NID*** w.e.f.10.12.2011	40,000	Nil	40,000

\* Non-Executive & Independent Director

\*\* Executive Director

\*\*\* Non-Executive & Non Independent Director

@ includes ₹1,80,00,000 paid by a subsidiary

& Paid by subsidiaries

@ @ Net of ₹ 83,20,355/- recovered subsequently

@ @ @ Net of ₹ 30,031/- recovered subsequently

## Subsidiary Monitoring framework

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

The Company has two material non-listed subsidiaries within the meaning of the above definition, in which one of the independent Directors of the Company was nominated as Independent Director.

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

- Financial Statements in particular the investments made by the unlisted subsidiary company are reviewed on a quarterly basis by the Audit Committee of the Company.

- b) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary company is placed before the board for its review.

## VII. General Body Meetings:

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

Year	Location	Date of Meeting	Time
2010-2011	Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra East, Mumbai – 400 051.	21.09.2011	03.00 P.M.
2009-2010	Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra East, Mumbai – 400 051.	29.09.2010	03.00 P.M.
2008-2009	DB House, Gen A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063.	15.09.2009	11.00 A.M.

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

Year & Date	Type of Meeting	Brief particulars of the Special Resolutions passed
2010-2011 21-09-2011	5 <sup>th</sup> Annual General Meeting	None
2009-2010 29-09-2010	4 <sup>th</sup> Annual General Meeting	<ol style="list-style-type: none"> <li>Variations of the Terms in Prospectus of the Company, including revising the utilization of Proceeds of Initial Public Offering (IPO), pursuant to the Provisions of Section 61 of the Companies Act, 1956.</li> <li>Keeping the Register of Members, Index of Members and copies of the Annual Returns prepared under Section 159 of the Companies Act, 1956, at the Office of the Registrars and Share Transfer Agent of the Company, M/s. Link Intime India Private Limited, pursuant to the Provisions of Section 163 of the Companies Act, 1956.</li> </ol>
2008-2009 15-09-2009	3 <sup>rd</sup> Annual General Meeting	<ol style="list-style-type: none"> <li>Conversion of Existing Convertible Cumulative Preference Share Capital into Equity Shares pursuant to Section 95, 97, 81 (1A) of Companies Act, 1956.</li> <li>Issue of 9,37,500 Equity Shares of ₹ 10/- each at premium of ₹ 5,590 per Equity Share to Walkinson Investments Limited on Conversion of 9,37,500 Compulsorily Convertible Debentures of ₹ 5,600/- each pursuant to Section 81 (1A) of the Companies Act, 1956.</li> <li>To offer / issue / allot Equity Shares of Face value of ₹ 10/- each for not exceeding ₹ 2500 Crores through Initial Public offer (IPO) pursuant to Section 81 (1A) and other applicable provisions of the Companies Act, 1956.</li> <li>To make Investments, Loans, Guarantees and Security exceeding the limits prescribed under Section 372A of the Companies Act, 1956.</li> </ol>

### Resolution passed through Postal Ballot:

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

## VIII. Disclosures

Materially significant related party transactions:

The details of transactions with the related parties are tabled before the audit committee on a quarterly basis. The register of contracts containing the transactions in which the Directors are interested was placed regularly before the board. There were no pecuniary transactions directly with the Independent/Non-Executive Directors, other than the payment of remuneration.

### Status of Regulatory Compliances

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



**Management Discussion and Analysis Report**

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

**IX. Means of Communication:**

The Audited/unaudited Financial Results of the Company [quarterly as well as yearly] during the year were published in the English Newspaper and in a vernacular newspaper, and would continue to be published in the same manner.

**X. General Shareholders Information:**

Details of Directors retiring by rotation

1. Mr. Jagat Killawala
2. Mr. Janak Desai

**1. Mr. Jagat Killawala:**

Mr. Jagat Killawala, aged 50 years is a Non-Executive Independent Director of our Company and has been on the Board of our Company since 17.05.2011. He is an industrialist and has been engaged in the business of manufacture of electrical switches, step lights for theatre applications and LED Products for lighting applications. He has been a premium distributor for Vimar Spa of Italy, for modular switches and accessories, Ilti Luce, Italy and Advance Fibre Optics for Fiber Optic Lighting etc for Mundocolor Spain for Theatre Lighting. He has been a Government Contractor & Railway Contractor in Signal & Telecom Dept. The details of directorship, chairmanship and membership of Mr. Jagat Killawala are appearing elsewhere in this Report. Mr. Jagat Killawala does not hold any share in D B Realty Limited as on 31.03.2012.

**2. Mr. Janak Desai:**

Mr. Janak Desai aged 30 years is a Non Executive Independent Director of our Company and has been on the Board since 17.05.2011. He holds Bachelor of Business Administration degree in Finance and Management and Master of Business Administration degree with Major in Capital Market from University of Houston, Texas, USA. He has worked as Senior Associate in Bank of New York Mellon Corp and as Portfolio Manager in Cougar Investment Fund in USA and in India, with India Infoline and Edelweiss Capital Ltd in Real Estate vertical. The details of directorship, chairmanship and membership of Mr. Janak Desai are appearing elsewhere in this Report. Mr. Janak Desai does not hold any share in DB Realty Limited as on 31.03.2012.

The following are the persons who have been appointed as Additional Directors, and are to be appointed as Directors at the ensuing Annual General Meeting of the Company.

1. Mr. Shahid Balwa
  2. Mr. Salim Balwa
  3. Mr. Jayvardhan Goenka
1. Mr. Shahid Balwa:

Mr. Shahid Balwa was appointed as Additional Director at the Board meeting held on 10.12.2011 and was made the Vice Chairman of the Board and Managing Director for a period of five years. He is a promoter of the Company and has more than a decade of experience in hospitality and real estate / construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, Mumbai. The hotel won several international awards including the Five Star Diamond Award from American Academy Hospitality Sciences in the year 2006 and 2007 and the Best Luxury Hotel of the year 2006 from Hospitality India. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hotel at Marine Lines, Mumbai.

Mr. Shahid Balwa, as Additional Director holds office upto the date of the ensuing Annual General Meeting. The details of directorship, chairmanship and membership of committees of Mr. Shahid Balwa are appearing elsewhere in this report. Mr. Shahid Balwa does not hold any share in D B Realty Limited in his own name as on 31.03.2012.

2. Mr. Salim Balwa:

Mr. Salim Balwa was appointed as Additional Director at the Board meeting held on 10.12.2011. He hails from promoter family and is the brother of Mr. Shahid Balwa. He has more than a decade of experience in hospitality and construction industry. He along with Mr. Shahid Balwa led the business foray into hospitality. He is in charge of construction / operation of the family business of hotels.

Mr. Salim Balwa, as Additional Director holds office upto the date of the ensuing Annual General Meeting. The details of directorship, chairmanship and membership of committees of Mr. Salim Balwa are appearing elsewhere in this report. Mr. Salim Balwa holds 1,23,840 shares in D B Realty Limited in his own name as on 31.03.2012

3. Mr. Jayvardhan Goenka.

Mr. Jayvardhan Goenka was appointed as Additional Director at the Board meeting held on 10.12.2011. He hails from promoter family and is the son of Mr. Vinod Goenka, promoter and also Executive Chairman of the Company. He has been inducted into the business and has been rendering assistance to the Executive Chairman from time to time in the Management of the Company. Mr. Jayvardhan Goenka is an under graduate pursuing his studies from London School of Economics with Economics and Philosophy as his major.

Mr. Jayvardhan Goenka, as Additional Director holds office upto the date of the ensuing Annual General Meeting. The details of directorship, chairmanship and membership of committees of Mr. Jayvardhan Goenka are appearing elsewhere in this report. Mr. Jayvardhan Goenka does not hold shares in D B Realty Limited in his own name as on 31.03.2012.

Mr. Jagat Killawala	Mr. Janak Desai	Mr. Shahid Balwa
<p>The details of directorship (other than in DBRL) of Mr. Jagat Killawala are as follows:</p> <ol style="list-style-type: none"> <li>1. Shrikrishnashray (India) Pvt. Ltd. (Managing Director)</li> <li>2. Yogi Cotex Pvt. Ltd.</li> <li>3. Exceptional Developers &amp; Infrastructure Pvt. Ltd.</li> <li>4. Terrific Contractors &amp; Infra Pvt. Ltd.</li> <li>5. Spectacular Construction &amp; Developers Pvt. Ltd.</li> <li>6. Terrific Construction &amp; Developers Pvt. Ltd.</li> <li>7. Peerless Contractors &amp; Infra Pvt. Ltd.</li> <li>8. Exceptional Construction &amp; Developers Pvt. Ltd.</li> <li>9. Gokuldharm Real Estate Development Company Pvt. Ltd.</li> </ol> <p>Mr. Jagat Killawala is a member of Investor Grievance and Share Transfer Committee of the Company and is a member of Audit Committee of Gokuldharm Real Estate Development Company Pvt. Ltd. Other than the above he does not hold position of chairmanship and membership of committees of any other Company.</p>	<p>The details of directorship (other than in DBRL) of Mr. Janak Desai are as follows:</p> <ol style="list-style-type: none"> <li>1. Neelkamal Realtors Suburban Pvt. Ltd.</li> </ol> <p>Mr. Janak Desai is a member of Audit Committee and also Chairman and Member of Investor Grievance and Share Transfer Committee of the Company and is a member of Audit Committee of Neelkamal Realtors Suburban Pvt. Ltd. Other than the above he does not hold position of Chairmanship or membership of committees of any other Company</p>	<p>The details of directorship (other than in DBRL) of Mr. Shahid Balwa are as follows:</p> <ol style="list-style-type: none"> <li>1. D B Hospitality Pvt. Ltd.</li> <li>2. Pony Infrastructure &amp; Contractors Limited</li> <li>3. Majestic Infracon Pvt. Ltd.</li> <li>4. Sahyadri Horticulture Pvt. Ltd.</li> </ol> <p>Mr. Shahid Balwa is a member of the Audit Committee and Member of Investor Grievance and Share Transfer Committee of the Company and does not hold position of chairmanship and membership of committees (other than DBRL) of any company.</p>

## DB REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

Mr. Salim Balwa	Mr. Jayvardhan Goenka	
<p>The details of directorship (other than in DBRL) of Mr. Salim Balwa are as follows:</p> <ol style="list-style-type: none"><li>1. Neelkamal City Shopping Mall India Limited</li><li>2. DB Man Realty Limited</li><li>3. Neelkamal Realtors Tower Pvt. Ltd.</li><li>4. Real Gem Buildtech Pvt. Ltd.</li><li>5. Neelkamal Shantinagar Properties Pvt. Ltd.</li><li>6. Esteem Properties Pvt. Ltd.</li><li>7. DB View Infracon Pvt. Ltd.</li><li>8. DB Contractors &amp; Builders Pvt. Ltd</li><li>9. Saifee Bucket Factory Pvt. Ltd.</li><li>10. DB MIG Realtors &amp; Builders Pvt. Ltd.</li><li>11. Gokuldharm Real Estate Development Company Pvt. Ltd.</li><li>12. Neelkamal Realtors &amp; Builders Pvt. Ltd.</li><li>13. Neelkamal Realtors And Erectors India Pvt. Ltd.</li><li>14. Three Star Deluxe Hotels (India) Pvt. Ltd.</li><li>15. Bed Inn Hotels Pvt. Ltd.</li><li>16. Close Hotels Pvt. Ltd</li><li>17. Thanks Inn Hotels Pvt. Ltd.</li><li>18. Hotel Balwas Pvt. Ltd.</li><li>19. Success Inn Hotels Pvt. Ltd.</li><li>20. Sunday Inn Hotels Pvt. Ltd.</li><li>21. Aassma Realtors Pvt. Ltd.</li><li>22. MJ Estate Pvt. Ltd.</li><li>23. PG Developers Pvt. Ltd.</li><li>24. Fair Brothers Securities Pvt. Ltd.</li><li>25. UBS Vision Builders Pvt. Ltd.</li><li>26. SB Fortune Realty Pvt. Ltd.</li><li>27. Dynamix Balwas Resorts Pvt. Ltd.</li><li>28. Goan Hotels &amp; Clubs Pvt. Ltd.</li><li>29. DB Hi-Sky Constructions Pvt. Ltd.</li><li>30. Eterna Realty Pvt. Ltd.</li><li>31. Associated Hotels Pvt. Ltd.</li><li>32. DB Hotels (India) Pvt. Ltd.</li><li>33. Mahal Pictures Pvt. Ltd.</li><li>34. Glossy Inn Hotels Pvt. Ltd.</li></ol> <p>Mr. Salim Balwa is not a member of any committee of the Company and does not hold the chairmanship or membership of any committee of any other company.</p>	<p>The details of directorship (other than in DBRL) of Mr. Jayvardhan Goenka are as follows:</p> <ol style="list-style-type: none"><li>1. Pushpa Properties Pvt. Ltd.</li><li>2. Schon Farms Pvt. Ltd.</li><li>3. Siddhivinayak Realties Pvt. Ltd.</li><li>4. Sigatu Chemicals Pvt. Ltd.</li><li>5. Trident Estates Pvt. Ltd.</li><li>6. DB Hospitality Pvt. Ltd.</li><li>7. Earthen Agro &amp; Infrastructure Pvt. Ltd.</li></ol> <p>Mr. Jayvardhan Goenka is not a member of any committee of the company and does not hold the chairmanship or membership of any committee of any other Company.</p>	

#### Other details for shareholders:

AGM Date, Time and Venue	: 22 <sup>nd</sup> September, 2012. 3 P.M. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East) Mumbai – 400 063,
Financial Year	: 01.04.2011 – 31.03.2012
Book Closure	: 17 <sup>th</sup> September, 2012 to 22 <sup>nd</sup> September, 2012
Listing on Stock Exchanges	: BSE Limited and National Stock Exchange of India Limited Listing Fees for 2012-2013 have been paid.
Stock Code at BSE	: 533160
Stock Symbol at NSE	: DBREALTY
ISIN of the Company	: INE879I01012
Corporate Identification No. (CIN)	: L70200MH2007PLC166818

#### Market Price Data- April 2011 to March 2012:

Month	Stock Exchanges					
	BSE			NSE		
	Share Price		Sensex	Share Price		Nifty
	High (₹)	Low (₹)	Close	High (₹)	Low (₹)	Close
April, 2011	122.25	94.60	19135.96	122.40	85.00	5749.50
May, 2011	98.40	66.00	18503.28	98.40	65.60	5560.15
June, 2011	83.60	66.10	18845.87	83.65	67.40	5647.40
July, 2011	89.80	68.70	18197.20	89.50	68.00	5482.00
August, 2011	79.90	59.65	16676.75	80.00	59.65	5001.00
September, 2011	65.00	49.40	16453.76	63.90	49.50	4943.25
October, 2011	74.20	47.50	17705.01	74.30	45.40	5326.60
November, 2011	81.00	52.05	16123.46	81.00	52.10	4832.05
December, 2011	74.85	45.05	15454.92	74.80	45.05	4624.30
January, 2012	66.75	48.80	17193.55	67.10	49.00	5199.25
February, 2012	102.50	57.20	17752.68	103.00	57.40	5385.20
March, 2012	99.30	69.60	17404.20	98.50	69.50	5295.55

#### Registrar and Share Transfer Agent:

M/s. Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (West),  
Mumbai – 400 078, India  
Tel No: 022 - 2596 3838  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

#### Share Transfer System:

The Registrar and Share Transfer Agent register the share transfers in physical form within 15 days from the receipt of the completed documents. Invalid Share transfers are returned within 15 days of receipt. All requests for de-materialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The Company also offers transfer cum demat facility. Since 99.99% of the shares except 1 share are held in demat form for whole of the year, there was hardly any physical transfer of shares. As at the end of the year, except one share all the other shares including the shares held by the promoter and promoters group are held in demat form.

#### Distribution schedule as on 31<sup>st</sup> March, 2012:

Equity Shares held	No. of Shareholders	Percent (%) of Shareholders	No. of Equity Shares	Percent (%) of Shareholding
1 – 500	17,583	88.9873	18,41,652	0.7571
501 – 1000	894	4.5245	7,38,809	0.3037
1001 – 2000	479	2.4242	7,45,345	0.3064
2001 – 3000	200	1.0122	5,31,206	0.2184

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

Equity Shares held	No. of Shareholders	Percent (%) of Shareholders	No. of Equity Shares	Percent (%) of Shareholding
3001 – 4000	71	0.3593	2,53,842	0.1044
4001 – 5000	90	0.4555	4,34,069	0.1784
5001 – 10000	147	0.7440	11,32,124	0.4654
10001 and above	295	1.4930	23,75,81,735	97.6662
<b>Total</b>	<b>19,759</b>	<b>100.00</b>	<b>24,32,58,782</b>	<b>100.00</b>

## Shareholding Pattern as on 31<sup>st</sup> March, 2012:

Category		Number of Equity Shares	Percentage of Holding
<b>A</b>	<b>Promoters' Holding</b>		
1	Indian Promoters	15,23,39,886	62.62
	<b>Sub Total (A)</b>	<b>15,23,39,886</b>	<b>62.62</b>
<b>B</b>	<b>Non Promoter's Holding</b>		
	<b>Institutional Investors</b>		
1	Mutual Funds/UTI	12,31,007	0.51
2	Financial Institution/Banks	15,24,837	0.63
3	Venture Capital Funds	14,90,538	0.61
4	Foreign Institutional Investors	96,41,437	3.96
	<b>Non Institutional Investors</b>		
1	Bodies Corporate	1,49,89,989	6.16
2	Individuals	83,14,118	3.42
3	Non-resident Individuals	4,44,725	0.19
4	Trusts	1,57,500	0.06
5	Foreign Company	5,22,16,862	21.47
6	Clearing Members	9,07,883	0.37
	<b>Sub Total (B)</b>	<b>9,09,18,896</b>	<b>37.38</b>
	<b>Grand Total (A+B)</b>	<b>24,32,58,782</b>	<b>100.00</b>

## Dematerialization of Equity Shares and liquidity

As at 31<sup>st</sup> March, 2012, 24,32,58,781 (99.99%) Equity Shares were held in dematerialized form with NSDL and CDSL, while 1 (Nil %) Equity Share was held in physical form.

## Outstanding GDRs/ADRs/Warrants

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on 31<sup>st</sup> March, 2012, which would impact the equity share capital of the company.

Address for correspondence:

### D B Realty Limited

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

On behalf of the Board of Directors

Place: Mumbai  
Date: 26<sup>th</sup> May, 2012

Vinod K. Goenka  
Chairman & Managing Director

## CHIEF EXECUTIVE OFFICER (CEO) / CFO CERTIFICATE

To

The Board of Directors/Audit Committee of the BOD

D B Realty Limited

Dear Sirs,

### Sub: CEO / CFO Certificate

(Issued under Clause 49 of the Listing Agreement)

We have reviewed the financial statements for the fourth quarter and year ended 31<sup>st</sup> March, 2012 and that to the best of our knowledge and belief, we state that:

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

Yours sincerely,

Vinod K. Goenka  
Chairman & Managing Director

Shahid Balwa  
Vice Chairman & Managing Director

Place: Mumbai  
Date: 26<sup>h</sup> May, 2012

Asif Balwa  
Group Director ( Finance)

N.M.Gattu  
C.F.O.



**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of  
**D B REALTY LIMITED**  
Mumbai

**Corporate Governance Certificate**

We have examined the compliance of conditions of Corporate Governance by **D B REALTY LIMITED** ("Company") for the financial year ended March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

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

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

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

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

For S. Anantha & Co.,  
Company Secretaries

Date: May 26, 2012  
Place: Mumbai

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

## AUDITORS' REPORT

To

**The Members of D B Realty Limited**

1. We have audited the attached Balance Sheet of **D B Realty Limited** ('the Company') as at March 31, 2012 and also 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 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. We draw your attention to the followings matters:
  - a) Managerial Remuneration of ₹ 15,709,677 paid by the Company has exceeded the limits specified under Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956, by ₹ 8,350,386. We are informed that the Company has recovered the excess remuneration from the relevant directors during FY 2012-13.
  - b) With reference to Note no 38 regarding provisional attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PML Act), by which the Company's assets amounting to ₹ 521,621,696 has been attached on August 30, 2011. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
  - c) Share of profit (net) from investment in partnership firms and LLPs (the 'Firms') aggregating ₹ 486,580,981 and investments in these Firms aggregating ₹ 5,752,683,419 (Refer Note 11 & 14); are based on financial statements of the firms as audited by another auditors whose reports have been furnished to us and which have been relied upon by us.
  - d) The audited financial statements of one of the firms viz. Dynamix Realty ('Dynamix'), include disclosure in respect of :
    - I. Outstanding receivables of ₹ 697,844,175 as at March 31, 2012 from Companies in which Directors of the Company are interested. (Refer Note 27 (A) 1 and 2 )  
These amounts are considered as good and recoverable as stated in the said disclosure.
    - II. Allegations made by the Central Bureau of Investigation of India ("CBI") relating to the 2G Spectrum case {Refer Note 27 (A)(iv)}  
This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
  - e) With reference to note number 26, regarding guarantees aggregating ₹ 15,589,597,000 issued by the Company to banks and financial institutions on behalf of two entities (in which some of directors of the Company are interested), which are significant in relation to the net worth of the Company at the year end. In the opinion of the Company, these are not expected to result into any financial liability to the Company.
  - f) With reference to note number 32 regarding the Company's investments aggregating ₹ 2,044,533,140 in and loans and advances aggregating ₹ 3,172,489,420 to, certain subsidiaries, joint controlled entities and associates which have incurred losses and also have negative net worth as at the year end. As explained in the said Note, investments in these entities are considered strategic and long term in nature, the entities are in early stage of real estate development and in the opinion of the Company, have current market values of certain property significantly in excess of carrying values and are expected to achieve adequate profitability on substantial completion of their projects. Accordingly, the said investments and loans and advances are considered good and recoverable by the Company. Further, the Company has invested ₹ 24,117,000 in one of the Joint Ventures. In the absence of financial statements of the said joint venture, we are not able to comment upon its impairment, if any.
  - g) With reference to note number 28 to 30 regarding matters under litigation and are sub-judice, based on the Company's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of balances as at March 31, 2012 for loans and advances aggregating ₹ 1,640,849,994 and investments of ₹ 312,018,720.
4. Further to the matters referred to in paragraph 3 above, as required by the companies (Auditor's Report) Order, 2003, (as amended), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'the Companies Act, 1956' (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and

## **D B REALTY LIMITED**

(Formerly known as D B Realty Private Limited)

---

according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

5. Further to our comments in the paragraph 3 and 4 above, we report that:
  - i. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - iv. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow statement dealt with by this report are in compliance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - v. on the basis of written representations received from the directors as of March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors 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.
  - vi. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
    - b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
    - c) in the case of Cash Flow statement, of the cash flows for the year ended on that date.
6. The financial Statement of the Company for the year ended March 31, 2011, were audited by another auditor who had expressed an unmodified opinion on those statements on June 8, 2011.

For **Haribhakti & Co.**  
Chartered Accountants  
Firm Registration No.103523W

**Chetan Desai**  
**Partner**  
Membership No. 17000

Place: Mumbai  
Date: May 26, 2012

## ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 4 of the Auditors' Report of even date to the members of DB Realty Limited on the financial statements for the year ended on 31<sup>st</sup> March, 2012]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed of by the Company during the year.
- (ii) (a) Inventories comprise of expenditure incurred on acquisition of plot of lands and development thereof. As explained to us, physical verifications were carried out during the year by the management at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, keeping in view the nature of inventory, the procedures of physical verification by way of site visits by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us, the adequate inventory records have been maintained by the Company, except for records in respect of payments to tenants where documentation needs to be considerably strengthened by the Company. As explained to us, no material discrepancies were noticed on physical verification of inventory by the management.
- (iii) In respect of the loans, secured or unsecured, granted or taken by the Company to or from companies, firm or other parties covered in the register maintained under section 301 of the Companies Act, 1956, according to the information and explanations given to us:
  - (a) The Company has granted loans aggregating ₹ 3,668,971,775 to seventeen parties during the year. At the year end, the outstanding balances of such loans aggregated ₹ 4,160,996,605 to thirteen parties and the maximum amount involved during the year was ₹ 12,076,285,986.
  - (b) The aforesaid loans are interest free except for loans of ₹ 1,510,017,748. Based on explanations received from the management none of the other terms and conditions is prima facie, prejudicial to the interest of the Company. Attention is invited to Para 3(f) of Auditors' Report of even date.
  - (c) The said loans (including interest thereon) are repayable on demand and there are no repayment schedules. Accordingly, the question of overdue amount does not arise.
  - (d) There is no overdue amount in excess of ₹ 1 lakh in respect of loans granted to companies, firms and other persons listed in register maintained under sec 301 of the Companies Act, 1956.
  - (e) The Company has taken loans from two parties during the year. As at the year end, the outstanding balance of such loans taken from one party aggregated ₹ 86,632,142 and the maximum amount involved during the year was ₹ 1,590,331,873.
  - (f) According to the information and explanations given to us, the loans are interest free except one loan which is repaid fully during the year and other terms and conditions are, prima facie not prejudicial to the interest of the Company.
  - (g) Since the said loans (including interest thereon) are repayable on demand and there is no repayment schedule, the question of repayment being regular does not arise.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that prelaunch advances from prospective buyers where the Company is in the process of finalizing the term sheets/ agreements, supporting receipts for aggregate consideration of ₹ 47,676,200 are in accordance with general industry practice; adequate internal control systems exist for sale of apartments and for purchase of fixed assets. As regards project inventory, the Company needs to strengthen internal controls for (a) tenancy payments/ compensation (as stated in ii (c) above) and (b) project contracting (including proper documentation for comparative quotations and machinery/mobilization advances) to be commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed continuing failure to correct major weakness.

## **D B REALTY LIMITED**

(Formerly known as D B Realty Private Limited)

---

- (v) In respect of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- (a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) Where each such transaction is in excess of rupees five lakhs in respect of each party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time except for certain transactions in respect of (1) aircraft charges of ₹ 5,625,300 and (2) civil contract entered of ₹ 25,687,118 (referred to in (iv) above) awarded to an entity and approved by the Board of Directors where comparable quotations for additional scope of work were not available and in respect of which we are unable to comment.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) A firm of chartered accountants has been appointed by the management for carrying out the internal audit. In our opinion, the function needs to be strengthened as regards time frame for reporting, coverage and periodicity of reporting so as to be commensurate with the size of the Company and the nature of its business.
- (viii) We have been informed by the Management that proper cost records under clause (d) of sub-section 1 of section 209 of the Companies Act, 1956 have been maintained. However, these records have not been provided to us for our verification.
- (ix) According to the information and explanations given to us, in respect of statutory and other dues:
- (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth tax, cess and any other material statutory dues as applicable to it with the appropriate authorities during the year.
- (b) No undisputed amounts payable in respect of aforesaid were in arrears as at 31<sup>st</sup> March 2012 for a period of more than six months from the date they became payable except service tax on booking of flats / premises of ₹ 455,163/- has not been deposited with the Government authorities.
- (c) According to the information and explanations given to us, no dues are outstanding of income tax, service tax, provident fund, employees' state insurance and cess, for more than six months on account of any dispute.
- (x) There are no accumulated losses of the Company as on 31<sup>st</sup> March 2012. Further, the Company has not incurred cash losses during the financial year covered by audit and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution and banks. The Company has not issued any debentures during the year.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. The Company has redeemed surplus funds invested in mutual funds, in respect of which proper records of the transactions and contracts have been maintained and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name.
- (xv) The Company had given guarantees (as referred in Note 26) in the earlier years on behalf of two entities and the balance of ₹ 15,589,597,000 is subsisting as at the year end. As informed to us, the Board of Directors has approved this in the past considering the long term business interests of the Company and the same were consented to in writing by the non-promoter group shareholders in those years. Based on approvals / written consents / control relationships, the terms and conditions of such guarantees have been regarded as, prima facie, not prejudicial to the interests of the Company.
- (xvi) In our opinion, the term loan has been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, funds raised on short term basis have prima facie not been used during the year for long term investment.

- (xviii) According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have outstanding debentures during the year and hence this clause is not applicable.
- (xx) The Management has disclosed the end use of money raised by public issue at Note 39. We have verified the same with monitoring report issued by monitoring agency (Punjab National Bank, Capital Market Service Branch, Mumbai).
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management. However, we are informed that during the previous year, the CBI in its charge sheet filed in connection with irregularities in the allotment of 2G telecom license, has accused the Managing Directors of the Company (in their capacity as promoters of a telecom licensee company – Swan Telecom Pvt Ltd (now known as Etisalat DB Telecom Pvt Ltd)). Two other Key Management Personnel of the Company have also been charge sheeted in their capacity as Directors of another Company (Refer Note 38) which is alleged to have paid an amount of ₹ 2,000,000,000 as illegal gratification in the same connection. As explained to us, the Company is not directly a party to the allegations and the matter is sub-judice in the Court of Special Judge (CBI), New Delhi.

For **Haribhakti & Co.**  
Chartered Accountants  
Firm Registration No.103523W  
**Chetan Desai**  
Partner  
Membership No.: 17000

Place: Mumbai  
Date: May 26, 2012



**D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

**BALANCE SHEET AS AT MARCH 31, 2012**

(Amount in ₹)

Particulars	Note No.	As at 31st March 2012		As at 31st March 2011	
<b>I. EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' Funds</b>					
Share Capital	3	2,432,587,820		2,432,587,820	
Reserves and Surplus	4	<u>31,726,441,958</u>	<u>34,159,029,778</u>	<u>31,094,492,243</u>	<u>33,527,080,063</u>
<b>2 Non-current Liabilities</b>					
Long-term Borrowings	5	315,796,425		324,884,253	
Long-term Provisions	6	<u>27,475,179</u>	<u>343,271,604</u>	<u>23,619,444</u>	<u>348,503,697</u>
<b>3 Current liabilities</b>					
Short-term Borrowings	7	427,181,142		1,416,350,000	
Trade Payables	8A	99,186,885		117,183,253	
Other Current Liabilities	8B	485,213,132		365,516,871	
Short-term Provisions	9	<u>12,994,299</u>	<u>1,024,575,458</u>	<u>6,500,000</u>	<u>1,905,550,124</u>
<b>TOTAL</b>			<u><u>35,526,876,840</u></u>	<u><u>35,781,133,884</u></u>	
<b>II. ASSETS</b>					
<b>Non-current Assets</b>					
<b>1 Fixed Assets</b>	10				
Tangible Assets		118,784,214		172,552,675	
Intangible Assets		683,652		528,500	
Capital Work-in-progress		31,201,117		53,210,149	
Intangible Assets under development		<u>205,340,729</u>		<u>32,600,459</u>	
		<u>356,009,712</u>		<u>258,891,783</u>	
Non-current Investments	11	16,532,581,626		5,536,337,108	
Deferred Tax Assets (Net)	31	44,821,441		–	
Long-term Loans and Advances	12	6,158,437,198		8,839,342,880	
Other Non-Current Assets	13	<u>30,460,781</u>	<u>23,122,310,758</u>	<u>101,520,000</u>	<u>14,736,091,771</u>
<b>2 Current assets</b>					
Current Investments	14	4,721,163,982		7,824,558,115	
Inventories	15	2,068,074,734		1,993,459,926	
Cash and Bank Balances	16	79,620,835		50,703,543	
Short-term Loans and Advances	17	5,526,180,842		11,172,155,200	
Other Current Assets	18	<u>9,525,689</u>	<u>12,404,566,082</u>	<u>4,165,329</u>	<u>21,045,042,113</u>
<b>TOTAL</b>			<u><u>35,526,876,840</u></u>	<u><u>35,781,133,884</u></u>	
<b>Significant accounting policies</b>	2				

As per our report of even date annexed

For and on behalf of the Board

For Haribhakti &amp; Co.

Chartered Accountants

Firm's Registration No. 103523W

Chetan Desai

Partner

Membership No. 17000

Vinod Goenka

Chairman &amp; Managing Director

Mahesh Gandhi

Director

N.M. Gattu

Chief Financial Officer

Shahid Balwa

Vice Chairman &amp; Managing Director

Asif Balwa

Group Director (Finance)

S A K Narayanan

Company Secretary

Mumbai, Dated : May 26, 2012

Mumbai, Dated : May 26, 2012

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

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2012	For the year ended March 31, 2011
I. Revenue from operations		-	-
II. Other income	19	1,263,202,903	3,611,500,769
III. <b>Total Revenue</b>		<u>1,263,202,903</u>	<u>3,611,500,769</u>
IV. <b>Expenses:</b>			
Project Expenses	20	151,881,399	1,086,972,945
Changes in Inventories	21	(153,119,672)	(1,091,896,207)
Employee Benefits Expenses	22	141,934,231	111,763,155
Finance Costs	23	72,129,377	410,849,958
Depreciation and Amortization Expenses	10	71,887,953	64,446,795
Other Expenses	24	391,861,341	472,413,557
<b>Total Expenses</b>		<u>676,574,629</u>	<u>1,054,550,203</u>
V. <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		586,628,274	2,556,950,566
VI. Exceptional items		-	-
VII. <b>Profit before extraordinary items and tax (V - VI)</b>		<u>586,628,274</u>	<u>2,556,950,566</u>
VIII. Extraordinary Items		-	-
IX. <b>Profit before tax (VII- VIII)</b>		<u>586,628,274</u>	<u>2,556,950,566</u>
X. Tax expense:			
Current tax		6,000,000	-
Deferred tax	31	(44,821,441)	-
Prior Period Tax Adjustment		(6,500,000)	-
XI. <b>Profit (Loss) for the period (IX - X)</b>		<u>631,949,715</u>	<u>2,556,950,566</u>
XII. Earnings per share:	37		
Basic		2.60	10.51
Diluted		2.60	10.51
Nominal value per share ₹ 10 (Previous year ₹ 10)			
<b>Significant accounting policies</b>	2		

As per our report of even date annexed

**For Haribhakti & Company**  
Chartered Accountants  
Firm's Registration No. 103523W

Chetan Desai  
Partner  
Membership No. 17000

Mumbai, Dated : May 26, 2012

**For and on behalf of the Board**

**Vinod Goenka**  
Chairman & Managing Director

**Mahesh Gandhi**  
Director

**N.M. Gattu**  
Chief Financial Officer

Mumbai, Dated : May 26, 2012

**Shahid Balwa**  
Vice Chairman & Managing Director

**Asif Balwa**  
Group Director (Finance)

**S A K Narayanan**  
Company Secretary

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

(Amount in ₹)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>A Cash flows from Operating Activities:</b>		
Net Profit before taxation	586,628,274	2,556,950,566
<b>Adjustments for:</b>		
Depreciation	71,887,953	64,446,795
Interest and finance charges	72,129,377	410,849,958
Profit on sale of current investments	(83,601,000)	(2,409,346)
Profit on sale of long term investments	(437,784,752)	
Unrealised Exchange loss (net)	-	118,720
Dividend Income	(7,222,433)	(177,928,025)
Share of profit in partnership firms (net)	(486,580,981)	(2,812,282,633)
Loss on sale of fixed assets	718,181	26,263
Capital work in progress written off	16,196,490	
Project Expenses written off	78,504,863	41,119,456
Advances witten off	200,000,000	-
Interest Income	(8,664,086)	(7,736,201)
<b>Operating Profit/ (Loss) before Working Capital changes</b>	<b>2,211,886</b>	<b>73,905,553</b>
<b>Adjustments for :</b>		
(Increase)/Decrease in loans and advances	6,393,209,915	(2,275,763,368)
Decrease inventories	(153,119,672)	(1,060,872,990)
Increase / (Decrease) in Current liabilities	99,182,609	(383,705,921)
Increase in Provisions	10,850,035	14,633,531
(Increase) / Decrease in Changes in deposits under lien	2,677,071	(61,929,588)
<b>Cash used in operations</b>	<b>6,355,011,844</b>	<b>(3,693,732,783)</b>
Direct Taxes Paid	(975,238)	(13,884,851)
<b>Net cash from / (used in) Operating Activities</b>	<b>A</b>	<b>6,354,036,606</b>
<b>B Cash flows from Investing Activities:</b>		<b>(3,707,617,634)</b>
Purchase of Fixed Assets (including CWIP)	(71,323,519)	(156,897,707)
Proceeds from sale of fixed asset	1,266,666	5,000
Purchase of Long Term Investments in		
-subsidiaries	(1,695,639,723)	(57,682,000)
-joint ventures/Associates/entities under joint control	(357,070,195)	(2,313,430,294)
-Others	(9,065,734,732)	-
Sale of Long Term Investments in:		
Subsidiaries companies/Associate companies/ Partnership firms /Joint Ventures	557,939,162	300,070,000
Repayment of capital contribution by firm	1,045,722	-
Return of Capital Contribution by Joint Venture	-	282,336,600
Dividend received	7,222,433	110,658,024
Purchase of Current Investments	-	(6,560,675,263)
Sale of Current Investments	3,674,576,114	16,059,885,382
Advance for share purchase	1,611,600,000	(2,456,000,000)
Interest received	3,303,726	5,168,801
<b>Net cash from/ (used in) Investing Activities</b>	<b>B</b>	<b>(5,332,814,346)</b>
		<b>5,213,438,542</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012 (Contd....)

(Amount in ₹)

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
<b>C Cash flows from Financing Activities:</b>		
Repayment of secured Loans	(884,087,828)	-
Proceeds from loans from subsidiary	86,632,142	170,000,000
Inter-corporate deposits (Net)	(30,801,000)	(915,540,000)
Proceeds from secured loans	-	876,791,314
Repayment of unsecured loans	(170,000,000)	(1,573,725,207)
Interest paid on loans and debenture deposits	(62,430,430)	(404,825,283)
<b>Net cash used in Financing Activities</b>	<b>(1,060,687,116)</b>	<b>(1,847,299,176)</b>
Net Decrease in Cash and Cash Equivalents	<b>(39,464,856)</b>	<b>(341,478,267)</b>
Add : Cash and Cash Equivalents at the beginning of the year	<b>47,093,955</b>	<b>388,572,222</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>7,629,099</b>	<b>47,093,955</b>

### Notes to Cash Flow:

- Reconciliation of cash and cash equivalent:

Cash and Bank Balance (as per Schedule 13 & 16)	110,081,616	152,223,543
Less: Fixed deposits under lien/margin money	102,452,517	105,129,588
<b>Cash and Cash Equivalents at the end of the year</b>	<b>7,629,099</b>	<b>47,093,955</b>
- The Cash flow statement has been prepared under the indirect method as set out in accounting standard (AS3) Cash flow statement as notified by the Companies (Accounting Standard) Rules 2006.
- In respect of investing activities:**

Share of profit from partnership firm, net (non-cash item) for the year	486,580,981
Less:- Investments made during the year	-
Balance receivable at year end	486,580,981
- Corresponding figures of previous year have been regrouped wherever necessary.

**As per our report of even date annexed**

**For Haribhakti & Co.  
Chartered Accountants**

Firm's Registration No. 103523W

Chetan Desai  
Partner  
Membership No. 17000

**For and on behalf of the Board**

**Vinod Goenka  
Chairman & Managing Director**

**Mahesh Gandhi  
Director**

**N.M. Gattu  
Chief Financial Officer**

**Shahid Balwa  
Vice Chairman & Managing Director**

**Asif Balwa  
Group Director (Finance)**

**S A K Narayanan  
Company Secretary**

Mumbai, Dated : May 26, 2012

Mumbai, Dated : May 26, 2012

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012****1. COMPANY BACKGROUND:**

DB Realty Limited (the "Company") is public company domiciled in India. The company was initially incorporated in 2007 as a private limited company and thereafter listed with National Stock Exchange and Bombay Stock Exchange on February 24, 2010. The Company is a Real Estate Development Company that is focused on residential, commercial, retail and other projects, such as mass housing and cluster redevelopment. The company is jointly promoted by Mr. Vinod K. Goenka and Mr. Shahid Balwa.

**2. SIGNIFICANT ACCOUNTING POLICIES:****i. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standard) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**ii. USE OF ESTIMATES**

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

**iii. FIXED ASSETS****A. Tangible Assets:**

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

**B. Intangible Assets:**

Intangible Assets are recorded at their cost of acquisition, net of modvat/ cenvat, less accumulated amortization/ depletion.

**iv. DEPRECIATION/AMORTISATION**

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

**v. IMPAIRMENT OF ASSETS**

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

**vi. INVENTORIES**

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

**vii. REVENUE RECOGNITION**

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method, subject to transfer of significant risk and rewards to the buyer. The percentage of completion is determined on the basis of physical proportion of the work completed, as certified by the Company's technical personnel, in relation to a contract or a group of contracts within a project, only after the work has progressed to the extent of 30% of the total work involved and at least 20% of construction cost (excluding cost incurred in acquisition of land and its development rights) is incurred. Accordingly, cost of construction / development is charged to the statement of profit and loss in proportion to the revenue recognized during the period and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable / payable are reflected as Debtors / Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes or estimates is recognized in the period such changes are determined.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### viii. INVESTMENTS

- a) Current Investments are carried at lower of cost and fair value, computed script wise. Long term Investments including interests in subsidiaries, associates and jointly controlled entities are carried stated at cost, less provision, if any for Provision any diminution in the value of Long term investments is made only if decline is other than temporary in their value.
- b) As regards investments in partnership firms, the Company's share of Profit / Loss from investment in partnership firms is accounted for in respect of the year ended as on the balance sheet date, on the basis of the audited accounts of such partnership firms in accordance with Para 9.3 of Guidance Note to Revised Schedule VI issued by ICAI.

### ix. EMPLOYEE BENEFITS

#### a) Defined Contribution Plan:

The Company's Contribution paid / payable for the year period to a Defined Contribution retirement benefit plan is charged to statement of Profit and Loss.

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

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

#### c) Short term employee benefits:

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

### x. OPERATING LEASE:

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

### xi. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are recognised at the prevailing exchange rates on the transaction date. The exchange differences between the rates prevailing on the date of transaction and on the date of settlement as also on translation of monetary items as at the end of the year is recognized in the statement of profit and loss as income or expense, as the case may be.

### xii. BORROWING COST

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

### xiii. TAXES ON INCOME

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

Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date. the company reassesses recognised deferred tax assets and liabilities and recognises unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

### xiv. PROVISIONS AND CONTINGENT LIABILITY

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**
**3 Share Capital**

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	₹	Number	₹
<b>Authorised</b>				
Equity Shares of ₹10/- each	298,500,000	2,985,000,000	298,500,000	2,985,000,000
Preference shares of ₹10/- each	1,500,000	15,000,000	1,500,000	15,000,000
<b>Total</b>		<b>3,000,000,000</b>		<b>3,000,000,000</b>
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Shares of ₹10/- each	243,258,782	2,432,587,820	243,258,782	2,432,587,820
<b>Total</b>	<b>243,258,782</b>	<b>2,432,587,820</b>	<b>243,258,782</b>	<b>2,432,587,820</b>

**3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**
**Equity Shares:**

Particulars	31st March, 2012		31st March, 2011	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Shares issued (bought back) during the year	-	-	-	-
Shares outstanding at the end of the year	<b>243,258,782</b>	<b>2,432,587,820</b>	<b>243,258,782</b>	<b>2,432,587,820</b>

**3.2 Rights, preferences and restriction attached to shares**

Equity shares have equal rights to dividend and voting rights pro rata the holdings. The company has only one class of Equity Shares having a par value of ₹10/- per share.

**3.3 Details of shares held by shareholders holding more than 5% shares in the company**

Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Neelkamal Tower Construction LLP	104,564,838	42.99%	104,564,838	42.99%
Walkinson Investment Limited	19,687,500	8.09%	19,687,500	8.09%
Vinod Goenka*	27,364,216	11.25%	27,364,216	11.25%

\*Out of the above shareholding 100,000 shares (0.04%) are jointly held by Vinod Goenka and Aseela Goenka.

**3.4 Aggregate number of shares issued for consideration other than cash and shares bought back during the five years immediately preceding the reporting date:**

Particulars	Year (Aggregate No. of Shares)				
	2011-12	2010-11	2009-10	2008-09	2007-08
<b>Equity Shares :</b>					
Fully paid up by way of bonus shares (Equity shares of ₹10/- each)	-	-	201,150,000	-	-

**4 Reserves & Surplus**

Particulars	As at 31 March 2012	As at 31 March 2011
	₹	₹
<b>a. Securities Premium Account</b>	<b>23,843,290,192</b>	23,843,290,192
<b>b. Surplus</b>		
<b>Opening balance</b>	<b>7,251,202,051</b>	4,694,251,485
(+) Net Profit for the current year	<b>631,949,715</b>	2,556,950,566
<b>Closing Balance</b>	<b>7,883,151,766</b>	7,251,202,051
<b>Total (a+b)</b>	<b>31,726,441,958</b>	31,094,492,243



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### 5 Long Term Borrowings

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
<b>I. Secured</b>		
<b>(a) Term Loans</b>		
Vehicle Loan from Banks (Secured by way of hypothecation of vehicles purchased) (Refer Note 5.1 for Terms of Vehicle Loan)	9,567,247	18,655,075
<b>Total I</b>	<b>9,567,247</b>	<b>18,655,075</b>
<b>II. Unsecured</b>		
<b>(a) Term Loans</b>		
From LIC Housing Finance Limited (The said loan was received for the purpose of financing the cost of constructions and other project implementation cost within its subsidiary companies and jointly controlled companies and carries floating interest rate of 13.5% p.a. linked to LHPLR, payable monthly (from January, 2012 @ 15.40%). The Loan is repayable in six structured quarterly installments ending on August, 2013 and the outstanding balance is due in August, 2013. The Loan is guaranteed by personal guarantees of Managing Directors of the Company. Further, Esteem Properties Private Limited, a wholly owned subsidiary company, has mortgaged its land at Sahar, Andheri in this regard)	306,229,178	306,229,178
1. Period of default: Interest for the months of January and February 2012 have not been paid till 31st March, 2012		
2. Amount: ₹78,39,902/-		
<b>Total II</b>	<b>306,229,178</b>	<b>306,229,178</b>
<b>Total (I + II)</b>	<b>315,796,425</b>	<b>324,884,253</b>

### 5.1 Terms of Vehicle Loan

Particulars	No. of EMI's payable from 31/03/2012	ROI (%)	EMI Amount (₹)
ICICI Bank(Honda City)	6	11.50	16,690
HDFC Bank(Maruti SX4 Zxi)	9	10.50	18,220
HDFC Bank(Esteem)	9	10.50	12,785
HDFC Bank(Honda City)	13	9.76	18,717
HDFC Bank(Skoda )	34	9.35	42,200
Kotak Mahindra(Passat )	20	13.80	52,500
Kotak Mahindra(Camry)	22	12.25	44,130
ICICI Bank(BMW)	23	12.25	203,750
ICICI Bank(BMW)	23	12.25	203,750
ICICI Bank(Honda City )	32	9.50	18,420
ICICI Bank(Honda City )	32	9.50	18,420
ICICI Bank(Indigo Manza-Aura)	43	9.48	10,390
ICICI Bank(Linea-Emotion)	43	9.49	15,625
ICICI Bank(Toyota Camry)	44	9.01	47,400
ICICI Bank(Toyota Altis)	43	9.62	22,980
ICICI Bank(Tata Aria)	45	9.00	27,510

### 6 Long Term Provisions

Particulars	As at 31 March 2012	As at 31 March 2011
<b>(a) Provision for employee benefits</b>		
Gratuity (unfunded)	10,021,404	10,465,061
Leave Encashment (unfunded)	17,453,775	13,154,382
<b>Total</b>	<b>27,475,179</b>	<b>23,619,444</b>

In the absence of break up of Current and Non-current portion of provision for the previous year from the Actuary, short term provision, if any has also been shown here.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**
**7 Short Term Borrowings**

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
<b>Secured</b>		
<b>Loans from Banks:</b>		
Short Term Cash Credit from Bank (Secured by way of hypothecation of investment in Mutual Fund of DWS Fixed Term Fund Series 67-Growth Plan)	-	650,000,000
<b>Other Loans and Advances:</b>		
Short Term Loan from JM Financial Services Private Limited (Secured by way of hypothecation of investment in Mutual Fund of DWS Fixed Term Fund Series 67-Growth Plan)	-	225,000,000
<b>Unsecured</b>		
<b>Loans to Related parties:</b>		
Loans taken from Subsidiary	86,632,142	170,000,000
Inter-Corporate Deposits (Interest-Free)	340,549,000	371,350,000
<b>Total</b>	<b>427,181,142</b>	<b>1,416,350,000</b>

**8 Trade Payables and Other Current Liabilities**

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
<b>A] Trade Payables</b>		
Dues outstanding to micro and small enterprises**	439	439
Dues outstanding to others	99,186,446	117,182,814
	<b>99,186,885</b>	<b>117,183,253</b>
<b>B] Other Current Liabilities</b>		
Current maturities of long-term debt	7,587,639	7,110,783
Interest accrued but not due on borrowings	15,022,628	12,351,755
Interest accrued and due on borrowings	7,073,689	45,615
Advance received from Customers	47,676,200	55,476,200
Current Account balance with Partnership Firm	297,944,782	165,244,782
<b>Other payables:</b>		
Duties & Taxes	10,483,980	11,457,462
Employee benefits payable	12,900,267	19,104,334
Payables for the purchase of fixed assets	10,894,897	18,076,560
Tenancy rights payable	15,000,000	17,250,000
Expenses payable	38,074,337	38,885,463
Other payables	22,554,713	20,513,917
<b>Total</b>	<b>485,213,132</b>	<b>365,516,871</b>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Description	As at 31 March 2012 ₹	As at 31 March 2011 ₹
a) Principal amount remaining unpaid as at year end	439	439
b) Interest due thereon as at period / year end	-	-
c) Interest paid by the Company in terms of section 18 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
e) Interest accrued and remaining unpaid as at period / year end	-	-
f) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

### 9 Short Term Provisions

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
<b>(a) Provision for employee benefits</b>		
Gratuity (Unfunded)	1,857,551	-
Leave Encashment (Unfunded)	5,136,748	-
<b>(b) Others</b>		
Provision for Taxation	6,000,000	6,500,000
<b>Total</b>	<b>12,994,299</b>	<b>6,500,000</b>

In the absence of break up of Current and Non-current portion of provision for the previous year from the Actuary, the same has been shown as long term provision.

**10. Fixed Assets for the year 2011-12**

Sr. No	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		Balance as at 1 April 2011	Additions	(Disposals)	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charged for the year #	On disposals	Balance as at 31 March 2012	Balance as at 31 March 2011
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
a	<b>Tangible Assets</b>									
	Buildings-Flats@	10,765,400	250,000	-	11,015,400	922,137	493,768	-	1,415,905	9,599,495
	Plant and Equipments -Air Conditioners	11,836,436	35,794	-	11,872,230	3,085,663	1,218,150	-	4,303,813	7,568,417
	Furniture & Fixtures	47,616,243	178,873	-	47,795,116	16,354,973	5,678,661	-	22,033,634	25,761,483
	Vehicles	100,392,003	-	(2,557,915)	97,834,088	26,025,012	18,902,780	573,068	44,354,724	53,479,364
	Office Equipments	12,407,510	434,646	-	12,842,156	2,329,124	1,418,588	-	3,747,712	9,094,444
	Computers	11,624,901	235,709	-	11,860,610	5,020,225	2,481,745	-	7,501,970	4,358,640
	Improvement on Leasehold Property	118,149,011	18,360,231	-	136,509,242	86,501,695	41,085,174	-	127,586,869	8,922,373
	<b>Total</b>	<b>312,791,504</b>	<b>19,495,253</b>	<b>(2,557,915)</b>	<b>329,728,842</b>	<b>140,238,829</b>	<b>71,278,867</b>	<b>573,068</b>	<b>210,944,629</b>	<b>118,784,214</b>
b	<b>Intangible Assets</b>									
	Computer software	8,920,375	764,238	-	9,684,613	8,391,875	609,086	-	9,000,961	683,652
	<b>Total</b>	<b>8,920,375</b>	<b>764,238</b>	<b>-</b>	<b>9,684,613</b>	<b>8,391,875</b>	<b>609,086</b>	<b>-</b>	<b>9,000,961</b>	<b>528,500</b>
c	<b>Capital Work in Progress</b>									
		53,210,148	11,570,813	(33,579,844)	31,201,117	-	-	-	-	31,201,117
	<b>Total</b>	<b>53,210,148</b>	<b>11,570,813</b>	<b>(33,579,844)</b>	<b>31,201,117</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,210,149</b>
d	<b>Intangible assets under Development**</b>									
	Computer Software	32,600,459	11,624,476	-	44,224,935	-	-	-	-	44,224,935
	Beautification-Bandra-Worli Sea Link		161,115,794	-	161,115,794	-	-	-	-	161,115,794
	<b>Total</b>	<b>32,600,459</b>	<b>172,740,270</b>	<b>-</b>	<b>205,340,729</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205,340,729</b>
	<b>Grand Total</b>	<b>407,522,486</b>	<b>204,570,574</b>	<b>(36,137,759)</b>	<b>575,955,301</b>	<b>148,630,704</b>	<b>71,887,953</b>	<b>573,068</b>	<b>219,945,589</b>	<b>356,009,712</b>
	<b>Previous Year</b>	242,930,292	185,059,763	20,467,569	407,522,486	84,205,446	64,446,796	21,539	148,630,703	258,891,783
	<b>Total</b>									<b>158,724,846</b>

@ The said flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002 (Refer Note 38)

# Depreciation inventorised during the year ₹1,238,272/-(Previous year ₹4,923,265)

\*Out of the above,

Capital WIP written off during the year 16,196,490

Capital WIP capitalised during the year 17,383,354

**Total 33,579,844**

\*\*Intangible Assets under development includes ₹161,115,794 incurred for the beautification of Bandra Worli-Sealink which is reclassified during the current year and was shown under Loans and Advances in previous year at ₹118,545,363. As per the agreement, the revenue to be generated from film shooting Activities in the promenade area shall be shared in equal proportion between the Company and MSRDC, the Management is of the opinion that future economic benefits from the said assets is reasonably higher than cost incurred by the Company and the Company is having Control on the said asset to get future economic benefits.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### 11. Non Current Investments

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
<b>A Trade Investments</b>	-	-
<b>B Other Investments (Refer B below)</b>		
(a) Investment in Equity instruments	4,881,219,741	2,652,044,223
(b) Investments in preference shares	10,112,685,716	1,469,970,717
(c) Investments in debentures or bonds	25,000,000	26,000,000
(d) Investments in partnership firms	1,032,160,637	1,037,916,636
(e) Other non-current investments	481,515,532	350,405,532
<b>Total</b>	<b>16,532,581,626</b>	<b>5,536,337,108</b>
<b>Grand Total (A + B)</b>	<b>16,532,581,626</b>	<b>5,536,337,108</b>
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>16,532,581,626</b>	<b>5,536,337,108</b>

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
Aggregate amount of quoted investments (Market value of ₹ Nil)	-	-
Aggregate amount of unquoted investments	16,532,581,626	5,536,337,108

B. Details of Other Investments											
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Nominal Value per share	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹) (Valued at cost unless otherwise specified)	
				2012	2011			2012	2011	2012	2011
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(a)	<b>Investment in Equity Instruments</b>										
	Esteem Properties Private Limited	Subsidiary	100	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	312,018,720	312,018,720
	Gokuldharm Real Estate Development Company Private Limited	Subsidiary	100	374,990	374,990	Unquoted	Fully Paid	75.00	75.00	37,592,755	37,592,755
	NeelKamal Realtors Suburban Private Limited	Subsidiary	10	435,600	435,600	Unquoted	Fully Paid	66.00	66.00	4,366,892	4,366,892
	NeelKamal Shantinagar Properties Private Limited	Subsidiary	10	16,000	16,000	Unquoted	Fully Paid	100.00	100.00	160,401	160,401
	NeelKamal Realtors Tower Private Limited	Subsidiary	10	1,010,807	1,010,807	Unquoted	Fully Paid	50.72	50.72	165,703,146	165,703,146
	D B Man Realty Limited	Subsidiary	10	7,140,000	510,000	Unquoted	Fully Paid	51.00	51.00	71,400,000	5,100,000
	Real Gem Buildtech Private Limited	Subsidiary	10	10,000	8,500	Unquoted	Fully Paid	100.00	85.00	1,500,085,000	85,000
	Saifee Bucket Factory Private Limited	Subsidiary	1,000	248	248	Unquoted	Fully Paid	100.00	100.00	70,174,999	70,174,999
	Priya Constructions Private Limited	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	100,000	100,000
	N.A. Estate Private Limited	Subsidiary	100	1,000	1,000	Unquoted	Fully Paid	100.00	100.00	100,000	100,000
	Royal Netra Constructions Private Limited	Subsidiary	100	75,600	75,600	Unquoted	Fully Paid	50.40	50.40	7,560,000	7,560,000
	Nine Paradise Erectors Private Limited	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	100,000	100,000
	DB MIG Realtors & Builders Private Limited	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	49,554,000	49,554,000
	Spacecon Realty Private Limited(DB Spacecon)	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	74.00	74.00	100,000	100,000
	Vanita Infrastructure Private Limited	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	100,000	100,000
	DB Contractors & Builders Private Limited	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	100,000	100,000
	DB View Infracon Private Limited	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	100,000	100,000
	Sangam City Town Ship Private Limited	Associate	10	9,500	9,500	Unquoted	Fully Paid	31.67	31.67	95,000	95,000
	Dynamix Building Materials Private Limited	Associate	100	-	1,000	Unquoted	Fully Paid	-	50.00	-	100,000
	D B Hi-Sky Construction Private Limited	Associate	10	5,000	5,000	Unquoted	Fully Paid	50.00	50.00	50,000	50,000
	Crossway Realtors Private Limited	Associate	10	-	2,800	Unquoted	Fully Paid	-	28.00	-	28,000
	Heaven Star Realty Private Limited	Associate	10	-	242,400	Unquoted	Fully Paid	-	24.00	-	120,026,410

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

Mahal Pictures Private Limited	Associate	10	3,600	3,600	Unquoted	Fully Paid	33.33	33.33	892,225,001	892,225,001
DB (BKC) Realtors Private Limited	Joint Venture	10	187,015	187,015	Unquoted	Fully Paid	40.80	40.80	986,503,899	986,503,899
DB Hospitality Private Limited	Others	10	3,838,382	-	Unquoted	Fully Paid	15.53	-	783,029,928	-
<b>TOTAL (a)</b>									<b>4,881,219,741</b>	<b>2,652,044,223</b>
<b>(b) Investments in Preference Shares</b>										
NeelKamal Realtors Suburban Private Limited (10.50% Redeemable Cumulative Preference Shares)	Subsidiary	100	1,050,000	1,050,000	Unquoted	Fully Paid	100.00	100.00	105,262,502	105,262,502
NeelKamal Realtors Tower Private Limited (0.002% Redeemable Optionally Convertible Cumulative Preference Shares)	Subsidiary	10	660,918	660,918	Unquoted	Fully Paid	51.00	51.00	109,609,005	109,609,005
DB (BKC) Realtors Private Limited										
i) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares	Joint Venture	10	3,045,180	3,045,180	Unquoted	Fully Paid	66.44	66.44	991,626,849	991,626,849
ii) 0.001% Compulsory Convertible Cumulative Preference Shares	Joint Venture	10	70,652	39,856	Unquoted	Fully Paid	13.30	7.50	488,482,556	263,472,361
Real Gem Buildtech Private Limited	Subsidiary	10	13,500,000	-	Unquoted		100.00	-	135,000,000	-
0.1% Redeemable Cumulative Preference Shares										
DB Hospitality Private Limited	Others									
i) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares	Others	10	24,233,571	-	Unquoted	Fully Paid	73.76	-	4,943,648,484	-
ii) 0.002% Compulsory Convertible Cumulative Preference Shares	Others	10	9,260,080	-	Unquoted	Fully Paid	92.60	-	1,889,056,320	-
iii) Cumulative Redeemable Preference Shares	Others	10	1,450,000	-	Unquoted	Fully Paid	100.00	-	1,450,000,000	-
<b>TOTAL (b)</b>									<b>10,112,685,716</b>	<b>1,469,970,717</b>
<b>(c) Investments in Debentures or Bonds</b>										
N.A. Estate Private Limited (Interest free fully and compulsory convertible unsecured debentures)	Subsidiary	100	70,000	70,000	Unquoted	Fully Paid	100.00	100.00	25,000,000	25,000,000
The Estate Investment Company Private Limited (Interest free fully and compulsory convertible secured debentures)	Others	100	-	10,000	Unquoted	Fully Paid	-	100.00	-	1,000,000
<b>TOTAL (c)</b>									<b>25,000,000</b>	<b>26,000,000</b>
<b>(d) Investments in partnership firms</b>										
M/s Dynamix Realty (Project II)	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	99.00	250,000	250,000
M/s DBS Realty	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	33.33	33.33	1,494,020	1,589,742
M/s Mira Salt Works Company	Subsidiary	N.A.	N.A.	N.A.	N.A.	N.A.	99.00	99.00	1,030,416,617	1,036,076,894
<b>TOTAL (d)</b>									<b>1,032,160,637</b>	<b>1,037,916,636</b>
<b>(e) Other non-current investments (specify nature)</b>										
Conwood - DB Joint Venture	Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.	90.00	90.00	157,654,732	155,779,732
ECC - DB Joint Venture	Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.	75.00	75.00	296,885,000	166,700,000
Turf Estate Joint Venture	Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.	66.67	66.67	2,500,000	2,500,000
Lokhandwala Dynamix-Balwas JV	Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	24,117,000	24,117,000
DB Realty and Shreepati Infrastructures Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	60.00	60.00	58,800	58,800
Ahmednagar Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
Aurangabad Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
Badnera Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Baramati Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Bhandara Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Chandrapur Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Daund Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
Hingoli Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Jalgaon Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Jalna Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Kolhapur Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Latur Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
Malkapur Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Nandurbar Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Osmanabad Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Parbhani Warehousing Developer & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Pari Vajinath Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Ratnagiri Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Saswad Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
Satara Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Sawantwadi Warehousing Developers and Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Solapur Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	50,000	50,000
Umri Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Wadsa Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
Washim Warehousing Developers & Builders Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	50.00	-	50,000
<b>TOTAL (e)</b>									<b>481,515,532</b>	<b>350,405,532</b>
<b>Total(a+b+c+d+e)</b>									<b>16,532,581,626</b>	<b>5,536,337,108</b>

### Notes:

- The company has pledged 51% of its total investments in equity and preference shares of Neelkamal Realtors Tower Private Limited, subsidiary company, in favour of banks which provided term loans of ₹ 200 crores, to the said subsidiary.
- The Company has pledged 88.79% of its investments in equity & 54.53% of its investment in ROCCPS of DB (BKC) Realtors Private Limited (Formerly known as M K Malls & Developers Private Limited) joint venture, in favour of banks which sanctioned term loans of ₹ 75 crores, to the said joint venture.
- Lokhanwala Dynamix Balwas JV is reconsidered as Joint venture as against Associate in the previous year.



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**
**C. Investment in Partnership Firms**

(i)	M/s Dynamix Realty (Project II)*	31-Mar-12		31-Mar-11	
		Name of the Partners	Share of each partner	Total Capital	Share of each partner
		(%)		(%)	
	DB Realty Ltd	50.00	250,000	50.00	250,000
	Eversmile Construction Company	50.00	125,000	50.00	125,000
	<b>Total Capital</b>	<b>100.00</b>	<b>375,000</b>	<b>100.00</b>	<b>375,000</b>

(ii)	M/s DBS Realty	31-Mar-12		31-Mar-11	
		Name of the Partners	Share of each partner	Total Capital	Share of each partner
		(%)		(%)	
	DB Realty Ltd.	33.33	1,494,020	33.33	1,589,742
	Kishormal Shah	8.33	825,000	8.33	825,000
	Manakchand Loonkar	8.33	825,000	8.33	825,000
	Real Street Developers	16.67	1,650,000	16.67	1,650,000
	Vision Finstock Limited	16.67	1,650,000	16.67	1,650,000
	Ramesh Shah	16.67	1,650,000	16.67	1,650,000
	<b>Total Capital</b>	<b>100.00</b>	<b>8,094,020</b>	<b>100.00</b>	<b>8,189,742</b>

(iii)	M/s Mira Salt Works Company	31-Mar-12		31-Mar-11	
		Name of the Partners	Share of each partner	Total Capital	Share of each partner
		(%)		(%)	
	DB Realty Ltd	99.00	1,030,416,617	99.00	1,036,076,894
	DB View Infracon Pvt Ltd.	1.00	-	1.00	-
	<b>Total Capital</b>	<b>100.00</b>	<b>1,030,416,617</b>	<b>100.00</b>	<b>1,036,076,894</b>

\*DB Realty Ltd. is only a partner in Project II of Dynamix Realty

**12. Long Term Loans and Advances (Unsecured, considered good, unless stated otherwise)**

Particulars	As at 31 March 2012		As at 31 March 2011	
	₹	₹	₹	₹
<b>a. Capital Advances</b>	-	-	4,500,000	4,500,000
<b>b. Security Deposits</b>				
Security Deposits	-	4,122,351,248	-	4,822,859,899
<b>c. Loans and advances to related parties</b>				
Loans to Associates	-	780,740,000	-	791,032,492
<b>d. Other loans and advances</b>				
Advance Payment of Taxes	17,851,409		22,358,075	
Advance against Share Purchase	864,400,000		2,476,000,000	
Advance Recoverable in Cash or Kind:	373,094,541	1,255,345,950	722,592,415	3,220,950,490
		<b>6,158,437,198</b>		<b>8,839,342,881</b>

**12.1 Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member**

	As at 31 March 2012 ₹	As at 31 March 2011 ₹
Private Company in which a director is a member/ a director	<b>4,463,980,237</b>	3,994,725,401
	<b>4,463,980,237</b>	<b>3,994,725,401</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### 13. Other Non-Current Assets

	As at 31 March 2012 ₹	As at 31 March 2011 ₹
Margin money Deposit*	30,460,781	101,520,000
	<b>30,460,781</b>	<b>101,520,000</b>

\* Under lien with Banks.

### 14. Current Investments

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
(a) Investments in Equity Shares	-	100,000
(b) Investments in Debentures	1,000,000	-
(c) Investments in Mutual Funds	-	1,067,270,000
(d) Investments in partnership firms	4,648,526,299	6,640,930,946
(e) Other Current Investments	71,637,683	116,257,169
Total	4,721,163,982	7,824,558,115
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>4,721,163,982</b>	<b>7,824,558,115</b>

#### Details of Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Nominal Value per share	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹)	
				2012	2011			(Valued at lower of cost or fair value)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(a)	<b>Investment in Equity Shares</b>								
	DB Properties Private Limited	Subsidiary	10	-	10,000	Unquoted	Fully Paid	-	100,000
(b)	<b>Investment in Debentures</b>								
	The Estate Investment Company Private Limited	Others	100	10,000	-	Unquoted	Fully Paid	1,000,000	-
(c)	<b>Investments in Mutual Funds</b>								
	DWS Fixed Term Fund Series 67-Growth Fund	Others	10	-	100,000,000	Unquoted	Fully Paid	-	1,067,270,000
(d)	<b>Investments in partnership firms</b>								
	M/s Dynamix Realty	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	4,304,903,099	6,301,772,746
	Mira Salt Works	Subsidiary	N.A.	N.A.	N.A.	N.A.	N.A.	343,623,200	339,158,200
								<b>4,648,526,299</b>	<b>6,640,930,946</b>
(e)	<b>Other Current Investments</b>								
	DB Realty and Shreepati Infrastructures Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	70,686,875	65,386,875
	Ahmednagar Warehousing Deve. & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	218,123	3,218,123
	Aurangabad Warehousing Dev. & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	166,548	5,066,548

**D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

Daund Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	13,890	3,163,890
Latur Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	162,219	162,219
Saswad Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	172,418	3,172,418
Solapur Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	217,610	3,267,610
Badnera Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	65,425
Baramati Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	1,266,123
Bhandara Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	1,340,678
Chandrapur Warehousing Dev. & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	6,334,130
Hingoli Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	3,798,288
Jalgaon Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	1,398,788
Jalna Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	117,678
Kolhapur Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	676,089
Malkapur Warehousing Dev. & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	91,562
Nandurbar Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	26,445
Osmanabad Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	100,733
Parbhani Warehousing Developer & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	3,798,288
Parli Vajjnath Warehousing Dev & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	183,315
Ratnagiri Warehousing Deve. & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	2,532,205
Satara Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	3,171,801
Sawantwadi Warehousing Developers and Builder LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	2,609,096
Umri Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	3,557,301
Wadsa Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	1,650,664
Washim Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	-	100,877
							<b>71,637,683</b>	<b>116,257,169</b>
<b>Total</b>							<b>4,721,163,982</b>	<b>7,824,558,115</b>

Note: Refer Note 11(C) to Financial Statements

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### 15. Inventories

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
Project Work in Progress (Valued at cost or net realisable value whichever is lower)#	2,068,074,734	1,993,459,926
<b>Total</b>	<b>2,068,074,734</b>	<b>1,993,459,926</b>

# Refer footnote (iv) to Note 25

### 16. Cash and Bank Balances

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
1. Cash and cash equivalents		
a. Balances with banks#	7,398,462	46,845,496
b. Cash on hand	230,637	248,460
2. Other Bank Balances*	71,991,736	3,609,588
	<b>79,620,835</b>	<b>50,703,543</b>

# Includes ₹6,892,967/- attached under Prevention of Money Laundering Act, 2002 by the Enforcement Directorate (Refer Note 38)

\* Under lien with Banks.

### 17. Short-term loans and advances (unsecured, considered good, unless stated otherwise)

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
<b>a. Loans and advances to related parties (refer note 17.1)</b>		
Loans to Subsidiaries	3,667,268,336	8,852,127,147
Loans to Joint Ventures under Joint Control	468,682,500	311,007,500
Loans to Others	787,647,403	1,321,183,856
Less: Provision for doubtful loans and advances	-	-
	<b>4,923,598,239</b>	<b>10,484,318,503</b>
<b>b. Others</b>		
Tax Deducted at Source	5,481,904	-
Service Tax Receivable	455,163	-
<b>Other Loans and Advances:</b>		
Unsecured, considered good	596,645,536	687,836,697
Unsecured, considered doubtful	17,557,328	167,557,328
Less: Provision for Doubtful Advances	(17,557,328)	(167,557,328)
	<b>602,582,603</b>	<b>687,836,697</b>
<b>Total</b>	<b>5,526,180,842</b>	<b>11,172,155,200</b>

#### 17.1 Loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
Private Company in which director is a member / a director	3,510,230,569	5,453,307,053
	<b>3,510,230,569</b>	<b>5,453,307,053</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

**18. Other Current Assets**

Particulars	As at 31 March 2012 ₹	As at 31 March 2011 ₹
Interest Accrued but not due	9,525,689	4,165,329
	<b>9,525,689</b>	<b>4,165,329</b>

**19. Other Income**

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Interest Income	247,424,562	618,768,502
Dividend Income on current investments	7,222,433	177,928,025
Net gain on sale of current investments	83,601,000	2,409,346
Net gain on sale of long term investments	437,784,752	-
Share of Profit from Investment in Partnership Firms (Net)	486,580,981	2,812,282,633
Miscellaneous Income	589,175	112,263
<b>Total</b>	<b>1,263,202,903</b>	<b>3,611,500,769</b>

**20. Project Expenses**

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Land acquisition and purchase of tenancy rights	13,052,814	819,849,890
Project Salaries, Wages and Bonus (including Managerial Remuneration)	62,959,212	67,334,589
Contribution to Provident fund & others	-	435,320
Other construction expenses	75,869,373	199,353,146
<b>Total</b>	<b>151,881,399</b>	<b>1,086,972,945</b>

**21. Changes in Inventories**

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Opening Inventory - Project Work in progress	1,993,459,925	973,706,391
Less : Transferred to Advances recoverable in cash or kind	-	(10,257,000)
Less : Charged off during the year	(78,504,863)	(41,119,456)
Less : Transferred to subsidiary company	-	(20,766,217)
Closing Inventory - Project Work in progress	(2,068,074,734)	(1,993,459,925)
<b>Total</b>	<b>(153,119,672)</b>	<b>(1,091,896,207)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### 22. Employee Benefit Expenses

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
(a) Salaries and wages	118,846,884	87,339,264
(b) Contributions to Provident and other funds	4,248,102	1,096,706
(c) Staff welfare expenses	18,839,245	23,327,185
<b>Total</b>	<b>141,934,231</b>	<b>111,763,155</b>

### 23. Finance Cost

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Interest Expense	67,740,600	331,726,396
Other borrowing costs	4,388,777	79,123,562
<b>Total</b>	<b>72,129,377</b>	<b>410,849,958</b>

### 24. Other Expenses

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Rent	19,130,755	19,497,766
Repairs and Maintenance - others	3,903,134	11,034,307
Legal and Professional Charges*	39,008,284	77,777,385
Donations	1,200	6,465,302
Net loss on foreign currency transactions	5,610	118,720
Advertisement and Publicity	11,998,843	74,492,032
Books, Periodicals, Subscription & Membership Fees	1,423,004	3,083,698
Directors Sitting Fees	1,140,000	1,080,000
Printing and Stationery and Telephone Charges	1,878,636	4,614,340
Travelling and Conveyance Expenses	9,068,508	70,590,596
Provision for Doubtful Advances written off	-	150,000,000
Loss on Sale of Asset	718,181	26,263
Loss on Redemption of Preference Shares	-	750,000
Miscellaneous Expenses	8,883,833	11,763,692
Project Expenses written off	78,504,863	41,119,456
Capital Work in Progress written off	16,196,490	-
Advance witten off	200,000,000	-
<b>Total</b>	<b>391,861,341</b>	<b>472,413,557</b>

Note:

\*Refer Note 33 for Payment to Auditor

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**
**25. Contingent Liabilities and commitments:**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>Contingent Liabilities:</b>		
A. Claim made against the Company not acknowledged as debt relating to service tax on lease rentals in respect of an office premises.(Refer Note (i))	N.A.	2,448,609
B. (a) The Company has filed a writ petition (1230 of 2010) in the High Court of Judicature at Bombay (the 'High Court'), contesting the constitutional validity of Section 65 (30) read with Section 65(105) (zpz) and Section 65(105) (zzh) read with Section 66 of the Finance Act, 1994, as amended by the Finance Act, 2010 and the matter is pending for final hearing. Further, the Company has also applied for membership of Maharashtra Chambers of Housing Industry (MCHI). MCHI, on behest of its Members, has filed a writ petition in the High Court of Bombay challenging the levy of service tax by them on Sale of Residential Flats, which has not reached its finality. Meanwhile, the High Court of Bombay has passed a Notice of Motion dated 18th February, 2011, whereby the Members are permitted to deposit the service tax with the Prothonotary & Senior Master/ Registrar (O.S.) of the Court, with a direction that the same will be refunded with interest in the event Members succeed in the said writ petition. In view of the same, the Company has demanded the amount of service tax from each of the purchasers after 31st March 2011 and the amount of such service tax as upto 31st March 2011 is ₹ 656,012. The Company is of the view that the same is required to be deposited as and when collected from the purchasers. The Management of the Company has taken adequate steps for the recovery of such service tax dues and are of the opinion that the same shall be collected and deposited in due course of time and does not believe it is unreasonable to expect of ultimate collection. and (b) service tax matter as above in case of joint ventures (amount of service tax of Company's share as up to 31st March 2011 ₹ 2,618,769) (Refer Note (ii))	N.A.	Amount unascertainable
C. The Company and DB Hospitality Private Limited (together "sponsor"), a company under the same management, have entered into a sponsorship agreement dated September 18, 2010 with DB Hotels (India) Private Limited (earlier known as Heaven Star Private Limited) (DBHPL) for providing sponsor support for project/ capital overrun (as determined in the future) and Non Disposal undertaking in respect of 70% of their paid up share capital in DBHPL to Yes Bank who have agreed to lend ₹ 10,820,000,000 to DBHPL for its project.	Amount unascertainable	Amount unascertainable
D. Guarantees to banks and financial institutions (in India and overseas) against credit facilities extended to:		
a) Subsidiaries		
- Gokuldham Real Estate Development Company Private Limited	1,300,000,000	1,300,000,000
- Neelkamal Realtors Tower Private Limited	2,004,125,000	2,004,125,000
Sub Total (a)	<b>3,304,125,000</b>	<b>3,304,125,000</b>
b) Partnership firm		
- Dynamix Realty( Towards vehicle loan)	Sub Total (b)	<b>4,125,000</b>
c) Jointly Controlled Entity		
- DB (BKC) Realtors Private Limited (earlier known as M K Malls & Developers Private Limited) (Refer note (iii) below)	Sub Total (c)	-
d) Companies under the same management		
- D B Hospitality Limited, Mauritius (wholly owned subsidiary of DB Hospitality Private Limited) (USD 138 Million) (Refer note 26 below)	7,059,597,000	6,161,700,000
Sub Total (d)	<b>7,059,597,000</b>	<b>6,161,700,000</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

e) Others		
- Neelkamal Realtors and Builders Private Limited (Towards vehicle loan)	4,125,000	4,125,000
- Majestic Infracon Private Limited (earlier known as DBI Infracon Private Limited / Tiger Trustees Private Limited) (Refer note (iv) and Note 26 below)	8,530,000,000	8,530,000,000
Sub Total (e)	<b>8,534,125,000</b>	<b>8,534,125,000</b>
<b>Grand Total (a+b+c+d+e)</b>	<b>18,901,972,000</b>	<b>18,004,075,000</b>
E. Other money for which the company is contingently liable:-		
i) Arrears of Dividend on 0.001 % compulsorily Convertible Cumulative Preference shares (CCPS), during the previous year converted in to equity shares.	185	185
ii) Contingent payments to the holders of Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS), Compulsory Convertible Preference Shares (CCPS) and equity shares subscribed by other shareholders of an entity (in which the Company has joint control) – representing the amount payable or adjustable by the Company on exercise of various exit options by such other holders based on agreement entered with them.	Amount unascertainable	Amount unascertainable
iii) Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: DB Realty Limited (Refer Note 38) Dynamix Realty (Refer Note (iv) of A of 27)	Amount unascertainable	Amount unascertainable

### Notes:

- (i) The said claim has been provided for in the financial statements in the current year on account of levy of service tax on renting of immovable property by the Service Tax Department.
- (ii) During the previous year, the outcome of the said writ petition filed by the Company and MCHI has been unfavorable. Accordingly, the Company has provided the service tax liability in its financial statements which amounts to ₹455,163/-. The Company is of the view that the same is required to be deposited as and when collected from the purchasers. The Management of the Company has taken adequate steps for the recovery of such service tax dues and are of the opinion that the same shall be collected and deposited in due course of time and does not believe that it is unreasonable to expect the ultimate collection.
- (iii) No amount has been utilized towards a total corporate guarantee provided of ₹ 750,000,000 (Previous year: ₹ 2,448,000,000).
- (iv) Together with collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai with all including all development rights, unutilized Floor Space Index (FSI) / or such other FSI that may be granted in future.

The company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.

26. In a previous year, the Company had given Corporate Guarantees on behalf of two companies in which some of the directors of the Company are interested. The said companies are however, not a part of DB consolidated group. Such guarantees are:

- (i) In respect of facilities availed by Majestic Infracon Private Limited, from Punjab National Bank, Mumbai and Bank of India, Mumbai, for an amount aggregating ₹ 8,530,000,000 (Previous Year ₹ 8,530,000,000).
- (ii) In respect of facilities availed by DB Hospitality Limited, Mauritius ('DBH, Mauritius') from ICICI Bank - United Kingdom PLC of USD 138 millions - ₹ 7,059,597,000 as at the year end March 31, 2012 (Previous Year ₹ 6,161,700,000) .

The outstanding balances as at March 31, 2012 in respect of aforesaid guarantees are aggregating ₹ 15,589,597,000 (Previous Year ₹14,691,700,000). For the purpose of the said corporate guarantees, the Company has received in its favour irrevocable and unconditional personal guarantees from the two interested directors covering the entire amount of such guarantees issued by the Company.

The aforesaid facilities are secured as under:

- (i) Majestic Infracon Private Limited: by (a) pledge of its shareholding consisting of 45,934,000 equity shares in Etisalat DB Telecom Private Limited; (b) a pari passu charge on its property consisting of Hotel Hilton, Mumbai.
- (ii) DBH Mauritius: by (a) mortgage of its property consisting of Milan Mall in Milan Theatres Private Limited, Dynamix Mall in YJ Realty Private Limited, Orchid Garden in Conwood DB JV and Orchid Park in DB Realty Limited (against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement); (b) pledge of its entire shareholding of DB Hospitality Private Limited ('DBHPL') in DBH, Mauritius (being the wholly owned subsidiary of DBHPL).

The Company is confident that these companies would fulfill their obligations under the credit facilities and does not expect any outflow of resources.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

27. Share of profit (net) from investments in partnership firms ("the firms") and investments in the firms is based on financial statements of the firms as audited by other auditors. The audited financial statements/the auditors' report on the financial statements of the partnership firms viz. Dynamix Realty ("Dynamix"), DBS Realty and Mira Real Estate Developers (formerly known as Mira Salt Works Company) in which the Company is a partner has reported certain significant matters as under:

**A. Dynamix Realty:****i. Notes to Financial statements relating to loans and advances :**

1. The other partner (being an entity in which a director of the Company is interested) viz. Eversmile Construction Company Private Limited (ECC) has taken interest free deposit of ₹ 1,500,000,000 and the said deposit as per the deed of partnership was to be adjusted against ECC's share of profit. As at the Balance sheet date, there is a debit balance of ₹ 423,844,175 (Previous Year ₹ 3,428,974,912). As represented by partners of the Firm, the said balance shall be recovered in due course of time and hence, the same is considered good of recovery.
2. Dynamix has granted unsecured loans, repayable on demand with no other terms, for which the Partners have given their consent. In the opinion of the Firm, the outstanding amount as of year-end of loan and interest thereon of ₹387,925,377 (Previous year ₹1,218,431,620) (including ₹274,000,000 (previous year 1,048,000,000) from a company in which a director of the Company is interested) is considered good for recovery.

**ii. Notes to Financial statements relating to Trade receivables :**

During the previous financial year, Dynamix had sold 1,06,520 square meters of TDR amounting to ₹ 3,341,043,342 to a party and amount due as of period ended 31st March, 2012 from the said party is ₹ 469,100,000 which is overdue. Further, other debtors include amount of ₹ 391,366,407 which are outstanding for more than six months. Out of these outstanding, debtors amounting to ₹ 841,720,750 are attached under the PML Act. In the opinion of the Partners of the Firm, they do not expect any shortfall in recovery.

**iii. Notes to Financial statements relating to treatment of income tax :**

In computing the provision for current tax of Dynamix for the preceding years, the profits derived from the Project were claimed as a deduction u/s 80 (IB) of the Income Tax Act, 1961 (the Act) on a year to year basis. In the current year, on completion of the Project, the balance profits stands recognised and the same is claimed as an admissible deduction u/s 80 (IB) of the Act in computing the current tax for the year.

**iv. Notes to financial statements and reference in Auditors' report regarding a matter which is sub-judice:**

Dynamix had granted Loan to Kusegaon aggregating to ₹ 2,092,425,485, (the said loans) as upto 31.03.2010. As of 31.03.2012, the outstanding balance due from Kusegaon is ₹ 91,501,379 being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that the Key Management Personnel of D B Group of Companies have out of the said loans granted, paid ₹ 2,000,000,000 as illegal gratification to M/s Kalaingar TV Private Limited through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau of Investigation have alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000 is accepted as genuine business transaction, the said loans obtained by Kalaingar for a consideration which being known as inadequate, constitutes commission of offence. In the opinion of the Partners of the firm, these are preliminary charges based on investigation carried out by the Central Bureau of Investigation Team and the key management personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the firm.

Further, consequent to above, a complaint was filed under the Prevention of Money Laundering Act, 2002 (the PML Act) and the Adjudicating Authority vide Order dated 10.01.2012 has confirmed the Provisional Attachment Order (the Order). The Firm being included as one of the defendant, properties in the form of bank balances and sundry debtors aggregating to ₹ 1,338,877,171 were provisionally attached, out of which, sundry debtors of ₹ 497,120,750 stands realised after furnishing the information for which the requisite intimation has been made to the Prescribed Authority. Upon reaching finality in the 2G Spectrum Case, the outcome of the Order shall become final. Further, an appeal has been preferred against the Order before the Appellate Tribunal under the PML Act.

**v. Notes to Financial statements relating to procedures pertaining to direct confirmations:**

The Firm's Auditor 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 Sundry Debtors & of Sundry Creditors.

In the opinion of the partner of the firm, the balances for which confirmations have not been received in case of sundry debtors and advances granted, the same are good for recover and in case of liabilities the same are payable.

**B. DBS Realty:****i. Notes to Financial statements relating to procedures pertaining to direct confirmations:**

Trade Payables, Contractors' Retention money and mobilization advance in the financial statements are subject to confirmation. As per the contention of the management the same are good for realization.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

### C. Mira Real Estate Developers:

- i. Notes to financial statements and reference in Auditors' report regarding a matter which is sub-judice:

The Salt Department, Union of India has filed a petition and the partnership firm has filed cross petitions towards their respective claim for exclusive title over the salt pan land. Though the matter is sub-judice, the firm is of opinion that it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.

- ii. Notes to Financial statements relating to procedures pertaining to direct confirmations:

Trade Payables, other current liabilities, other current assets and other non-current assets are subject to confirmation.

28. During the previous year, the Company acquired 1/3rd stake in another company by paying ₹ 892,225,001. By and under a Share Purchase Agreement dated December 2, 2010, the Company agreed to purchase additional 1/3rd stake from another shareholder vide a Share Purchase Agreement and paid advance of ₹ 400,000,000. However, as per the said agreement, such purchase is subject to settlement of a suit which is pending at the High Court of Judicature at H'ble Bombay High Court. The Company, based on legal advice is confident of a favorable resolution in getting the matter resolved favourably so as to be able to develop the underlying land parcel; and accordingly the said advance paid is considered to be good of recovery.
29. One of the Company's wholly owned subsidiary (i.e. Esteem properties private Limited) has plans to construct/ develop/ market project/s on its land, which are delayed due to title dispute concerning the previous landlords. The Company has filed a special leave petition before the Supreme Court of India. The Company considers its investment in the said subsidiary as long term and strategic in nature. As of March 31, 2012, the Company's investment in and Loan to this subsidiary aggregate ₹ 312,018,720 (previous year ₹312,018,720) and ₹1,106,077,945 (previous year ₹ 1,351,977,945) respectively. The management is confident about the positive outcome and does not believe that there is any diminution in the value of its investments and considers the loan given as good of recovery.
30. The Company has incurred a sum of ₹ 134,772,050 (previous year ₹123,779,659) towards acquisition of development rights pertaining to a SRA redevelopment project, which is the subject matter of litigation. Based on legal advice, the Company believes that it has a good chance of getting the project and is confident of commencement of redevelopment activities shortly and accordingly the said amount is considered as good of recovery.
31. Provision for tax made for the current year pertains to Minimum Alternate Tax (MAT) i.e. Tax on Profits made under section 115JB of Income Tax act, 1961 amounting to ₹6,000,000.

The Company has also recognized deferred tax asset in accordance with Accounting Standard - 22 "Accounting for taxes on income". The components of the deferred tax asset recognized for the period are as follows:

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>Opening Deferred Tax Asset (A) :</b>	-	-
Fixed assets: Impact of difference between Net Book value of Fixed Assets and tax written down value.	33,637,819	-
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis:-		
- Provision for Gratuity	3,854,127	-
- Provision for Leave Encashment	7,329,495	-
<b>Closing Deferred Tax Asset (B) :</b>	<b>44,821,441</b>	-
<b>Charged for the year (A - B) :</b>	<b>(44,821,441)</b>	-

32. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating ₹ 2,044,533,140 (Previous year ₹ 148,933,200) and loans and advances outstanding aggregating ₹ 3,172,489,420 (Previous year ₹ 5,843,995,961) as at March 31, 2012. While such entities have incurred losses during the year and have negative net worth as at the year end, the underlying projects in such entities are in the early stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. Further, the Company has contribution in one of the joint venture (considered as an Associate) amounting to ₹ 24,117,000 (Previous Year ₹ 24,117,000) as at March 31, 2012. The Company has not received Financial Statements of the said Joint Venture since last two years and there is also some legal dispute with the co-venturer relating to project in Joint Venture. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's investments in such entities or in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**
**33. Payment to Auditors (included in Legal and Professional charges excluding service tax):**

Particulars		For the year ended March 31, 2012 (₹)	For the year ended March 31, 2011 (₹)
a)	As Auditor (Statutory Audit (including limited reviews))	6,750,000	5,500,000
b)	For other services (Certification and IPO related work)	-	1,920,000
c)	For reimbursement of expenses	4,331	3,135
<b>Total</b>		<b>6,754,331</b>	<b>7,423,135</b>

**34. Managerial remuneration:**

Particulars		For the year ended March 31, 2012 (₹)	For the year ended March 31, 2011 (₹)
a)	Salaries and allowances	15,709,677	22,321,429
b)	Contribution to provident and other funds	-	-
c)	Perquisites	-	4,638,742
d)	Directors' sitting fees	1,140,000	1,080,000
e)	Remuneration paid by one of the subsidiary company	18,000,000	9,000,000
<b>Total</b>		<b>34,849,677</b>	<b>37,040,171</b>

**Notes:**

- a) During the year, one of the subsidiary company appointed one of the managing directors of the Company as its managing director for overall responsibilities and functions of the said subsidiary company and it has paid aggregate of ₹ 18,000,000 as remuneration. This additional disclosure has been made as required by revised Schedule VI of the Companies Act, 1956.
- b) The above remuneration excludes:
- Contributions to provident and other funds as per declarations of non deduction received from the respective directors.
  - Provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them.
- Such waivers in (i) and (ii) above have been approved by the Board of Directors.
- c) Managerial Remuneration paid of Rs. 15,709,677 by the company has exceeded the limit specified under schedule XIII read with sec 349, 350 & 198 of the Companies Act, 1956 by ₹ 8,350,386. However, the Company has recovered the excess remuneration of ₹ 8,350,386 from the directors during the F.Y. 2012-13

**35. Foreign Currency Transactions :**

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2012 which is as follows:-

Particulars	As at March 31, 2012		As at March 31, 2011	
	INR Equivalent	USD Equivalent	INR Equivalent	USD Equivalent
Payable for Professional fees	-	-	6,902,585	153,288

**36. Obligation on Long-term, Non Cancellable Operating Lease assets taken on Lease**

- (i) The Company has taken commercial premises on Non Cancellable Operating Lease and lease rent of ₹7,294,156 (Previous Year ₹ 9,653,496) has been debited to statement of Profit and Loss.
- (ii) The future minimum lease payments are as under:

Particulars	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)
Within one year	1,572,543	9,573,901
After one year but not more than five years	160,083	6,289,694
More than five years	-	-

- (iii) There are no exceptional/restrictive covenants in the lease agreement.
- (iv) The above mentioned amounts debited to Profit & Loss Account and future minimum lease payments are exclusive of service tax to the extent applicable.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

**37. Earnings per share (EPS) is calculated as follows:**

Particulars			As at March 31, 2012	As at March 31, 2011
A	Net Profit after tax as per statement of profit and loss	₹	631,949,714	2,556,950,566
B	Weighted average number of equity shares outstanding			
	- for Basic EPS	Nos.	243,258,782	243,258,782
	- for Diluted EPS	Nos.	243,258,782	243,258,782
C	Earnings per equity shares of face value of ₹ 10 each			
	- Basic EPS	₹	2.60	10.51
	- Diluted EPS	₹	2.60	10.51
D	Number of shares used for calculating Diluted EPS	Nos.	243,258,782	243,258,782

38. Dynamix Realty ("Partnership Firm") in which DB Realty Limited ("Company") is a partner, had granted Loan to Kusegaon aggregating to ₹ 2,092,425,485, (the said loans) as upto 31<sup>st</sup> March 2010. As of 31<sup>st</sup> March, 2012, the outstanding balance due from Kusegaon is ₹ 91,501,379, being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that the Key Management Personnel of D B Group of Companies have out of the said loans granted, paid ₹ 2,000,000,000 as illegal gratification to M/s Kalaingar TV Private Limited through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau Investigation has alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000 is accepted as genuine business transaction, the interest charged being inadequate is a favor to the government servant. hence, constitutes commission of offence. In the opinion of the Partners of the firm and the Management of the Company, these are preliminary charges based on investigation carried out by the Central Bureau Investigation Team and the key management personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the firm.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dt. 30<sup>th</sup> August, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of Rupees 68,92,967/-. Further the Enforcement Directorate has also attached two flats belonging to the Company situated at Goregaon (East). The Combined value of these two flats as shown in Company's financial statement of ₹ 1,07,65,400/- at the time of attachment (WDV as on 31<sup>st</sup> March, 2012 is ₹ 9,599,495). Also, a loan amounting to ₹ 50,39,63,329/- (at the time of attachment) advanced to Goan Hotels & Clubs Pvt. Ltd. has also been provisionally attached. However, the above loan was converted into the ROCCPS of DB Hospitality Limited (holding Company of Goan Hotels & Clubs Private Limited) before the provisional attachment Order via tripartite confirmation. This fact has been brought to the notice of Enforcement Directorate vide this Office Letter dated 20<sup>th</sup> September, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dt. 10th Jan'2012. Appeal has been preferred on 19<sup>th</sup> March, 2012 with Appellate Tribunal under prevention of money laundering act (PML Act). The appeal is pending before appellate tribunal for PML.

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

(₹ in lacs)

Particulars of funds utilisation for	Amount to be utilised as per prospectus				Amount utilised up to		
	Total	Up to March 2012	Up to March 2011	Up to March 2010	Up to March 2012	Up to March 2011	Up to March 2010
Construction and development costs of projects specified in the prospectus	104,417	84,027	47,737	9,106	12,646	13,086	10,140
Prepayment of loan from IDFC as specified in the prospectus	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Deployed for other projects of D B Realty Group Entities (Refer note a) below)	-	-	-	-	93,897	82,986	28,789
General Corporate Purposes	31,483	31,483	31,483	10,000	30,264	30,264	8,656
Share Issue Expenses	6,100	6,100	6,100	6,100	5,193	5,193	3,798
<b>Total (A)</b>	<b>150,000</b>	<b>129,610</b>	<b>93,320</b>	<b>33,206</b>	<b>150,000</b>	<b>139,529</b>	<b>59,383</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

**Notes:**

- a) The Management of the Company has taken approval in the Annual General Meeting held on September 29, 2010 to vary and/or revise the utilisation of the proceeds of IPO to part finance the construction and development of the existing as well as proposed projects of Subsidiaries, Joint Ventures, Associates, Firms, etc. over and above the projects already specified in the prospectus. As regards, end use of fund utilised by the DB Realty group entities, the same is based on information compiled by those entities from their Books of Accounts and as certified by their respective auditors.
- b) The Monitoring agency viz. Punjab National Bank Capital Market Service Branch, Mumbai has submitted its Report for the six month ended September 30, 2011 and the utilization of the said proceeds has been given as per the Monitoring report.
- c) Pending utilisation, the funds are temporarily invested / held in:

(₹ in lacs)

Particulars	As at March 2012	As at March 2011	As at March 2010
a. Bank Balances (including ₹ Nil (₹ 84 Lacs up to March 31, 2010) in an escrow account and fixed deposits)	-	471	1,617
b. Mutual Funds	-	10,000	89,000
<b>Total (B)</b>	-	<b>10,471</b>	<b>90,617</b>
<b>Grand Total (A+B)</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>

**40. Value of Imports on CIF Basis in respect of:**

Particulars	For the year ended March 31, 2012 ₹	For the year ended March 31, 2011 ₹
Capital Goods	-	2,982,632

**41. Expenditure in foreign currency:**

Description	For the year ended March 31, 2012 ₹	For the year ended March 31, 2011 ₹
Professional Fees	-	938,242
Interest	-	-
Other Expenses	-	3,530,034

**42. The disclosures under the Accounting Standard 15**

**A) Defined Contribution Plan:**

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

Particulars	For the year ended March 31, 2012 ₹	For the year ended March 31, 2011 ₹
Employers' contribution to Provident fund	4,248,102	1,436,639

**B) Defined Benefit Plan:**

The following table sets out the status of the gratuity plan (non-funded) and the amounts recognized in the Company's financial statements as at March 31, 2012:

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

Particulars	March 31, 2012 ₹	March 31, 2011 ₹
Liability at the beginning of the year	10,465,061	3,768,438
Interest cost	817,913	461,131
Current Service cost	5,740,318	1,995,695
Benefits Paid	(482,308)	195,453
Actuarial (gain)/loss on obligations	(4,662,029)	4,044,344
Liability at the end of the year	11,878,955	10,465,061



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

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

Particulars	March 31, 2012 ₹	March 31, 2011 ₹
Liability at the end of the year	11,878,955	10,465,061
Fair value of Plan Assets at the end of the year	-	-
Difference	(11,878,955)	(10,465,061)
Amount Recognized in the Balance Sheet	(11,878,955)	(10,465,061)

### c) Expense recognized during the year:

Particulars	March 31, 2012 ₹	March 31, 2011 ₹
Current service cost	5,740,318	1,995,695
Interest cost	817,913	461,131
Expected Return on Plan Assets	-	-
Actuarial Gain or Loss	(4,662,029)	4,044,344
Past Service Cost – Vested Benefit	-	195,453
Expense recognized in statement of profit and loss	1,896,202	6,696,623

### d) Actuarial Assumptions:

	LIC ( 1994-96)	LIC ( 1994-96)
Mortality Table		
Discount rate ( per annum)	8.5%	8%
Rate of escalation in salary (per annum)	15%	10%

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

Particulars	For the Year Ended 31 <sup>st</sup> March 2012	For the Year Ended 31 <sup>st</sup> March 2011
Experience adjustments on actuarial (Gain)/ loss:		
Plan liabilities (gain)/loss	6,038,702	4,370,588
Plan assets (gain) loss	Nil	Nil

The present value of defined benefit obligation was ₹ 3,768,438 as on March 31, 2010, ₹ 1,949,197 on March 31, 2009 and ₹885,621 on March 31, 2008.

The fair value of plan assets was ₹ Nil as on March 31, 2008, 2009 and 2010.

The details of the Experience adjustments arising on account of plan assets and liabilities as required by paragraph 120(n)(ii) of AS 15 (Revised) on “Employee Benefits” of previous financial years are not available in the valuation report for the financial year 2007-08, 2008-09, 2009-10 and hence, are not furnished

### C) Other Long Term Employee Benefit:

The compensated absences charged for the year ended March 31, 2012, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting ₹9,436,141 (for Previous Year ₹ 8,142,820) has been recognized in the statement of Profit and Loss.

### 43. Segment Reporting:

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



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

**44. Related Party Disclosure:**

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

<b>Name of the Related Party</b>
<b>Subsidiaries:</b>
Gokuldham Real Estate Development Company Private Limited
Neelkamal Realtors Suburban Private Limited
Neelkamal Shanti Nagar Properties Private Limited
Neelkamal Realtors Tower Private Limited
Esteem Properties Private Limited
D. B. Properties Private Limited (upto 7 <sup>th</sup> June, 2011)
D B Man Realty Limited
Priya Constructions Private Limited
Real Gem Buildtech Private Limited
Saifee Bucket Factory Private Limited
ECC-DB Joint Venture
Conwood-DB Joint Venture
Mira Real Estate Developers ( Formerly Mira Salts Works Company)
N.A Estate Private Limited
Royal Netra Constructions Private Limited.
Nine Paradise Erectors Private Limited
DB MIG Realtors and Builders Private Limited
Spacecon Realty Private Limited (Formerly DB Spacecon Private Limited )
Vanita Infrastructure Private Limited
DB View Infracon Private Limited
DB Contractors & Builders Private Limited
A G Infraconstructions Private Limited (100% subsidiary of Royal Netra constructions Private Limited till upto 22 <sup>nd</sup> March, 2012)
<b>Associates:</b>
Sangam City Township Private Limited
Dynamix Building Materials Private Limited (upto 30.3.2012)
Crossway Realtors Private Limited (upto 31.12.2011)
D.B. Hi-Sky Constructions Private Limited
DB Hotels (India) Private Limited (Formerly known as Heaven Star Realty Pvt. Ltd. upto 09.6.2011)
Mahal Pictures Private Limited
<b>Jointly Controlled Entities:</b>
Dynamix Realty
DBS Realty
Turf-Estate Joint Venture
DB (BKC) Realtors Pvt Ltd
DB Realty and Shreepati Infrastructure LLP
DB Realtors & Builders LLP
Daund Warehousing Developers & Builders LLP
Baramati Warehousing Developers & Builders LLP
Saswad Warehousing Developers & Builders LLP
Ahmednagar Warehousing Developers & Builders LLP
Ratnagiri Warehousing Developers & Builders LLP
Solapur Warehousing Developers & Builders LLP
Sawantwadi Warehousing Developers & Builders LLP
Satara Warehousing Developers & Builders LLP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Kolhapur Warehousing Developers & Builders LLP
Latur Warehousing Developers & Builders LLP
Parli Vajinath Warehousing Developers & Builders LLP
Osmanabad Warehousing Developers & Builders LLP
Nandurbar Warehousing Developers & Builders LLP
Jalgaon Warehousing Developers & Builders LLP
Jalna Warehousing Developers & Builders LLP
Parbhani Warehousing Developers & Builders LLP
Hingoli Warehousing Developers & Builders LLP
Umri Warehousing Developers & Builders LLP
Aurangabad Warehousing Developers & Builders LLP
Malkapur Warehousing Developers & Builders LLP
Badnera Warehousing Developers & Builders LLP
Washim Warehousing Developers & Builders LLP
Bhandara Warehousing Developers & Builders LLP
Chandrapur Warehousing Developers & Builders LLP
Wadsa Warehousing Developers & Builders LLP
Shree Shantinagar Ventures (Jointly controlled entity of NeelKamal Shantinagar Properties Private Limited)
Suraksha DB Realty (Jointly controlled entity of DB View Infracon Private Limited)
Evergreen Industrial Estate (Jointly controlled entity of Priya Constructions Private Limited)
Sneh Developers (Jointly controlled entity of DB View Infracon Pvt. Ltd.)
Lokhandwala-Dynamix Balwas Joint Venture
<b>Entity in respect of which the Company is an Associate</b>
Neelkamal Tower Construction LLP
<b>Key Management Personnel (KMP)</b>
Mr. Shahid Balwa, Vice Chairman & Managing Director ( w.e.f.10.12.2011)
Mr. Vinod Goenka, Managing Director, chairman w.e.f.10.12.2011
<b>Relatives of KMP</b>
Mr.Usman Balwa ( w.e.f.10.12.2011)
Mrs Sakina U Balwa ( w.e.f.10.12.2011)
Mrs.Shabana Balwa ( w.e.f.10.12.2011)
Mr.Arshad S.Balwa ( w.e.f.10.12.2011)
Ms.Aaliya S.Balwa ( w.e.f.10.12.2011)
Mr.Salim Balwa ( w.e.f.10.12.2011)
Mrs.Aseela V.Goenka
Mr.Krishna Murari Goenka
Mr.Jayvardhan V.Goenka
Ms.Sanjana Goenka
Mr.Pramod Goenka
Mrs.Sunita Bali
Mrs.Shanita Jain
<b>Enterprise where individuals i.e. KMP and their relatives have significant influence</b>
A G Mercantile Private Limited
Aniline Construction Company Private Limited
Aniline Real Estate Developers Private Limited
Ashtlakshmi Financial and Investment Services Private Limited
Associated Hotels Private Limited
Azure Tree Township Private limited / Azure Tree Township LLP
Balwas Charitable Trust (w.e.f.10.12.2011)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

Consort Hotels Private Limited
Conwood Agencies Private Limited.
Conwood Associates (partnership firm)
Conwood Chemical Industries Private Limited
Conwood Construction & Developers Private Limited
Conwood Pre-fab Limited
Crystal Granite and Marbles Private Limited
DB Hospitality Private Limited
DB Tele Wimax Private Limited
DB Modern Build Tech Private Limited
DB Structures and Builders Private Limited
Dense wood Private Limited
Pony Infrastructure and Contractors Limited
Dynamix Developers Private Limited
Dynamix Balwas Resorts Private Limited
Dynamix Balwas Telecom Private Limited
Dynamix Club and Resorts Private Limited
Dynamix Securities and Holdings Limited
Dynamix Man Pre-fab Limited
Earthen Agro & Infrastructure Private Limited
Eterna Realty Private Limited
Etisalat DB Telecom Private Limited
Eversmile Properties Private Limited
Excon Developers Private Limited
Eversmile Construction Company Private Limited.
Face Inn Hotels Private Limited
Falgun Consultants Private Limited
Goan Hotels & Clubs Private Limited
Goan Real Estate and Construction Private Limited
Goenka & Associates Educational Trust
Goenka & Associates Medical Research Centre
Goenka & Associates Social Welfare Trust
Heritage Mining Company Private Limited
Hillside Construction Company Private Limited
Hiracon Properties Private Limited
K G Enterprises
Khairun Developers Private Limited
Kalpataru Plaza Private Limited
Milan Theatres Private Limited
M. J. Estates Private Limited
Maldunge Farming and Agro Produce Private Limited
Maldunge Retreat & Farming Private Limited
Modren Hi-Tech Developers Private Limited
Neelkamal Central Apartment Private Limited /Neelkamal Central Apartment LLP
Neelkamal Realtors and Builders Private Limited
Neelkamal Realtors And Complex Pvt Ltd (w.e.f.10.12.2011)
Nihar Construction Private Limited
Pegasus Builders Private Ltd (w.e.f. 17.03.2012)
Neelkamal City Shopping Mall India Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

Neelkamal Realtors and Erectors India Private Limited (w.e.f. 10.12.2011)
P G Developers Private Limited
Panchsheel Developers (Partnership firm)
Pushpa Properties Private Limited
Siddharth Consultancy Services Private Limited.
Swan Connect Communication Private Limited.
Sahapur Plantations & Orchard Private Limited
Schon Farms Private Limited
Siddhivinayak Realities Private Limited
Sigatu Chemicals Private Limited
Span Construction Company Private Limited
The Cresnet Iron & Steel Corporation Limited
Majestic Infracon Private Limited (formely known as Tiger Trustees Private Limited and DBI Infracon Private Limited )
Trident Estate Private Limited
V.S. Erectors & Builders Private Limited
Vinod Goenka-HUF
Chocklate Developers Pvt Ltd
Y. J. Realty Private Limited
Eon Aviation Pvt Ltd
BDP & Hotels (India)Pvt Ltd
Travellers Inn Hotels (India) Limited (w.e.f February 11, 2011)
Hotel Balwas Private Limited (w.e.f.10.12.2011)
Aasma Realtors Private Limited (w.e.f.10.12.2011)
Zenstar Hotel Private Limited (w.e.f.10.12.2011)
Basera Hotels Inn Private Limited (w.e.f.10.12.2011)
Bed Inn Hotels Private Limited (w.e.f.10.12.2011)
Close Hotels Private Limited (w.e.f.10.12.2011)
Fair Brother Securities Private Limited (w.e.f.10.12.2011)
Glossy Inn Hotels Private Limited (w.e.f.10.12.2011)
Kalbadevi Hotels Private Limited (w.e.f.10.12.2011)
SB Fortune Realty Pvt Ltd (w.e.f.10.12.2011)
Ship Hotels India Private Limited (w.e.f.10.12.2011)
Success Inn Hotels Private Limited (w.e.f.10.12.2011)
Sunday Inn Hotels Private Limited (w.e.f.10.12.2011)
Taloja Hotels Private Limited (w.e.f.10.12.2011)
Thanks Inn Hotels Private Limited (w.e.f.10.12.2011)
Three star dulex Private Limited (w.e.f.10.12.2011)
Yadgar Hotels Private Limited (w.e.f.10.12.2011)

### Notes:

1. The aforesaid related parties are identified by the management of the Company.
2. Lokhanwala Dynamix Balwas JV is reconsidered as JV in the current year as against associate in the previous year.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

## (ii) Details of Transactions with Related Parties

Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/its subsidiaries	Enterprises over which KMP and their relatives have significant influence.
<b>Loans Granted by Company</b>						
Opening Balance as on 1st April 2011	8,852,127,147	791,032,492	-	-	311,007,500	1,321,183,856
	(6,205,562,542)	(737,646,389)	(-)	(-)	(-)	(792,339,938)
	2,963,407,530	15,900,000	-	-	157,675,000	845,837,785
Given during the year	(10,714,913,231)	(66,886,103)	(-)	(-)	(459,007,500)	(791,887,885)
Returned during the year	8,148,266,341	26,192,492	-	-	-	1,379,374,238
	(7,597,274,024)	(13,500,000)	(-)	(-)	(148,000,000)	(263,043,967)
Transferred (to)/from	-	-	-	-	-	-
	(131,916,402)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2012	3,667,268,336	780,740,000	-	-	468,682,500	787,647,403
	(9,191,285,347)	(791,032,492)	(-)	(-)	(311,007,500)	(1,321,183,856)
<b>Loans Received by Company</b>						
Opening Balance as on 1st April 2011	170,045,615	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(9,090,000)
Taken during the year	94,379,951	-	-	-	-	-
	(170,326,027)	(-)	(-)	(-)	(-)	(680,200,000)
Returned during the year	177,793,424	-	-	-	-	-
	(280,412)	(-)	(-)	(-)	(-)	(689,290,000)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2012	86,632,142	-	-	-	-	-
	(170,045,615)	(-)	(-)	(-)	(-)	(-)
<b>Intercompany Deposits</b>						
Opening Balance as on 1st April 2011	-	-	-	-	371,350,000	-
	(-)	(-)	(-)	(-)	(1,277,800,000)	(-)
Taken during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(132,500,000)	(-)
Returned during the year	-	-	-	-	30,801,000	-
	(-)	(-)	(-)	(-)	(1,038,950,000)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2012	-	-	-	-	340,549,000	-
	(-)	(-)	(-)	(-)	(371,350,000)	(-)
<b>Investments in Equity Shares</b>						
Opening Balance as on 1st April 2011	653,115,913	1,012,524,411	-	-	986,503,899	-
	(595,470,913)	(330,000)	(-)	(-)	(856,825,785)	(-)
Investment purchased during the year	1,566,300,000	-	-	-	-	783,029,928
	(57,682,000)	(1,012,227,411)	(-)	(-)	(129,678,114)	(-)
Investments sold/redeemed during the year	100,000	120,154,410	-	-	-	-
	(70,000)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
(Refer Note 3 below)	(33,000)	(33,000)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2012	2,219,315,913	892,370,001	-	-	986,503,899	783,029,928
	(653,115,913)	(1,012,524,411)	(-)	(-)	(986,503,899)	(-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

<b>Investment in Preference Shares</b>						
Opening Balance as on 1st April 2011	214,871,507	-	-	-	1,255,099,210	-
	(515,621,507)	(-)	(-)	(-)	(135,000,241)	(-)
Investment purchased during the year	135,000,000	-	-	-	225,010,195	8,282,704,804
	(-)	(-)	(-)	(-)	(1,120,098,969)	(-)
Investments sold/redeemed during the year	-	-	-	-	-	-
	(300,750,000)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2012	349,871,507	-	-	-	1,480,109,405	8,282,704,804
	(214,871,507)	(-)	(-)	(-)	(1,255,099,210)	(-)
<b>Investment in Debentures</b>						
Opening Balance as on 1st April 2011	25,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investment purchased during the year	-	-	-	-	-	-
	(25,000,000)	(-)	(-)	(-)	(-)	(-)
Investments sold/redeemed during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2012	25,000,000	-	-	-	-	-
	(25,000,000)	(-)	(-)	(-)	(-)	(-)
<b>Investment in Joint Ventures and Partnership firms</b>						
Opening Balance as on 1st April 2011	1,375,235,094	24,117,000	-	-	6,746,158,189	-
	(1,638,159,639)	(-)	(-)	(-)	(11,714,723,560)	(-)
Contribution during the year	8,790,150	-	-	-	6,829,804,779	-
	(126,250,000)	(-)	(-)	(-)	(17,345,708,771)	(-)
Contribution refunded during the year	9,985,427	-	-	-	8,740,279,634	-
	(405,853,013)	(-)	(-)	(-)	(22,613,048,749)	(-)
Transferred (to)/from (Refer Note 4 below)	-	(24,117,000)	-	-	24,117,000	-
	(-)	(24,117,000)	(-)	(-)	(24,117,000)	(-)
Closing Balance as on March 31, 2012	1,374,039,817	-	-	-	4,859,800,334	-
	(1,358,556,626)	(24,117,000)	(-)	(-)	(6,423,266,582)	(-)
Reimbursement of expenses incurred on behalf as on March 31, 2012	9,515,304	-	-	-	2,971,992	600,666
	(21,066,217)	(1,175,998)	(-)	(-)	(2,937,942)	(3,450,266)
Interest free security deposit	20,000,000	-	-	33,125,000	-	3,650,000,000
	(20,000,000)	(-)	(-)	(33,125,000)	(-)	(4,350,000,000)
Mobilisation Advance	-	-	-	-	-	113,159,717
	(-)	(-)	(-)	(-)	(-)	(116,710,866)
Rent paid	-	-	-	-	-	7,302,881
	(-)	(-)	(-)	(-)	(-)	(8,358,627)
Miscellaneous Expenses (water and electricity expenses)	-	-	-	-	-	1,015,520
	(-)	(-)	(-)	(-)	(-)	(1,195,113)
Equity Share Capital	-	-	273,642,160	96,828,880	-	1,045,648,380
	(-)	(-)	(362,525,580)	(116,598,890)	(-)	(1,045,648,380)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

Current Liabilities	-	2,410	1,382,000	162,000	297,944,782	12,530,833
	(-)	(2,410)	(-)	(-)	(165,244,782)	(77,276,371)
Managerial Remuneration *	-	-	15,709,677	-	-	-
	(-)	(-)	(26,960,171)	(-)	(-)	(-)
Corporate Guarantee given by the Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies	3,304,125,000	-	-	-	4,125,000	15,589,597,000
(Refer note D of 25 and note 27 )	(3,304,125,000)	(-)	(-)	(-)	(4,125,000)	(14,695,825,000)
Interest received	92,892,424	-	-	-	-	144,850,928
	(485,746,331)	(-)	(-)	(-)	(3,970,294)	(121,039,489)
Interest Paid	12,521,885	-	-	-	-	-
	(6,276,085)	(-)	(-)	(-)	(-)	(-)
Construction Expenses	-	-	-	-	-	25,687,118
	(-)	(-)	(-)	(-)	(-)	(103,359,971)
Advance against share purchase	-	-	-	-	-	464,400,000
	(-)	(1,476,000,000)	(-)	(-)	(-)	(-)
Travelling Expenses	-	-	-	-	-	5,625,300
	(-)	(-)	(-)	(-)	(-)	(64,338,442)
Share of loss/(profit) from partnership firms	6,160,277	-	-	-	(492,741,258)	-
	(8,356,413)	(-)	(-)	(-)	(2,820,639,046)	(-)
Irrevocable and unconditional personal guarantee by each Managing Director in favor of the Company against guarantees given by company to the lenders on behalf of various entities (Refer Note 26)	-	-	(USD 138 million plus Rs. 10,530 million)	-	-	-
	(-)	(-)	(USD 138 million plus Rs. 16,570 million)	(-)	(-)	(-)

**(iii) Disclosure in respect of material related party transactions during the year including disclosure required by Clause 32 of the Listing Agreement:**

Loans and Advances	Opening Balance as on 1st April, 2011	Given during the year	Returned during the year	Closing Balance as on 31st March, 2012	Maximum Balance Outstanding during the year
<b>Loans to Subsidiaries (no repayment schedule and repayable on demand )#</b>					
D B Man Realty Limited	325,028,108	1,838,798	326,866,906	-	326,228,108
	(349,184,320)	(47,728,108)	(71,884,320)	(325,028,108)	(349,184,320)
D B Properties Private Limited	1,561,900,000	26,225,000	1,588,125,000	-	1,614,350,000
	(1,704,259,783)	(158,131,288)	(300,491,071)	(1,561,900,000)	(1,852,259,783)
Spacecon Realty Private Limited	2,711,347,618	104,914,189	2,170,848,519	645,413,288	2,711,347,618
	(-)	(2,884,113,835)	(172,766,217)	(2,711,347,618)	(2,877,336,495)
DB View Infracon Private Limited	2,126,713	1,042,472,600	849,996,600	194,602,713	960,652,713
	(-)	(252,126,713)	(250,000,000)	(2,126,713)	(250,000,000)
Esteem Properties Private Limited	1,351,977,945	7,302,772	253,202,772	1,106,077,945	1,356,077,945
	(1,459,777,945)	(737,200,000)	(845,000,000)	(1,351,977,945)	(2,182,477,945)
Gokuldham Real Estate Development Company Private Limited	-	-	-	-	-
	(276,297,644)	(1,387,509,918)	(1,663,807,562)	(-)	(1,326,297,644)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

DB MIG Realtors and Builders Private Limited	1,300,286,258	571,775,000	1,872,061,258	-	1,420,286,258
	(-)	(1,429,286,258)	(129,000,000)	(1,300,286,258)	(1,300,286,258)
N. A. Estate Private Limited	75,888,065	1,077,700	586,076	76,379,689	76,495,285
	(-)	(75,888,065)	(-)	(75,888,065)	(75,888,065)
Neelkamal Realtors Tower Private Limited	7,144,948	145,029,808	150,744,948	1,429,808	52,844,948
	(-)	(415,095,006)	(407,950,058)	(7,144,948)	(40,000,000)
Neelkamal Realtor Suburban Private Limited	161,531,313	170,468,797	16,010,440	315,989,670	315,989,670
	(945,131,585)	(596,399,728)	(1,380,000,000)	(161,531,313)	(1,394,812,981)
Neelkamal Shantinagar Properties Private Limited	261,289,316	110,375,045	92,675,045	278,989,316	278,989,316
	(90,189,316)	(737,467,992)	(566,367,992)	(261,289,316)	(427,889,316)
Nine Paradise Erectors Private Limited	112,050,000	105,800,000	-	217,850,000	217,850,000
	(-)	(286,050,000)	(174,000,000)	(112,050,000)	(251,050,000)
Priya Construction Private Limited	216,011,152	450,000	-	216,461,152	216,461,152
	(213,000,000)	(109,060,000)	(106,048,848)	(216,011,152)	(216,011,152)
Real Gem Buildtech Private Limited	397,221,650	637,748,154	824,621,650	210,348,154	399,221,650
	(875,506,282)	(1,049,481,326)	(1,527,765,958)	(397,221,650)	(1,019,226,206)
Royal Netra Construction Private Limited	328,316,594	35,713,540	-	364,030,134	364,030,134
	(-)	(330,508,592)	(2,191,998)	(328,316,594)	(328,316,594)
Saifee Buckets Factory Private Limited	807,467	116,127	6,127	917,467	917,467
	(757,467)	(50,000)	(-)	(807,467)	(807,467)
Vanita Infrastructure Private Limited	39,200,000	2,100,000	2,521,000	38,779,000	39,200,000
	(-)	(39,200,000)	(-)	(39,200,000)	(39,200,000)
<b>Particulars</b>	<b>Opening Balance as on</b>	<b>Given during the year</b>	<b>Returned during the year</b>	<b>Closing Balance as on</b>	<b>Maximum Balance Outstanding during the year</b>
	<b>1st April, 2011</b>			<b>31st March, 2012</b>	
<b>Loans to Associates (Interest free and no repayment schedule as repayable on demand)#</b>					
D.B. Hi-Sky Constructions Private Limited	323,350,000	3,390,000	-	326,740,000	326,740,000
	(294,000,000)	(42,850,000)	(13,500,000)	(323,350,000)	(330,500,000)
Sangam City Township Private Limited	446,500,000	7,500,000	-	454,000,000	454,000,000
	(422,500,000)	(24,000,000)	(-)	(446,500,000)	(446,500,000)
Dynamix Building Materials Private Limited	21,182,492	5,010,000	26,192,492	-	21,182,492
	(21,146,389)	(36,103)	(-)	(21,182,492)	(21,182,492)
<b>Particulars</b>	<b>Opening Balance as on 1st April, 2011</b>	<b>Given during the year</b>	<b>Returned during the year</b>	<b>Closing Balance as on 31st March, 2012</b>	
<b>Loans to Jointly Controlled Entities (Interest free and no repayment schedule as repayable on demand)#</b>					
Turf Estate JV	311,007,500	157,675,000	-	468,682,500	
	(23,656,733)	(522,664,233)	(188,000,000)	(311,007,500)	

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

Particulars	Opening Balance as on 1st April, 2011	Given during the year	Returned during the year	Closing Balance as on 31st March, 2012	Maximum Balance Outstanding during the year
<b>Loans given to KMP Significant Entities (repayable on demand)#</b>					
Goan Hotels & Clubs Private Limited	503,963,329	698,154,583	1,202,117,912	-	1,185,463,329
	(-)	(503,963,329)	(-)	(503,963,329)	(503,963,329)
Goan Real Estate And Construction Private Limited	-	50,000	50,000	-	50,000
	-	-	-	-	-
Y J Realty Private Limited	504,806,326	76,415,541	101,406,326	479,815,541	504,806,326
	(494,700,735)	(98,986,086)	(88,880,495)	(504,806,326)	(504,806,326)
Milan Theatres Private Limited	312,414,201	71,217,661	75,800,000	307,831,862	329,414,201
	(297,639,203)	(90,938,470)	(76,163,472)	(312,414,201)	(312,414,201)
# includes disclosures as required under Clause 32 of the Listing Agreement					

Particulars	Opening Balance as on 1st April, 2011	Taken during the year	Repaid during the year	Closing Balance as on 31st March, 2012
<b>Loans from Subsidiaries</b>				
Gokuldharm Real Estate Development Company Private Limited	170,045,615	7,747,809	177,793,424	-
	(-)	(170,326,027)	(280,412)	(170,045,615)
DB MIG Realtors and Builders Private Limited	-	86,632,142	-	86,632,142
	-	-	-	-
<b>Loans taken from Jointly Controlled Entity</b>				
DB(BKC) Realtors Private Limited	371,350,000	-	30,801,000	340,549,000
	(1,277,800,000)	(132,500,000)	(1,038,950,000)	(371,350,000)
<b>Loans taken from KMP Significant Entity</b>				
D B Hospitality Private Limited	-	-	-	-
	(180,000)	(1,200,000)	(1,380,000)	(-)
Neelkamal Realtors & Builders Private Limited	-	-	-	-
	(8,910,000)	(679,000,000)	(687,910,000)	(-)
Particulars	Opening Balance as on 1st April 2011	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on 31st March, 2012
<b>Investments in Equity Shares:</b>				
DB Chandak Realtors Private Limited (related party till 31 March, 2011)	-	-	-	-
	(70,000)	(-)	(70,000)	(-)
D B Man Realty Limited	5,100,000	66,300,000	-	71,400,000
	(5,100,000)	(-)	(-)	(5,100,000)
Nine Paradise Erectors Private Limited	100,000	-	-	100,000
	(-)	(100,000)	(-)	(100,000)
Real Gem Buildtech Private Limited	85,000	1,500,000,000	-	1,500,085,000
	(85,000)	(-)	(-)	(85,000)
Mahal Pictures Private Limited	892,225,001	-	-	892,225,001
	(-)	(892,225,001)	(-)	(892,225,001)
Heaven Star Realty Private Limited	120,026,410	-	120,026,410	-
	(24,000)	(120,002,410)	(-)	(120,026,410)
Nine Paradise Erectors Private Limited	-	-	-	-
	(33,000)	(-)	(33,000)	(-)
DB (BKC) Realtors Private Limited	986,503,899	-	-	986,503,899
	(856,825,785)	(129,678,114)	(-)	(986,503,899)

Particulars	Opening Balance as on 1st April 2011	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on 31st March, 2012
D B Hospitality Private Limited	-	783,029,928	-	783,029,928
	(-)	(-)	(-)	(-)
<b>Investments in Preference Shares</b>				
Gokuldham Real Estate Development Company Private Limited	-	-	-	-
	(300,750,000)	(-)	(300,750,000)	(-)
DB (BKC) Realtors Private Limited	1,255,099,210	225,010,195	-	1,480,109,405
	(135,000,241)	(1,120,098,969)	(-)	(1,255,099,210)
D B Hospitality Private Limited	-	8,282,704,804	-	8,282,704,804
	(-)	(-)	(-)	(-)
Particulars	Opening Balance as on 1st April 2011	Contribution during the year	Repayment during the year	Closing Balance as on 31st March, 2012
<b>Investments in Partnership firm (JCE)</b>				
Dynamix Realty	6,302,022,746	4,628,574,499	6,625,444,146	4,305,153,099
	(5,042,201,343)	(8,447,397,002)	(7,187,575,599)	(6,302,022,746)
Mira Salt Work	1,375,235,094	8,790,150	9,985,427	1,374,039,817
	(1,326,391,507)	(57,200,000)	(8,356,413)	(1,375,235,094)
D B Realty And Shreepati Infrastructure LLP	65,033,800	5,300,000	-	70,333,800
	(-)	(65,000,000)	(25,000)	(64,975,000)
Particulars	Opening Balance as on 1st April 2011	Given during the year	Returned during the year	Closing Balance as on 31st March, 2012
<b>Current Liabilities</b>				
D. B. S. Realty	165,244,782	27,302,237	160,002,237	297,944,782
	(354,994,782)	(209,750,000)	(20,000,000)	(165,244,782)
Nihar Construction Private Limited	37,500,000	37,500,625	3,500,625	3,500,000
	(-)	(37,500,000)	(75,000,000)	(37,500,000)
Eon Aviation Private Limited	-	7,500,000	7,500,000	-
	(22,651,438)	(146,205,672)	(123,554,234)	(-)
Majestic Infracon Private Limited	33,370,846	56,145,137	22,240,160	(534,131)
	(-)	(158,201,305)	(191,572,151)	(33,370,846)
Particulars	Opening Balance as on 1st April 2011	Given during the year	Reimbursed during the year	Closing Balance as on 31st March, 2012
<b>Other Current Assets - Reimbursement of Expenses Recoverable</b>				
Spacecon Realty Private Limited	20,766,217	58,207	58,207	20,766,217
	(-)	(20,766,217)	(-)	(20,766,217)
Goan Hotels & Clubs Private Limited	-	557,520,000	557,520,000	-
	(-)	(-)	(-)	(-)
Particulars	Opening Balance as on 1st April 2011	Given during the year	Returned during the year	Closing Balance as on 31st March, 2012
<b>Interest free Security Deposit for Development of properties</b>				
Dynamix Club Resorts Private Limited	500,000,000	-	-	500,000,000
	(-)	(500,000,000)	(-)	(500,000,000)
Eversmile Construction Company Private Limited	2,000,000,000	-	-	2,000,000,000
	(-)	(2,000,000,000)	(-)	(2,000,000,000)

## D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

Particulars	Opening Balance as on 1st April 2011	Given during the year	Returned during the year	Closing Balance as on 31st March, 2012
Neelkamal Realtors & Builders Private Limited	750,000,000	-	-	750,000,000
	(-)	(750,000,000)	(-)	(750,000,000)
Usman Ebrahim Balwa	33,125,000	-	-	33,125,000
	(500,000)	(32,625,000)	(-)	(33,125,000)
Nihar Construction Private Limited	1,100,000,000	-	700,000,000	400,000,000
	(-)	(1,100,000,000)	(-)	(1,100,000,000)
Neelkamal Realtors Tower Private Limited	20,000,000	-	-	20,000,000
	(20,000,000)	(21,474,834)	(21,474,834)	(20,000,000)
<b>Mobilisation Advance</b>				
Majestic Infracon Private Limited (previous as DBI Infracon Private Limited)	116,710,866	-	3,551,149	113,159,717
	(-)	(131,000,000)	(14,289,134)	(116,710,866)
Heaven Star Realty Private Limited (now known as DB Hotels (India) Private Limited)	1,476,000,000	24,000,000	1,500,000,000	-
	(20,000,000)	(1,576,000,000)	(120,000,000)	(1,476,000,000)
<b>Share Application money</b>				
D B Hospitality Private Limited	-	6,987,417,912	6,523,017,912	464,400,000
	(-)	(-)	(-)	(-)
Goan Hotels & Clubs Private Limited	-	1,911,117,912	1,911,117,912	-
	(-)	(-)	(-)	(-)
Neelkamal Central Apartment LLP	-	1,476,519,972	1,476,519,972	-
	(-)	(-)	(-)	(-)
<b>Interest Income</b>				
	<b>Amount (₹)</b>			
Royal Netra Construction Private Limited	37,200,000			
	(18,329,424)			
Neelkamal Realtor Sub Private Limited	33,930,900			
	(151,468,881)			
Real Gem Buildtech Private Limited	19,200,074			
	(122,166,843)			
Milan Theater Private Limited	49,922,653			
	(43,877,425)			
YJ Realty Private Limited	76,423,183			
	(72,758,362)			
<b>Interest Expense</b>				
	<b>Amount (₹)</b>			
Gokuldham Real Estate Development Private Limited	12,521,885			
	(326,027)			
<b>Particulars</b>				
	<b>Nature of expenditure</b>	<b>Amount</b>		
Eon Aviation Private Limited	Travelling expenses	5,625,300		
		(64,338,442)		
K G Enterprises	Rent Paid	7,069,104		
		(8,358,627)		
Majestic Infracon Private Limited	Construction expenses	25,687,118		
		(103,359,971)		

Equity Share Capital	Face Value of Shares as on 31-Mar-12	Face Value of Shares as on 31-Mar-11
Vinod Goenka **	283,047,662	361,782,180
NeelKamal Tower Construction Company LLP	1,045,648,380	1,045,648,380

(Figures in brackets denote Previous Year's balances)

\* Managerial remuneration includes remuneration to Mr. Shahid Balwa, the Managing director of ₹ 3,709,677 (Previous year ₹ 12,214,445); Mr. Vinod Goenka, Managing Director of ₹12,000,000 (Previous year ₹ 12,214,445).

\*\* Shares held by Mr. Vinod Goenka includes 100,000 shares held by him jointly with Mrs. Aseela Goenka having Face value ₹ 1,000,000 (Previous year ₹ 1,000,000).and as Karta of Vinod Goenka HUF Face Value ₹94,055,020 (Previous year ₹ 88,140,0200).

45. The Financial statements of previous year have been audited by another firm of chartered accountants. As notified by Ministry of Corporate affairs, revised schedule VI under the Companies act 1956 is applicable to the financial statement for the financial year commencing on or after 1<sup>st</sup> April 2011. Accordingly, the financial statements for the year ended March 31, 2012 are prepared in accordance with the revised schedule VI. The amounts and disclosures included in the financial statements of the previous year have been reclassified to conform to the requirements of revised schedule VI.

**For and on behalf of the Board**

Vinod Goenka  
Chairman & Managing Director

Shahid Balwa  
Vice Chairman & Managing Director

Mahesh Gandhi  
Director

Asif Balwa  
Group Director (Finance)

N.M. Gattu  
Chief Financial Officer

S A K Narayanan  
Company Secretary

Mumbai, Dated : May 26, 2012

**D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO  
SUBSIDIARY COMPANIES**

Names of Subsidiary Companies	No of Shares in the Subsidiary Company held by D B Realty Limited at the Financial year ending 31 <sup>st</sup> March, 2012		The Net Aggregate of profits / (losses) of the Subsidiary Companies so far as they concern the members of D B Realty Limited			
			For the Current Financial Year		For the Previous Financial Years	
			Dealt with in the accounts of D B Realty Limited for the year ended 31 <sup>st</sup> March, 2012	Not Dealt with in the accounts of D B Realty Limited for the year ended 31 <sup>st</sup> March, 2012	Dealt with in the accounts of D B Realty Limited for the year ended 31 <sup>st</sup> March, 2012	Not Dealt with in the accounts of D B Realty Limited for the year ended 31 <sup>st</sup> March, 2012
	Equity (No)	Extent of Holding (%)				
Gokuldham Real Estate Development Company Private Limited	3,74,990	75	NIL	29,88,05,897	NIL	58,63,56,583
Neelkamal Realtors Suburban Private Limited	4,35,600	66	NIL	(1,13,77,667)	NIL	30,05,16,626
Neelkamal Shantinagar Properties Private Limited	16,000	100	NIL	(2,08,189)	NIL	(65,24,516)
Esteem Properties Private Limited	10,000	100	NIL	(81,44,051)	NIL	(3,02,29,332)
Real Gem Buildtech Private Limited	10,000	100	NIL	(5,00,58,331)	NIL	(11,42,48,162)
Neelkamal Realtors Tower Private Limited	10,10,807	50.72	NIL	(1,99,44,721)	NIL	(7,27,46,926)
Saifee Bucket Factory Private Limited	248	100	NIL	(89,522)	NIL	(23,26,829)
Priya Constructions Private Limited	10,000	100	NIL	(13,16,128)	NIL	(49,66,862)
DB Man Realty Limited	71,40,000	51	NIL	(4,17,691)	NIL	(40,09,110)
Royal Netra Constructions Private Limited	75,600	50.4	NIL	(6,24,969)	NIL	(99,59,648)
N A Estates Private Limited	1,000	100	NIL	(59,204)	NIL	(1,14,342)
Nine Paradise Erectors Private Limited	10,000	100	NIL	(1,17,810)	NIL	(2,67,581)
D B MIG Realtors & Builders Private Limited	10,000	100	NIL	(1,54,78,033)	NIL	(86,99,522)
Spacecon Realty Private Limited (Formerly D B Spacecon Private Limited)	10,000	74	NIL	(3,26,54,767)	NIL	(3,19,06,377)
Vanita Infrastructure Private Limited	10,000	100	NIL	(2,42,276)	NIL	38,83,562
D B View Infracon Private Limited	10,000	100	NIL	4,61,94,430	NIL	(25,01,462)
D B Contractors & Builders Private Limited	10,000	100	NIL	(98,776)	NIL	(82,895)

**On Behalf of the Board of Directors**

**Vinod K Goenka**  
(Chairman & Managing Director)

**Shahid Balwa**  
(Vice Chairman & Managing Director)

**Mahesh Gandhi**  
(Director)

**Asif Balwa**  
(Group Director, Finance)

**N.M.Gattu**  
(C F O)

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

**Mumbai**  
Date: 26<sup>th</sup> May, 2012

# CONSOLIDATED FINANCIAL STATEMENTS



**AUDITORS' REPORT****To  
The Board of Directors of DB Realty Limited**

1. a) We have audited the attached Consolidated Balance Sheet of **DB Realty Limited** ('the Company'), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute the 'Group') as at March 31, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the Jointly Controlled Entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.  
b) The financial statement of a joint venture has not been consolidated as per AS- 27 "Financial Reporting of Interests in Joint Ventures". The investment (at cost) in the said JV as on March 31, 2012 is ₹ 24,117,000.  
c) These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with 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. We did not audit the financial statements of (i) certain subsidiaries and joint ventures, whose financial statements reflect total assets of ₹ 12,042,823,481 as at March 31, 2012, total revenues of ₹ 5,691,934,158 and (ii) associates whose financial statements reflect the Group's share of profit (net) ₹ 2,047,590 for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. We draw your attention to the followings matters:
  - a) Managerial Remuneration paid of ₹ 15,709,677 by the Company has exceeded the limits specified under Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956, by ₹ 8,350,386. We are informed that the Company has recovered the excess remuneration from the Directors during FY 2012-13.
  - b) With reference to Accounting Policy in Note 1 (h) (i) with regard to recognition of expense and income for ongoing projects which are based upon estimated costs, as per the judgment of management and certified by Company's technical personnel and Note no 19 (b) with regard to manner of accounting of brokerages paid on sale of premises in certain upcoming projects, which have been relied upon by us, these being technical matters.
  - c) With reference to Note no 30 (iv) regarding guarantees given aggregating ₹ 15,589,597,000, issued by the Company to banks and financial institutions on behalf of two entities (in which some of the Directors of the Company are interested), which are significant in relation to the net worth of the Company as at the year end. In the opinion of the Company, these are not expected to result into any financial liability to the Company.
  - d) With reference to Note no 31, 32 & 33 (B) (iv) regarding matters under litigation. As these matters are sub-judice, based on the Company's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of balances as at March 31, 2012 for such loans and advances aggregating ₹ 534,772,050 and project cost carried in Inventory of ₹ 1,084,499,868.
  - e) With reference to Note no 33 (A) (i) regarding outstanding receivables which include dues aggregating ₹ 697,844,175 as at March 31, 2012 from Companies in which Directors of the Company are interested, considered as good and recoverable as stated in the said note.
  - f) With reference to Note no 33 (A) (ii) and 44 regarding allegations made by the Central Bureau of Investigation of India ('CBI') relating to the 2G Spectrum Case. The matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
  - g) With reference to Note no 33 (B) (v), regarding the company's contest before the Hon' High Court of Bombay against the cancellation of letter of allotment by Pimpri Chinchwad New Town Development Authority and implications arising on the same.
  - h) With reference to Note no 33 (B) (xi), regarding the following different accounting treatment in consolidated statements in respect of cost, sale and gain or loss on purchase & sale of TDR, as compared with the accounting treatment followed by the relevant subsidiary. However due to this, there is no impact on the consolidated profit for the year.

6. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiaries, jointly controlled entities and associates and to the best of our information and according to the explanations given to us and subject to non consolidation of the financial statement of a Joint Venture as mention in Para 1(a) above, in our opinion the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
  - b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
  - c) in the case of Consolidated Cash Flow statement, of the cash flows of the Group for the year ended on that date.
7. The financial Statement of the Company for the year ended March 31, 2011, were audited by another auditor who expressed an unmodified opinion on those statements on June 8, 2011.

For **Haribhakti & Co.**  
Chartered Accountants  
Firm Registration No.103523W

**Chetan Desai**  
**Partner**  
Membership No. 17000

Place: Mumbai

Date: May 26, 2012

**D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012****(Amount in ₹)**

<b>Particulars</b>	<b>Note No.</b>	<b>As at March 31, 2012</b>		<b>As at March 31, 2011</b>	
<b>I EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' Funds</b>					
Share Capital	2	2,432,587,820		2,432,587,820	
Reserve and Surplus	3	<u>31,412,043,103</u>	<b>33,844,630,923</b>	<u>30,549,266,002</u>	32,981,853,822
<b>2 Minority Interest</b>			<b>946,498,579</b>		786,025,769
<b>3 Non-current Liabilities</b>					
Long-term Borrowings	4	1,514,840,267		1,706,151,325	
Other Long Term Liabilities	5	437,705,429		600,932,555	
Long-term Provisions	6	<u>255,401,040</u>	<b>2,207,946,736</b>	<u>167,822,711</u>	2,474,906,591
<b>4 Current Liabilities</b>					
Short-term Borrowings	7	1,304,631,903		2,261,565,469	
Trade Payables	8	1,334,230,584		1,647,146,263	
Other Current Liabilities	9	11,430,929,798		10,038,375,681	
Short-term Provisions	10	<u>841,961,854</u>	<b>14,911,754,139</b>	<u>1,300,215,316</u>	15,247,302,729
			<b><u>51,910,830,377</u></b>		<b><u>51,490,088,911</u></b>
<b>II ASSETS</b>					
<b>1 Non-current Assets</b>					
Fixed Assets	11				
Tangible Assets		1,761,929,954		1,313,875,564	
Intangible Assets		256,388,466		902,515	
Capital Work-in-progress		226,518,891		254,200,083	
Intangible Assets under development		<u>205,340,729</u>		<u>32,600,459</u>	
		<b>2,450,178,040</b>		<b>1,601,578,621</b>	
Goodwill on Consolidation		2,445,055,167		992,004,095	
Non-current Investments	12	10,052,340,168		1,105,312,785	
Deferred Tax Assets (net)	42	57,948,426		3,842,913	
Long-term Loans and Advances	13	7,829,308,711		11,667,952,979	
Other Non-current Assets	14	<u>534,553,478</u>	<b>23,369,383,990</b>	<u>1,439,651,809</u>	16,810,343,202
<b>2 Current Assets</b>					
Current Investments	15	1,000,000		1,113,399,670	
Inventories	16	18,431,865,958		18,714,201,927	
Trade Receivables	17	920,469,222		2,699,454,613	
Cash and Bank Balances	18	310,912,342		513,553,571	
Short-term Loans and Advances	19	6,756,687,911		10,940,488,499	
Other Current Assets	20	<u>2,120,510,954</u>	<b>28,541,446,387</b>	<u>698,647,429</u>	34,679,745,709
			<b><u>51,910,830,377</u></b>		<b><u>51,490,088,911</u></b>
<b>Significant Accounting Policies</b>	1				

As per our report of even date annexed

**For Haribhakti & Co.**  
**Chartered Accountants**  
 Firm's Registration No. 103523W

**Chetan Desai**  
 Partner  
 Membership No. 17000

Mumbai, Dated : May 26, 2012

For and on behalf of the Board

**Vinod Goenka**  
 Chairman & Managing Director

**Mahesh Gandhi**  
 Director

**N.M. Gattu**  
 Chief Financial Officer

Mumbai, Dated : May 26, 2012

**Shahid Balwa**  
 Vice Chairman & Managing Director

**Asif Balwa**  
 Group Director (Finance)

**S A K Narayanan**  
 Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2012

(Amount in ₹)			
Particulars	Note No.	For the year ended March 31, 2012	For the year ended March 31, 2011
I Revenue from Operations	21	5,908,619,226	12,684,109,201
II Other Income	22	1,046,517,835	588,289,468
III <b>Total Revenue</b>		<u>6,955,137,061</u>	<u>13,272,398,669</u>
IV <b>Expenses:</b>			
Project Expenses	23	5,726,993,254	14,425,201,487
Changes in Inventories	24	(896,050,574)	(6,437,503,801)
Employee Benefits Expenses	25	212,033,778	173,690,465
Finance Costs	26	71,334,332	654,264,214
Depreciation and Amortization Expenses	11	77,647,589	69,797,453
Other Expenses	27	661,933,311	980,637,118
<b>Total Expenses</b>		<u>5,853,891,690</u>	<u>9,866,086,936</u>
V <b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		1,101,245,371	3,406,311,733
VI Exceptional Items		526,163	-
VII <b>Profit before Extraordinary Items and Tax (V – VI)</b>		1,100,719,208	3,406,311,733
VIII Prior Period Items		20,732,004	-
IX Extraordinary Items		-	-
X <b>Profit before Tax (VII – VIII – IX)</b>		1,079,987,204	3,406,311,733
XI Tax Expense:			
– Current Tax		213,800,630	386,745,799
(Including ₹ 6,500,632 (Previous Year ₹ 9,383,118) for earlier years)			
– Deferred tax	42	(54,105,513)	(1,368,453)
XII <b>Profit after Tax and before Minority Interest and Share of Profit/(Loss) in Associates (X-XI)</b>		920,292,087	3,020,934,387
XIII Minority Interest		(58,740,220)	(30,357,527)
XIV Share of Profit / (Loss) in Associates		2,047,590	(3,565,589)
XV <b>Profit for the period (XII + XIII + XIV)</b>		<u>863,599,457</u>	<u>2,987,011,271</u>
XVI Earnings per equity share:	43		
Basic		3.55	12.28
Diluted		3.55	12.28
<b>Significant Accounting Policies</b>	1		

As per our report of even date annexed

**For Haribhakti & Co.**  
Chartered Accountants  
Firm's Registration No. 103523W

**Chetan Desai**  
Partner  
Membership No. 17000

Mumbai, Dated : May 26, 2012

**For and on behalf of the Board**

**Vinod Goenka**  
Chairman & Managing Director

**Mahesh Gandhi**  
Director

**N.M. Gattu**  
Chief Financial Officer

Mumbai, Dated : May 26, 2012

**Shahid Balwa**  
Vice Chairman & Managing Director

**Asif Balwa**  
Group Director (Finance)

**S A K Narayanan**  
Company Secretary

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
	₹	₹	₹	₹
<b>Cash flows from operating activities:</b>				
Net Profit before Taxation	1,079,987,204		3,406,311,733	
<b>Adjusted for :</b>				
Depreciation	77,647,589		69,797,453	
Exchange Loss / (Gain) , net	1,726,355		98,090	
Interest and Finance Charges	71,334,332		654,264,214	
(Profit) / Loss on Sale of Fixed Assets	718,181		1,284,981	
Dividend Income	(8,847,176)		(178,362,695)	
Profit on sale of Current Investments	(221,443,681)		(28,552,234)	
Profit on sale of Long Term Investments	(443,779,233)		—	
Capital Work in Progress Written off	16,196,490		—	
Project Expenses Written Off	78,504,863		41,119,456	
Advances Written Off	200,000,000		—	
Interest Income	(21,135,968)		(36,417,899)	
Operating Profit before Working Capital Changes	830,908,956		3,929,543,099	
<b>Adjustments for :</b>				
Loans and Advances	6,550,132,805		(1,373,094,356)	
Inventories	267,750,533		(6,625,184,201)	
Debtors	1,778,985,391		(1,546,623,377)	
Current Liabilities	1,143,876,391		5,470,773,683	
Provisions	(662,468,858)		28,670,516	
Changes in Deposit under lien	(125,807,483)		(61,929,588)	
<b>Cash used in operations</b>	<b>9,783,377,735</b>		<b>(177,844,224)</b>	
Direct Taxes Paid	81,779,140		(551,705,149)	
<b>Net cash used in operating activities</b>	<b>A</b>	<b>9,865,156,875</b>		<b>(729,549,373)</b>
<b>Cash flows from investing activities:</b>				
Purchase of Fixed Assets (including CWIP)	(894,293,929)		(530,811,613)	
Sale of Fixed Assets	3,076,523		1,648,660	
Acquisition of Subsidiaries / Joint Ventures	(1,352,140,839)		(1,616,834,165)	
Contribution by Joint Venture	(473,333)		(2,314,167)	
Sale / (Purchase) of Investment in Associate	557,717,905		(1,036,299,093)	
Dividend Received	8,847,176		178,362,695	
Purchase of Long Term Investments	(9,064,439,613)		(56,009,900)	
Sale of Current Investments	1,333,843,351		7,853,507,818	
Sale of Long Term Investments	5,994,481		—	
Advance for Share Purchase	600,000,000		(2,456,000,000)	
Interest Received	49,851,418		32,755,190	
<b>Net Cash from / (used in) Investing Activities</b>	<b>B</b>	<b>(8,752,016,860)</b>		<b>2,368,005,425</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012 (Contd....)

Particulars	For the year ended March 31, 2012		For the year ended March 31, 2011	
	₹	₹	₹	₹
<b>Cash flows from financing activities:</b>				
Issuance of Preference Shares by Joint Venture	(125,655)		708,020	
Proceeds from Secured Borrowings	–		617,812,669	
Repayment of Secured Borrowings	(1,431,197,868)		(1,573,770,822)	
Inter-corporate Deposits, net	(18,233,175)		(197,184,831)	
Repayment of Loan from Directors	–		(27,331,095)	
Proceeds from Unsecured Borrowings	76,751,979		–	
Repayment of Unsecured Borrowings	–		(6,082,220)	
Redemption of Preference Shares	–		(100,000,000)	
Interest and Finance Charges	(68,784,008)		(661,352,251)	
<b>Net Cash (used in) / from Financing Activities</b>	<b>C</b>	<b>(1,441,588,727)</b>		<b>(1,947,200,530)</b>
Net decrease in Cash and Cash Equivalents	<b>(A+B+C)</b>	<b>(328,448,712)</b>		<b>(308,744,478)</b>
Add : Cash and Cash Equivalents (Opening)		<b>408,423,983</b>		715,532,185
Add : Opening Cash and Cash Equivalents of subsidiaries/joint ventures acquired during the year		–		1,636,276
<b>Cash and Cash Equivalents (Closing)</b>		<b><u>79,975,271</u></b>		<b><u>408,423,983</u></b>

### Notes to Cash Flow:

#### 1 Reconciliation of cash and cash equivalents:

Cash and Bank Balances (as per Note 18)	310,912,342	513,553,571
Less: Fixed deposits under lien	230,937,071	105,129,588
<b>Cash and Cash Equivalents (Closing)</b>	<b><u>79,975,271</u></b>	<b><u>408,423,983</u></b>

2 The Cash flow statement has been prepared under the indirect method as set out in accounting standard (AS3) Cash flow statement as notified by the Companies (Accounting Standard) Rules 2006.

3 Corresponding figures of previous year have been regrouped wherever necessary.

As per our report of even date annexed

**For Haribhakti & Co.**  
Chartered Accountants  
Firm's Registration No. 103523W

**Chetan Desai**  
Partner  
Membership No. 17000

Mumbai, Dated : May 26, 2012

**For and on behalf of the Board**

**Vinod Goenka**  
Chairman & Managing Director

**Mahesh Gandhi**  
Director

**N.M. Gattu**  
Chief Financial Officer

Mumbai, Dated : May 26, 2012

**Shahid Balwa**  
Vice Chairman & Managing Director

**Asif Balwa**  
Group Director (Finance)

**S A K Narayanan**  
Company Secretary

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012****Note 1 : Significant Accounting Policies On Consolidated Financial Statements****a) BASIS OF PREPARATION:**

- i) These consolidated financial statements pertain to DB Realty Limited (the "Company" / the 'Parent'/ the "Holding Company"), its subsidiaries (companies and Firms/AOPs where control exists), joint ventures, associates and limited liability partnership firms (LLPs). The Company and its subsidiaries constitute the "Group" as detailed at Note 28 hereunder.
- ii) The financial statements of the subsidiaries/ joint ventures/ associates (including partnership firms and LLPs), except in case of Lokhandwala Dynamix Balwas JV, Sneh Developers and National Tiles & Industries are drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2012.
- iii) These financial statements are prepared under historical cost convention and on accrual basis of accounting, in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.

**b) PRINCIPLES OF CONSOLIDATION:**

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

- i) The financial statements of the Company and its subsidiaries have been consolidated in accordance with the Accounting Standard 21 (AS 21) "Consolidated Financial Statements", on line-by-line basis by adding together the book value of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profits/losses on balances remaining within the group.
- ii) The financial statements of the Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances to the extent practicable.
- iii) The excess of the cost to the Company of its investment in the subsidiaries/Jointly controlled entities, on the acquisition date over and above the Company's share of equity (i.e. Net Worth) in the subsidiaries/ Jointly controlled entities, is recognised in the financial statements as Goodwill on Consolidation and carried forward in the accounts. The said Goodwill is not amortised, however, it is tested for impairment at each Balance sheet date and the impairment loss, if any, is provided for. Alternatively, where the share of the equity in the subsidiaries as on the date of investments is in excess of cost of investment of the Company, it is recognised as "Capital Reserve on Consolidation" The net amount of Goodwill after set-off of capital reserve amount is presented under "Goodwill on Consolidation".
- iv) Minority interest in the net assets of the consolidated subsidiaries consist of:
  - (a) The amount of equity attributable to minorities as at the date on which the investment in a subsidiary is made and,
  - (b) The minorities share of movements in equity since the date the parent-subsidiaries relationship came in existence. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary and further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses. If the subsidiaries subsequently report profit, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.
  - (c) Minority interest is presented separately from the liabilities or assets and the equity of the parent shareholders in the Consolidated Balance Sheet. Minority interest in the income or loss of the Company is separately presented.
- v) In case of associates, being entities in which the Group has significant influence and which are neither subsidiaries nor joint ventures, they are accounted using equity method in accordance with Accounting standard 23 (AS 23)-"Accounting for investment in Associates in Consolidated Financial Statements". Accordingly:
  - (a) The Company accounts for its share in the change in the net assets of the associates, post acquisition, through its Profit and Loss Account to the extent such change is attributable to the associate's Profit and Loss Account and through its reserves for the balance.
  - (b) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of share in the associates is, included in the carrying amount of investment in the associates, identified as Goodwill or Capital Reserves as the case may be and so disclosed.
- vi) The financial statements of entities, where there is joint control (pursuant to a contractual arrangement), have been combined by using proportionate consolidation method and accordingly, Company's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported in the consolidated financial statements as per Accounting Standard 27 (AS-27)-"Financial Reporting of Interests in Joint Ventures".

**c) USE OF ESTIMATES**

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

**d) FIXED ASSETS**

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



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

**e) DEPRECIATION / AMORTISATION**

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

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

**f) IMPAIRMENT OF ASSETS**

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

**g) INVENTORIES**

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

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

**h) REVENUE RECOGNITION**

(i) Revenue from sale of properties under construction is recognized on the basis of percentage of completion method, subject to transfer of significant risks and rewards to the buyer. The percentage of completion is determined on the basis of physical proportion of the work completed, as certified by the Company’s technical personnel, in relation to a contract or a group of contracts within a project, only after the work has progressed to the extent of 30% of the total work involved and atleast 20% of construction cost (excluding cost incurred in acquisition of land and its development rights) is incurred. Accordingly cost of construction / development is charged to the profit and loss account in proportion to the revenue recognized during the period and balance costs are carried as part of ‘Project Work in Progress’ under inventories. Amounts receivable / payable are reflected as Debtors / Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable area and costs as revised periodically by the management are considered as change in estimate and accordingly, the effect of such changes to estimates is recognized in the period such changes are determined.

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

**i) INVESTMENTS**

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

**j) EMPLOYEE BENEFITS**

i) Defined Contribution Plan:

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

ii) Defined Benefit Plan and other long term benefit:

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

iii) Short term employee benefits:

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

**k) OPERATING LEASE:**

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

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**
**l) FOREIGN CURRENCY TRANSACTIONS**

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

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

**m) BORROWING COST**

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

**n) TAXES ON INCOME**

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

Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**o) PROVISIONS AND CONTINGENT LIABILITY**

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

**Note 2 : Share Capital**

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	₹	Number	₹
<b>Authorised</b>				
Equity Shares of ₹ 10 each	298,500,000	2,985,000,000	298,500,000	2,985,000,000
Preference Shares of ₹ 10 each	1,500,000	15,000,000	1,500,000	15,000,000
		<u>3,000,000,000</u>		<u>3,000,000,000</u>
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 10 each fully paid up	243,258,782	2,432,587,820	243,258,782	2,432,587,820
<b>Total</b>	<u>243,258,782</u>	<u>2,432,587,820</u>	<u>243,258,782</u>	<u>2,432,587,820</u>

**2.1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting year.**

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Shares Issued during the year	–	–	–	–
Shares bought back during the year	–	–	–	–
Shares outstanding at the end of the year	243,258,782	2,432,587,820	243,258,782	2,432,587,820

**2.2 Rights, preferences and restriction attached to shares**

Equity shares have equal rights to dividend and voting rights pro rata the holdings. The company has only one class of Equity Shares having a par value of ₹ 10 per share.

**2.3 Details of shares held by shareholders holding more than 5% shares in the company**

Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares :</b>				
Neelkamal Tower Construction LLP	104,564,838	42.99	104,564,838	42.99
Walkinson Investment Limited	19,687,500	8.09	19,687,500	8.09
Vinod Goenka *	27,364,216	11.25	27,364,216	11.25

\* Out of the said above shareholding 100,000 shares (0.04%) are jointly held by Vinod Goenka and Aseela Goenka.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

**2.4 Aggregate number of shares issued for consideration other than cash and shares bought back during the five years immediately preceding the reporting date:**

Particulars	Year (Aggregate No. of Shares)				
	2011-12	2010-11	2009-10	2008-09	2007-08
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	–	–	–	–	–
Fully paid up by way of bonus shares	–	–	201,150,000	–	–
Shares bought back	–	–	–	–	–

**Note 3 : Reserve & Surplus**

Particulars	As at March 31, 2012	As at March 31, 2011
	₹	₹
<b>a. Capital Redemption Reserve (refer Note 33 B (i))</b>		
Opening Balance	400,000,000	–
Add : Current year transfer	–	400,000,000
Closing Balance	400,000,000	400,000,000
<b>b. Securities Premium Account</b>		
Opening Balance	23,843,290,192	23,843,290,192
Add : Received on Amalgamation by one of the Subsidiary	13,500,000	–
Closing Balance	23,856,790,192	23,843,290,192
<b>c. Surplus</b>		
Opening Balance	6,305,975,810	3,718,964,539
Add : Net Profit for the Current Year	863,599,457	2,987,011,271
Add : Loss of amalgamated subsidiary taken over	(14,322,356)	–
Less : Transfer to Capital Redemption Reserves	–	400,000,000
Closing Balance	7,155,252,911	6,305,975,810
<b>Total</b>	<b>31,412,043,103</b>	<b>30,549,266,002</b>

**Note 4 : Long-term Borrowings**

Particulars	As at March 31, 2012	As at March 31, 2011
	₹	₹
<b>I Secured</b>		
<b>Term Loans</b>		
<b>a. From HDFC Limited</b>	<b>1,188,441,388</b>	<b>1,222,771,857</b>
(The said loan is secured by mortgage of land situated at Dahisar (East) which has been undertaken for development and construction and exclusive charge on the receivables emanating from sale of flats of the project. Further, the said loan is guaranteed by Personal guarantee of Director/ Ex Directors of Company. The term of the loan is 48 months from the date of first disbursement and from the 1st month after first disbursement 15% of sums received from allottees repayable. Further, the company has to ensure that maximum principle outstanding from the date of first disbursement does not exceed as per the stipulated schedule. Since as per the term the amount repayable from the next financial year is based on amounts receivable from allottees, the current maturity of the said is estimated at ₹ 284,330,598. Keeping in view the estimated amount of project receipts in the ensuing financial year.)		

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>b.</b> From Kotak Mahindra Bank (The said loan is secured by first charge on Pari Passu basis: (i) By way of Equitable mortgage of Land and Building (Under Construction) (ii) On all the fixed and current assets of the Company; and (iii) On the escrow of receivables from the Project. Further D B Realty Limited, the holding company and Conwood Construction and Developers Private Limited, an associate company, have given corporate guarantee to the Bank securing the repayment of the loan. Terms of Repayment : a) Repayable over a period of 24 months from the date of disbursement. b) Upto 12 months 40% of sums received from allottees against sale of flats. c) Thereafter, higher of the equated monthly installment of the principal amount outstanding as at the end of 12 month or 40% of sums received from allottees against sale of flats for each month.)	-	144,233,129
<b>c.</b> From LIC Housing Finance Limited (The said loan carries floating interest rate of 13.5% p.a. linked to LHPLR, payable monthly (from January, 2012 @ 15.40%). The Loan is repayable in six structured quarterly installments ending on August, 2013. The Loan is guaranteed by personal guarantees of Managing Directors of the Company. Further, Esteem Properties Private Limited, a wholly owned subsidiary company, has mortgaged its land at Sahar, Andheri in this regard.) <b>Period of default :</b> Interest for the months of January and February 2012 have not been paid till 31st March, 2012 <b>Amount : ₹ 7,839,902</b>	<b>306,229,178</b>	306,229,178
<b>d.</b> Vehicle Loan from Banks (Secured by way of hypothecation of vehicles purchased Terms of Repayment : Payable in equated monthly installment as per the loan amortisation schedule.)	<b>11,312,016</b>	23,933,821
<b>Total I</b>	<b>1,505,982,582</b>	<b>1,697,167,985</b>
<b>II Unsecured</b>		
<b>a. Preference Shares issued by Subsidiary Company :</b> 635,000 (635,000) 0.001% Cumulative Redeemable Optionally Convertible Preference Shares of ₹ 10 each fully paid up (The Preference Shares are convertible in equity shares in the ratio of 1:1 at any time at the option of the shareholders of the subsidiary company, till the redemption date of shares i.e. 6 years from the date of issue.)	<b>6,350,000</b>	6,350,000
<b>b. Preference Shares issued by Joint Venture :</b> 188,008 (200,570) Compulsory Convertible Preference Shares (CCPS) Series 'C' of ₹ 10 each fully paid 62,760 (62,760) Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) Series 'A' and Series 'B' of ₹ 10 each fully paid. (The CCPS/ROCCPS carry minimum coupon rate of 0.001% p.a. or such rate as may be decided by the Board of Directors of the Company, provided in the event the Company declares dividend to the Equity Shares, then the same shall be entitled to the same rate of equity dividend. Tenure of CCPS/ROCCPS is four/ five years, subject to earlier redemption at the discretion of the Board of Directors in the event the holders of the series express their desire for redemption to the Company. Compulsory conversion in Equity Shares of part of the CCPS/ROCCPS upon happening of agreed event.	<b>1,880,085</b>  <b>627,600</b>	2,005,740  627,600

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
The Joint Venture had issued ROCCPS in the year ended 31st March 2007. As per the terms of issue, the ROCCPS are convertible/redeemable. The latest date of redemption was 26th March 2012. Similarly, the Company had issued CCCPS in the year ended 31st March 2008. As per the terms of issue, the CCCPS are compulsorily convertible. The latest date of conversion was 30th January 2012. However, pending reaching any finality in the matter with the ROCCPS/CCPS holders, the Management has decided to keep the decision of conversion/redemption in abeyance.)		
<b>Total II</b>	<b>8,857,685</b>	8,983,340
<b>Total ( I + II)</b>	<b>1,514,840,267</b>	1,706,151,325

**Note 5 : Other Long-term Liabilities**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
a. Trade payables (refere note below)	<b>176,247,969</b>	235,636,630
<b>b. Others</b>		
Deposit payable	<b>274,055</b>	274,055
Society dues payable	<b>3,423,405</b>	3,361,870
Advance received towards flat bookings	<b>257,760,000</b>	361,660,000
<b>Total</b>	<b>437,705,429</b>	600,932,555

Note : Represents amount retained as per the terms of the contract(s) and are due for payment after a period of 12 months from the year-end.

**Note 6 : Long-term Provisions**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>a. Provision for Employee Benefits *</b>		
Gratuity (unfunded)	<b>24,164,617</b>	22,193,149
Leave Encashment (unfunded)	<b>36,562,759</b>	29,103,495
<b>b. Others</b>		
For Income Tax	<b>194,673,664</b>	116,526,067
<b>Total</b>	<b>255,401,040</b>	167,822,711

\* In the absence of break up of Current and Non-current portion of provision for the previous year from the Actuary, short term provision, if any, has also been shown here.

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### Note 7 : Short-term Borrowings

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>I Secured</b>		
<b>Loans repayable on demand</b>		
<b>a. From Banks</b>	<b>210,186,166</b>	350,638,536
Secured By:		
(i) First pari passu charge by way of Equitable Mortgage of leasehold rights in respect of all that pieces and parcels of land of Byculla Division CS no.1906 admeasuring 19434.10 Square Meters and structure constructed or to be constructed thereon.		
(ii) First pari passu charge on project current assets i.e Raw Materials like construction material, work-in-progress etc		
(iii) First pari passu charge on all Bank accounts like Project Implementation account and Escrow account		
(iii) Exclusive Charge by way of 50.72% shareholding of the company held by D B Realty Limited		
(iv) Personal Guarantee of Mr Shahid Balwa and Mr Vinod Goenka		
(v) Corporate Guarantee of D B Realty Limited		
<b>b. Short Term Cash Credit from Banks</b>	-	650,000,000
<b>c. From Financial Institutions</b>		
– JM Financial Services Private Limited	-	225,000,000
(Cash Credit and JM Financial Services Private Limited loan was fully secured by way of hypothecation of investment in Mutual Fund of DWS Fixed Term Fund Series 67-Growth Plan)		
<b>Total I</b>	<b>210,186,166</b>	<b>1,225,638,536</b>
<b>II Unsecured</b>		
<b>a. Inter-corporate Deposits</b>		
From Jointly Controlled Entities	<b>201,593,762</b>	219,826,937
<b>b. Loans repayable on demand</b>		
From other parties	<b>892,851,975</b>	816,099,996
<b>Total II</b>	<b>1,094,445,737</b>	<b>1,035,926,933</b>
<b>Total ( I + II)</b>	<b>1,304,631,903</b>	<b>2,261,565,469</b>

### Note 8 : Trade Payables

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Micro Small and Medium Enterprise	<b>439</b>	439
Others	<b>1,334,230,145</b>	1,647,145,824
<b>Total</b>	<b>1,334,230,584</b>	<b>1,647,146,263</b>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

**Note 9 : Other Current Liabilities**

Particulars	As at March 31, 2012	As at March 31, 2011
	₹	₹
Current maturities of long term borrowings	437,902,916	662,463,011
Advance received from Customers	8,421,716,743	7,650,975,165
Advance towards sale of Land TDR	686,440,906	508,599,533
Due to Partnership Firms towards capital contribution	200,241,883	169,653,657
Advance Received agst Tenancy Rights	45,916,498	16,415,711
Temporary overdrawn current account balance as per books of subsidiaries / jointly controlled entites	5,026,226	63,951,757
Amount Refundable on Cancellation of Flats	218,424,886	82,624,599
Employee Benefits Payable	30,828,394	35,775,958
Statutory dues including PF and TDS	293,184,666	147,807,617
Interest accrued but not due on loans	26,732,030	22,609,200
Interest accrued and due	11,082,317	12,654,823
Compensation payable	32,936,205	14,365,034
Payable to Project Partner by one of the Subsidiary	738,809,564	346,945,160
Other Payables *	281,686,564	303,534,456
<b>Total</b>	<b>11,430,929,798</b>	<b>10,038,375,681</b>

\* Other Payables includes outstanding expenses and payables towards purchase of fixed assets, property, teancy rights

**Note 10 : Short-term Provisions**

Particulars	As at March 31, 2012	As at March 31, 2011
	₹	₹
<b>a. Provision for Employee Benefits *</b>		
Gratuity (unfunded)	2,234,095	—
Leave Encashment (unfunded)	8,093,043	—
<b>b. Others</b>		
Provision for Tax	6,346,130	6,500,632
Provision for Estimated Land Cost	824,062,560	1,232,100,721
Provision for Expenses	1,226,026	61,613,963
<b>Total</b>	<b>841,961,854</b>	<b>1,300,215,316</b>

\* In the absence of break up of Current and Non-current portion of provision for the previous year from the Actuary, short term provision, if any, has been shown under Long-term Provisions.



**Note 11 : Fixed Assets**

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	Balance as at April 1, 2011	Additions	Disposals	Balance as at March 31, 2012	Acquired through business combinations	Disposals	Adjustment for the year	Depreciation charge for the year (refer note 1 below)	Balance as at March 31, 2012	Balance as at March 31, 2011
<b>a Tangible Assets</b>										
Sample Flat	-	174,907,887	-	174,907,887	-	-	-	159,281	159,281	-
Sai Pan Land (refer note 3 (iii) and note 2 below)	1,066,407,120	255,000,000	-	1,321,407,120	-	-	-	-	-	1,066,407,120
Buildings										
- Temporary Structure	38,542	-	-	38,542	-	-	-	624	32,925	6,241
- Others	99,104,983	250,000	(94,777,637)	64,577,346	-	-	-	529,583	2,348,419	62,228,927
Computers	18,381,258	300,614	(426,925)	18,254,947	-	-	-	3,767,058	11,957,089	6,297,858
Furniture & Fixtures	50,215,485	183,340	(58,666)	50,340,159	-	-	-	5,889,850	23,620,344	32,454,044
Office Equipments	18,506,959	1,019,476	(162,439)	19,363,996	-	-	-	2,046,318	6,178,698	14,347,293
Plant & Machinery	18,290,550	78,748,702	-	97,039,252	-	-	-	2,914,406	6,824,039	14,380,917
Vehicles	114,755,414	-	(5,566,275)	109,189,139	-	-	-	20,551,617	50,989,992	82,201,265
Improvement on Leasehold Property	118,149,011	18,360,231	-	136,509,242	-	-	-	41,085,174	127,586,869	31,647,316
<b>Total</b>	<b>1,503,849,322</b>	<b>528,770,250</b>	<b>(40,991,962)</b>	<b>1,991,627,610</b>	<b>-</b>	<b>(37,220,013)</b>	<b>-</b>	<b>76,943,911</b>	<b>229,697,656</b>	<b>1,313,875,564</b>
<b>b Intangible Assets</b>										
Computer software	9,717,023	764,238	(67,027)	10,414,234	-	-	-	749,590	9,519,826	894,408
Goodwill on Amalgamation	-	-	-	319,367,573	319,367,573	-	-	63,873,515	63,873,515	-
<b>Total</b>	<b>9,717,023</b>	<b>764,238</b>	<b>(67,027)</b>	<b>329,781,807</b>	<b>319,367,573</b>	<b>(67,027)</b>	<b>-</b>	<b>64,623,105</b>	<b>73,393,341</b>	<b>902,515</b>
<b>c Capital Work in Progress</b>										
	254,200,083	180,806,539	(208,487,731)	226,518,891	-	-	-	-	-	254,200,083
<b>Total</b>	<b>254,200,083</b>	<b>180,806,539</b>	<b>(208,487,731)</b>	<b>226,518,891</b>	<b>-</b>	<b>(208,487,731)</b>	<b>-</b>	<b>-</b>	<b>226,518,891</b>	<b>254,200,083</b>
<b>d Intangible assets under Development</b>										
(refer note 3 below)	32,600,459	172,740,270	-	205,340,729	-	-	-	-	-	32,600,459
<b>Total</b>	<b>32,600,459</b>	<b>172,740,270</b>	<b>-</b>	<b>205,340,729</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205,340,729</b>	<b>32,600,459</b>
<b>Total (a+b+c+d)</b>	<b>1,800,366,887</b>	<b>883,081,297</b>	<b>(249,546,720)</b>	<b>2,753,269,037</b>	<b>319,367,573</b>	<b>(249,546,720)</b>	<b>-</b>	<b>141,567,016</b>	<b>303,090,997</b>	<b>2,450,178,040</b>
<b>Previous Year (Including CWIP)</b>	<b>1,390,663,834</b>	<b>434,364,805</b>	<b>(24,661,752)</b>	<b>1,800,366,887</b>	<b>-</b>	<b>(24,661,752)</b>	<b>748,046</b>	<b>70,737,224</b>	<b>1,601,578,621</b>	<b>1,262,047,496</b>

**Notes :**

- 1 Depreciation inventorised during the year ₹ 68,829,110 (Previous Year ₹ 8,938,587)
- 2 Reclassified from Inventories in the previous year to Fixed Assets in the current year.
- 3 Intangible Assets under development includes ₹ 1,61,11,794 incurred for the beautification of Bandra Worli-SeaLink which is reclassified during the current year and was shown under Loans and Advances in previous year at ₹ 118,545,363. As per the agreement, the revenue to be generated from shopping activity in the promenade area shall be shared in equal proportion between the Company and MSPDC and Management is of the opinion that future economic benefits from the said assets is reasonably higher than cost incurred by the Company and the Company is having Control on the said asset to get future economic benefits.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

**Note 12 : Non-current Investments (at cost, unless otherwise specified)**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>a. Investment in Properties</b>		
Investment in Flat	6,558,200	6,558,200
Accumulated Depreciation	(950,939)	(655,820)
<b>b. Investment in Equity Instruments (Unquoted, Non-trade)</b>		
The Kapo! Co-operative Bank Limited	50,000	50,000
[5,000 (Previous Year 5,000) Equity Shares of ₹ 10 each, fully paid up]		
Saraf Chemicals limited	49,600,000	49,600,000
[310,000 (Previous Year 310,000) Equity Shares of ₹ 10 each, fully paid up]		
DB Hospitality Private Limited	783,029,928	–
[3,838,382 (Previous Year Nil) Equity Shares of ₹ 10 each, fully paid up]		
In Equity Shares of Associate Companies, fully paid up		
Cost of Investment (Refer note below)	897,563,702	1,015,449,265
[Including ₹ 886,241,641 (Previous Year ₹ 886,249,507) of Goodwill and net of ₹ 1,725,827 (Previous Year ₹ 2,026,208) of Capital Reserve arising on the acquisition of Associates]		
<b>c. Investment in Preference Shares (Unquoted, Non-trade)</b>		
DB Hospitality Private Limited		
– 24,233,571 (Previous Year Nil) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up	4,943,648,484	–
– 9,260,080 (Previous Year Nil) 0.002% Compulsory Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up	1,889,056,320	–
– 1,450,000 (Previous Year Nil) Cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up	1,450,000,000	–
<b>d. Investment in Capital of Joint Venture (Unquoted, Non-trade) # #</b>		
Lokhandwala Dynamix – Balwas Joint Venture	24,117,000	24,117,000
<b>e. Investments in Partnership Firms (Unquoted, Non-trade)</b>		
Investment made in Partnership Firm "Evergreen Industrial Estate" by one of the Joint Venture namely "Turf Estate JV".	4,257,573	3,784,240
Investment made in Partnership Firm "Sneh Developers" by one of the subsidiary namely "DB View Infracon Private Limited" (Previous Year the same was made by D B Properties Private Limited)	9,900	9,900
Investment made in Partnership Firm "National Tiles & Industries" by one of the Limited Liability Partnership Firm namely "DB Realty and Shreepati Infrastructures LLP".	5,400,000	5,400,000
<b>f. Investments in Debentures (Unquoted, Non-trade)</b>		
Unsecured Debentures of The Estate Investment Company Private Limited	–	1,000,000
[Nil (Previous Year 10,000) Interest free fully and compulsory convertible unsecured debentures of ₹ 100 each]		
	<u>10,052,340,168</u>	<u>1,105,312,785</u>

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### Notes :

The particulars of investment in associate companies as of March 31, 2012 are as follows :

							Amount in ₹
Sr No	Name of the Associate	Country of Incorporation	Ownership Interest	Original Cost of Investment	Amount of Goodwill / (Capital Reserve) in the Original Cost	Share of post acquisition Reserves & Surplus	Carrying Cost of Investments
1	Sangam City Township Private Limited	India	31.67%	95,000	(1,725,827)	975,108	1,070,108
	Previous Year		(31.67%)	(95,000)	(-1,725,827)	(890,655)	(985,655)
	(formerly known as Dharadhar Developers Private Limited)						
2	Dynamix Building Materials Private Limited #	India	--	--	--	--	--
	Previous Year		(50%)	(100,000)	(-300,381)	(-38,894)	(61,106)
3	DB Hi-Sky Private Limited	India	50%	50,000	12,481	(50,000)	--
	Previous Year		(50%)	(50,000)	(12,481)*	(-50,000)	(--)
4	Crossway Realtors Private Limited #	India	--	--	--	--	--
	Previous Year		(28%)	(28,000)	(2111)*	(-6,712)	(21,288)
5	DB Hotels (India) Private Limited #	India	--	--	--	--	--
	Previous Year		(24%)	(120,026,410)	(5,755)	(-115,296)	(119,911,114)
	(Formerly known as Heaven Star Realty Private Limited)						
6	Mahal Pictures Private Limited	India	33.33%	892,225,001	886,229,160	4,268,593	896,493,594
	Previous Year		(33.33%)	(892,225,001)	(886,229,160)	(2,245,101)	(894,470,102)
	<b>Total</b>			<b>892,370,001</b>	<b>884,515,814</b>	<b>5,193,701</b>	<b>897,563,702</b>
	<b>Previous Year Total</b>			<b>(1,012,524,411)</b>	<b>(884,223,299)</b>	<b>(2,924,854)</b>	<b>(1,015,449,265)</b>

(Figures in brackets denote Previous Year's ownership interest and balances)

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

# During the year the Company has sold investment in these associates and the profit / (Loss) on sale of investment is reflected in Other Income.

## Considered as Joint Venture in the current year as against Associate in the previous year.

### Note 13 : Long-term Loans and Advances

Particulars	As at March 31, 2012	As at March 31, 2011
	₹	₹
<b>a. Capital Advances</b>	<b>12,188,706</b>	21,314,871
Unsecured, considered good		
<b>b. Security Deposits</b>	<b>4,931,015,278</b>	6,932,815,741
Unsecured, considered good		
<b>c. Loans and Advances to Related Parties</b>		
Unsecured, considered good		
Loans to Associates (Interest free)	<b>780,740,000</b>	791,032,492
Due from members of Partnership Firms /Joint ventures	<b>295,076,982</b>	156,373,576
Mobilisation Advances	<b>138,484,527</b>	141,257,720
Advance against Share Purchase	<b>464,400,000</b>	1,476,000,000
<b>d. Loans and Advances to Others</b>		
Unsecured, considered good		
Loans to Others	<b>115,400,000</b>	115,400,000
Advance against Share Purchase	<b>400,000,000</b>	1,000,000,000
Mobilisation Advances	<b>6,495,354</b>	6,182,640
Advance Payment of Taxes	<b>20,135,510</b>	23,082,416
Advance recoverable in cash or in kind or for value to be received	<b>665,372,354</b>	1,004,493,523
<b>Total</b>	<b>7,829,308,711</b>	<b>11,667,952,979</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

**13.1** Advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Private Company in which director is a member	4,549,674,502	4,080,625,851

**Note 14 : Other Non-current Assets**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Margin Money Deposits *	150,145,335	101,520,000
Prepaid Expenses	16,727,867	-
Unbilled Revenue	367,680,276	1,337,374,274
Deposits	-	757,535
<b>Total</b>	<b>534,553,478</b>	<b>1,439,651,809</b>

\* The said deposits are under lien with Banks.

**Note 15 : Current Investments (At lower at cost or fair value) (Unquoted, Non-trade)**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Unsecured Debentures of The Estate Investment Company Private Limited [10,000 (Previous Year Nil) Interest free fully and compulsory convertible unsecured debentures of ₹ 100 each ]	1,000,000	-
Investment in Mutual Fund	-	1,113,399,670
<b>Total</b>	<b>1,000,000</b>	<b>1,113,399,670</b>

**Note 16 : Inventories**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Valued at cost or net realisable value whichever is lower		
a. Project Work in Progress (refer foot note (ii) of Note 30)	17,575,658,866	16,133,109,503
b. Transferable Development Rights	856,207,092	2,581,092,424
<b>Total</b>	<b>18,431,865,958</b>	<b>18,714,201,927</b>

**Note 17 : Trade Receivables**

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>Unsecured, considered good</b>		
Outstanding for a period exceeding six months	534,730,998	180,458,775
Other	385,738,224	2,518,995,838
<b>Total</b>	<b>920,469,222</b>	<b>2,699,454,613</b>

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

### Note 18 : Cash and Bank Balances

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>Cash and Cash Equivalents</b>		
Cash on Hand	1,431,226	1,577,387
Balances with Banks in Current Accounts	210,196,993	424,673,281
<b>Other Bank Balances</b>		
Fixed Deposits with Banks *	99,284,123	87,302,903
	<u>310,912,342</u>	<u>513,553,571</u>

\* Includes deposits under lien ₹ 80,791,736 (Previous year ₹ 12,409,588)

### Note 19 : Short-term Loans and Advances

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
<b>a. Loans and Advances to Related Parties</b>		
<b>Unsecured, considered good</b>		
Loans Given	1,098,833,197	3,335,450,387
Mobilisation Advances	1,071,597,535	1,433,036,392
Due from members of Partnership Firms /Joint ventures (Refer Note 33 (A)(i))	2,864,839,379	3,440,672,865
Deposit Placed	612,000	612,000
<b>b. Others</b>		
<b>Unsecured, considered good</b>		
Loan to Others	26,550,967	604,030,732
Deposits Placed	202,365,888	4,550,624
Trade Advances	46,104,833	149,734,022
Mobilisation Advances	451,838,105	430,689,578
Prepaid Expenses *	103,876,919	125,169,188
Advance Payment of Taxes	10,596,572	5,953,806
Advances recoverable in Cash or in Kind or for Value to be received	879,472,516	1,410,588,905
<b>Unsecured, considered doubtful</b>		
Advances Given	17,557,328	167,557,328
Provision for Doubtful Advances	(17,557,328)	(167,557,328)
	<u>6,756,687,911</u>	<u>10,940,488,499</u>

\* Recognition of income & expenses for ongoing projects are based upon estimated costs and work completion status, as certified by Company's technical personnel. Certain projects are at stages where their specifications / layout may undergo significant changes, based upon the management's judgments. Further, certain upcoming projects are at a stage where their specifications / layout may require significant changes. In such an event, as the brokerages paid for sale of premises in such projects are to be refunded to the Company, they are considered as "Prepaid Expenses" grouped under "Short Term Loans & Advances" a part of "Current Assets" till the project crosses such stage. Further to account for brokerage paid as "Short Term Loans & Advances" is an accounting / management judgement on the basis of matching concept, and the same have been relied upon by the auditors.

**19.1** Advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director a member

Particulars	As at March 31, 2012 ₹	As at March 31, 2011 ₹
Private Company in which Director is a member	570,980,970	5,405,020,068

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

**Note 20 : Other Current Assets**

Particulars	As at March 31, 2012	As at March 31, 2011
	₹	₹
Interest accrued and due	89,450,953	122,970,071
Interest accrued but not due	10,079,011	5,275,343
Transferable Development Rights	34,381,702	2,354,087
Service Tax Receivable	16,712,860	–
Advance Recoverable	260,300	402,132
Unbilled Revenue	1,969,626,128	567,645,796
<b>Total</b>	<b>2,120,510,954</b>	<b>698,647,429</b>

**Note 21 : Revenue from Operations**

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
	₹	₹
Sale of Properties	3,082,313,712	5,544,916,260
Sale of Transferable Development Rights	992,882,755	5,632,490,741
Trading Sales – Transferable Development Rights	1,833,422,759	1,506,702,200
<b>Total</b>	<b>5,908,619,226</b>	<b>12,684,109,201</b>

**Note 22 : Other Income**

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
	₹	₹
Interest Received on Loans – Others	339,297,879	339,564,327
Interest on Bank Fixed Deposit	15,744,846	10,165,729
Interest Received – Other	6,148,434	26,252,170
Dividend Income	8,847,176	178,362,695
Profit on sale of Current Investments	221,443,681	28,552,234
Profit on sale of Long Term Investments	443,779,233	440,821
Amount forfeited on cancellation of allotment of property and assignment of development rights	4,279,688	2,826,352
Miscellaneous Income	6,976,898	2,125,140
<b>Total</b>	<b>1,046,517,835</b>	<b>588,289,468</b>

**Note 23 : Project Expenses**

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
	₹	₹
Land Acquisition and Purchase of Tenancy Rights	75,587,064	2,260,171,034
Purchase of Transferable Development Rights (TDR)	–	3,834,884,898
Construction Expenses	5,466,600,140	8,129,554,840
Project Salaries, Wages and Bonus (Including Managerial Remuneration)	183,053,910	199,100,928
Contribution to Provident Fund and Others	1,752,140	1,489,787
<b>Total</b>	<b>5,726,993,254</b>	<b>14,425,201,487</b>

**D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012****Note 24 : Changes in Inventories**

Particulars	For the year ended March 31, 2012 ₹	For the year ended March 31, 2011 ₹
<b>Project Work in Progress:</b>		
Opening Balance	16,133,109,500	11,613,709,989
Taken over on Acquisition	1,000,448,734	309,233,130
Land Cost Refund Received (refer Note 33 B(v))	(500,000,000)	-
Transferred to Profit and Loss Account / Capitalised during the year	(538,724,741)	(91,691,816)
Transferred to Advance recoverable in Cash or Kind	(16,727,867)	(10,257,000)
Adjustment on account of Disposal / Sale of Investment	(1,000,448,734)	(59,127,779)
Closing Balance	(17,575,658,866)	(16,133,109,500)
<b>(Increase)/Decrease in Project Work in Progress</b>	<b>Total (a)</b>	<b>(4,371,242,976)</b>
<b>Transferable Development Rights</b>		
Opening Balance	2,581,092,424	514,831,599
Adjustment to Opening Stock *	(89,027,332)	-
Adjustment on account of Disposal / Sale of Investment	(33,906,600)	-
Closing Balance	(856,207,092)	(2,581,092,424)
<b>(Increase)/Decrease in Transferable Development Rights</b>	<b>Total (b)</b>	<b>(2,066,260,825)</b>
	<b>Total (a+b)</b>	<b>(6,437,503,801)</b>

\* One of the Partnership Firm has amended the terms of profits sharing ratio vide supplementary deed dated February 11, 2012 whereby the profits on account of incremental Construction TDR emanating from LOI dated December 21, 2010 have been agreed to be shared at the ratio of 50:50. Hence, the stock of incremental Construction TDR lying in the opening stock of current year is adjusted.

**Note 25 : Employee Benefits Expenses**

Particulars	For the year ended March 31, 2012 ₹	For the year ended March 31, 2011 ₹
Salaries, Wages and Bonus (Including Managerial Remuneration)	181,200,448	144,567,576
Contribution to Provident Fund and Others	5,727,688	1,738,327
Staff Welfare and Other Amenities	25,105,642	27,384,562
<b>Total</b>	<b>212,033,778</b>	<b>173,690,465</b>

**Note 26 : Finance Cost**

Particulars	For the year ended March 31, 2012 ₹	For the year ended March 31, 2011 ₹
Interest Expense	66,747,133	567,346,230
Other Borrowing Costs	4,575,026	86,917,984
Applicable Net Gain/Loss on Foreign Currency Transactions and Translation	12,173	-
<b>Total</b>	<b>71,334,332</b>	<b>654,264,214</b>



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

**Note 27 : Other Expenses**

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
	₹	₹
Rent, Rates and Taxes (Including Lease Rents – refer Note 41)	51,303,169	48,663,338
Repairs and Maintenance	4,082,482	11,407,390
Legal and Professional Charges	70,071,597	100,081,775
Donations	1,145,339	25,567,719
Directors Sitting Fees	1,140,000	1,080,000
Advertisement and Publicity (Includes ₹ 14,081,309 of prior period in previous year)	101,029,735	271,485,012
Books, Periodicals, Subscription and Membership Fees	1,423,004	3,460,698
Printing, Stationery, Postage, Telegram and Telephone Charges	3,644,592	7,289,008
Travelling and Conveyance Expenses (Including Aircraft Hire Charges ₹ 35,943,151 (Previous Year ₹ 165,769,518))	40,562,994	183,842,875
Commission and Brokerage	36,579,952	87,797,643
Compensation Charges	24,000,000	12,582,120
Loss on Sale of Assets	718,181	1,284,981
Loss on redemption of Preference Shares	–	750,000
Exchange Loss, Net	1,726,355	98,090
Project Expenses Written Off	78,504,863	41,119,456
Capital Advances Written Off	200,000,000	–
Provision for Doubtful Advances	(150,000,000)	150,000,000
Earlier Provision Written Off	150,000,000	–
Capital Work In Progress Written Off	16,196,490	–
Miscellaneous Expenses	29,804,558	34,127,013
<b>Total</b>	<b>661,933,311</b>	<b>980,637,118</b>

## DB REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

### NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

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

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

Name	Country of Incorporation	Percentage of Ownership Interest as at March 31, 2012	Percentage of Ownership Interest as at March 31, 2011
Neelkamal Realtors Suburban Private Limited	India	66.00%	66.00%
Gokuldham Real Estate Development Company Private Limited	India	75.00%	75.00%
Neelkamal Realtors Towers Private Limited	India	50.72%	50.72%
NeelkamalShantinagar Properties Private Limited (refer note i below)	India	100.00%	100.00%
Esteem Properties Private Limited.	India	100.00%	100.00%
D B Properties Private Limited (refer note ii below)	India	NA	100.00%
Saifee Bucket Factory Private Limited	India	100.00%	100.00%
Real Gem Buildtech Private Limited (refer note iii below)	India	100.00%	85.00%
DB Man Realty Limited	India	51.00%	51.00%
Priya Constructions Private Limited (refer note iv below)	India	100.00%	100.00%
Royal Netra Construction Private Limited (refer note v below)	India	50.40%	50.40%
Nine Paradise Erectors Private Limited (formerly Nine Paradise Hotels Private Limited)	India	100.00%	100.00%
N.A. Estate Private Limited	India	100.00%	100.00%
DB MIG Realtors and Builders Private Limited (formerly L&T Bombay Developers Private Limited)	India	100.00%	100.00%
Spacecon Realty Private Limited (formerly DB Spacecon Private Limited)	India	74.00%	74.00%
Vanita Infrastructure Private Limited	India	100.00%	100.00%
DB View Infracon Private Limited (refer note vi below)	India	100.00%	100.00%
DB Contractors and Builders Private Limited	India	100.00%	100.00%

- i) The subsidiary company has a Joint Venture agreement with Shankala Realtors Private Limited having profit sharing ratio of 50% for development and construction of a residential complex in the name and style of M/s. Shree Shantinagar Venture. The said Joint Venture is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.
- ii) The Company disposed off investment in the subsidiary on June 6, 2011
- iii) During the year the Holding Company has acquired remaining 15% stake in this subsidiary on February 13, 2012. Thereby, the said company became wholly owned subsidiary and accounted under AS-21.
- iv) The subsidiary company has an investment in the capital of a partnership firm, viz. M/S. Evergreen Industrial Estate having profit sharing ratio of 66% for construction and development of the immovable Properties. The said partnership firm is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.
- v) AG Infraconstruction Private Limited, the wholly owned subsidiary company, has merged with this subsidiary, upon which the undertaking and the entire business, including all assets and liabilities of the Transferor Companies stand transferred to and vested in the Transferee Company at their book value. The amalgamation has been done under the Pooling Interest Method.
- vi) The subsidiary company has invested in the capital of a partnership firm, viz. M/s. Suraksha DB Realty, on April 1, 2011 and having profit sharing ratio of 50% for construction and development of the immovable Properties. The said partnership firm is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

b) Joint Ventures/Partnership Firms (where control exists) consolidated on a 'line by line' basis (AS-21) :

Name	Country of Formation	Percentage of ownership interest as at March 31, 2012	Percentage of ownership interest as at March 31, 2011
Conwood DB Joint Venture	India	90.00%	90.00%
ECC DB Joint Venture	India	75.00%	75.00%
Mira Real Estate Developers @ (formerly Mira Salt Works Company)	India	100.00%	100.00%

@ 100% includes share of the Holding Company (99%) and DB View Infracon Private limited (1%), the wholly owned subsidiary of the Holding Company.

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

Name	Percentage of Ownership Interest as at March 31, 2012	Percentage of Ownership Interest as at March 31, 2011
Turf Estate JV(refer note i below)	66.67%	66.67%
Dynamix Realty (Partnership Firm in construction TDR) (refer note ii below)	50.00%	99.00%
D.B.S. Realty (Partnership Firm)	33.33%	33.33%
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	40.80%	40.80%
Lokhandwala Dynamix Balwas JV (refer note iii below)	50.00%	NA
DB Realty and Shreepati Infrastructures LLP	60.00%	60.00%
DB Realtors & Builders LLP #	70.00%	70.00%
Daund Warehousing Developers & Builders LLP	50.00%	50.00%
Baramati Warehousing Developers & Builders LLP #	50.00%	50.00%
Saswad Warehousing Developers & Builders LLP	50.00%	50.00%
Ahmednagar Warehousing Developers & Builders LLP	50.00%	50.00%
Ratnagiri Warehousing Developers & Builders LLP #	50.00%	50.00%
Solapur Warehousing Developers & Builders LLP	50.00%	50.00%
Sawantwadi Warehousing Developers & Builders LLP #	50.00%	50.00%
Satara Warehousing Developers & Builders LLP #	50.00%	50.00%
Kolhapur Warehousing Developers & Builders LLP #	50.00%	50.00%
Latur Warehousing Developers & Builders LLP	50.00%	50.00%
Parli Vajinath Warehousing Developers & Builders LLP #	50.00%	50.00%
Osmanabad Warehousing Developers & Builders LLP #	50.00%	50.00%
Nandurbar Warehousing Developers & Builders LLP #	50.00%	50.00%
Jalgaon Warehousing Developers & Builders LLP #	50.00%	50.00%
Jalna Warehousing Developers & Builders LLP #	50.00%	50.00%
Parbhani Warehousing Developers & Builders LLP #	50.00%	50.00%
Hingoli Warehousing Developers & Builders LLP #	50.00%	50.00%
Umri Warehousing Developers & Builders LLP #	50.00%	50.00%
Aurangabad Warehousing Developers & Builders LLP	50.00%	50.00%
Malkapur Warehousing Developers & Builders LLP #	50.00%	50.00%
Badnera Warehousing Developers & Builders LLP #	50.00%	50.00%
Washim Warehousing Developers & Builders LLP #	50.00%	50.00%
Bhandara Warehousing Developers & Builders LLP #	50.00%	50.00%
Chandrapur Warehousing Developers & Builders LLP #	50.00%	50.00%
Wadsa Warehousing Developers & Builders LLP #	50.00%	50.00%

(i) The Joint Venture has investment of ₹ 6,318,927 in a partnership firm viz. M/S. Evergreen Industrial Estate towards 1% share in profit/ (loss) and is accounted under AS-13 in the books of said joint venture.

## DB REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

- (ii) The said partnership firm has a SRA project by which it is entitled for two components of TDR viz. Land Component of TDR and Construction Component of TDR. The Partners of the Firm have amended the terms of profits sharing ratio vide supplementary deed dated 11-2-2012 and accordingly, the said project is divided into two projects viz. a) Project I – Land component of TDR (Partners – Eversmile Construction Company Private Limited – profit/ (loss) sharing ratio of 99% and Conwood Construction and Developers Private Limited – profit/ (loss) sharing ratio of 1%) and b) Project II – Construction component of TDR (Partners – DB Realty Limited – profit/ (loss) sharing ratio of 50% and Eversmile Construction Company Private Limited – profit/ (loss) sharing ratio of 50%). Since, the Holding Company has share only in the profit / loss in the Project II, the profit/ (loss) has been considered for the same on the basis of project wise break-up of audited accounts.
- (iii) Considered as Joint Venture in the current year as against an associate in the previous year and the financial statements has not been consolidated for the current year as well as the previous year.
- # These LLPs in which the Holding Company was a partner during the year, has applied to Registrar of LLP for striking off there names on February 15, 2012 from the register of LLPs and the same is in process.

29. The associates accounted under 'equity method' as per AS-23:

Name	Percentage of equity interest as at March 31, 2012	Percentage of equity interest as at March 31, 2011
Dynamix Building Materials Private Limited (till March 30, 2012)	NA	50.00%
Sangam City Township Private Limited	31.67%	31.67%
DB Hi-Sky Construction Private Limited	50.00%	50.00%
Crossway Realtors Private Limited (till December 31, 2011)	NA	28.00%
DB Hotels (India) Private Limited (Formerly known as Heaven Star Realty Private Limited) (till June 9, 2011)	NA	24.00%
Mahal Pictures Private Limited	33.33%	33.33%
Lokhandwala Dynamix Balwas JV #	NA	50.00%

# Considered as Joint Venture in the current year as against an associate in the previous year.

30. Contingent Liabilities and Commitments:

	As at March 31 2012 ₹	As at March 31 2011 ₹
A. Estimated amount of contracts remaining to be executed on the capital account (net of advances) and not provided for	-	40,204,211
B. The Company and DB Hospitality Private Limited (together "sponsor"), a company under the same management, have entered into a sponsorship agreement dated September 18, 2010 with DB Hotels (India) Private Limited (earlier known as Heaven Star Private Limited) (DBHPL) for providing sponsor support for project/ capital overrun (as determined in the future) and Non Disposal undertaking in respect of 70% of their paid up share capital in DBHPL to Yes Bank who have agreed to lend ₹ 10,820,000,000 to DBHPL for its project.	-	Amount unascertainable
C. Guarantees to banks and financial institutions (in India and overseas) against credit facilities extended to		
i) Jointly Controlled Entity		
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited) (refer note i below)	-	-
Sub Total (a)	-	-
ii) Company under the same management		
D B Hospitality Limited, Mauritius (wholly owned subsidiary of DB Hospitality Private Limited) (USD 138 Million) (refer note iv below)	7,059,597,000	6,161,700,000
Sub Total (b)	<b>7,059,597,000</b>	<b>6,161,700,000</b>

	As at March 31 2012 ₹	As at March 31 2011 ₹
iii) Others		
• Neelkamal Realtors and Builders Private Limited. (refer note iii below)	4,125,000	4,125,000
• Majestic Infracon Private Limited (earlier known as DBI Infracon Private Limited / Tiger Trustees Private Limited) (refer notes ii and iv below)	8,530,000,000	8,530,000,000
Sub Total (c)	<b>8,534,125,000</b>	<b>8,534,125,000</b>
Grand Total (a + b + c)	<b>15,593,722,000</b>	<b>14,695,825,000</b>
D. Arrears of dividend in respect of 0.001 % Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS)	478	386
E. Arrears of Dividend on 0.001 % compulsorily Convertible Cumulative Preference shares (CCPS)	91	70
F. Esteem Properties Private Limited, as per terms of Consent Terms entered into with Air Inn Private Limited, is liable to re-imburse to Air Inn Private Limited the liability that may devolve upon it on account of suit pending against it in the Hon'ble High Court of Judicature of Bombay	15,000,000	15,000,000
G. Related to Service Tax on Lease Rentals in respect of Office Premises (refer note V below)	-	6,995,632
H. Claims against the subsidiary company not acknowledged as debt (for Twenty Nine (Previous Year Thirteen) numbers of cases) relating to petition filed against the Company under the Maharashtra Rent Control Act, in relation to the Projects.	Amount unascertainable	Amount unascertainable
I. Some of the Group entities are members of Maharashtra Chambers of Housing Industry (MCHI), MCHI on behalf of its members has filed a writ petition in the High Court of Bombay Challenging the levy of service tax by them on sale of Residential Flats, which has not reached its finality. Meanwhile, the High Court of Bombay have passed a Notice of Motion dated 18 <sup>th</sup> February, 2011, where by the members are permitted to deposit the service tax with the Prothonotary & senior Master / Registrar (O.S) of the Court, with a direction that the same will be refunded with interest in the event members succeed in the said writ petition. In view of the same, the said entities have demanded the amount of service tax from each of the purchasers after 31 <sup>st</sup> March 2011 and the aggregate amount of such service tax as up to 31 <sup>st</sup> March 2011 is ₹ 205,849,902. The Group is of the view that the same is required to be deposited as and when collected from the purchasers. The management of the group has taken adequate steps for recovering of such service tax dues and is of the opinion that the same shall be collected and deposited in due course of time and does not believe it is unreasonable to expect of ultimate collection.	-	Amount unascertainable
J. Contingent payments to the holders of Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS), Compulsory Convertible Preference Shares (CCPS) and equity shares subscribed by other shareholders of an entity (in which the Holding Company has joint control) – representing the amount payable or adjustable by the Holding Company on exercise of various exit options by such other holders based on agreement entered with them.	Amount unascertainable	Amount unascertainable
K. The company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.		

Notes:

- (i) No amount has been utilized towards a total corporate guarantee provided of ₹ 750,000,000 (Previous year ₹ 2,448,000,000)
- (ii) Together with collateral securities of the Company's property admeasuring 80,934 sq meters at Malad (East), Mumbai including all development rights, unutilized Floor Space Index (FSI) /or such other FSI that may be granted in future.
- (iii) Towards vehicle loan.
- (iv) In a previous year, the Company had given Corporate Guarantees on behalf of two companies in which some of the directors of the Company are interested. The said Companies are however, not a part of DB consolidated group. Such guarantees are:
  - a) In respect of facilities availed by Majestic Infracon Private Limited from Punjab National Bank, Mumbai and Bank of India, Mumbai, for an amount aggregating ₹ 8,530,000,000 (Previous Year ₹ 8,530,000,000).
  - b) In respect of facilities availed by DB Hospitality Limited, Mauritius ('DBH, Mauritius') from ICICI Bank – United Kingdom PLC of USD 138 million – ₹ 7,059,597,000 as at the year end March 31, 2011 (Previous Year ₹ 6,161,700,000)

The outstanding balances as at March 31, 2012 in respect of aforesaid guarantees aggregate ₹ 15,589,597,000. For the purpose of the said corporate guarantees, the Company has received in its favour, irrevocable and unconditional personal guarantees from the two interested directors covering the entire amount of such guarantees issued by the Company.

The aforesaid facilities are secured as under:

- a) Majestic Infracon Private Limited by : (i) pledge of its shareholding consisting of 45,934,000 equity shares in Etisalat DB Telecom Private Limited; (ii) a paripassu charge on its property consisting of Hotel Hilton, Mumbai.
- b) DB Hospitality Private Limited by : (i) mortgage of its property consisting of Milan Mall in Milan Theatres Private Limited, Dynamix Mall in YJ Realty Private Limited, Orchid Garden in Conwood DB JV and Orchid Park in Holding Company (against stand by letter of credit issued by ICICI Bank Limited as an integral part of the arrangement); (ii) pledge of its entire shareholding of DB Hospitality Private Limited ('DBHPL') in DBH, Mauritius (being the wholly owned subsidiary of DBHPL).

The Company is confident that these companies would fulfill their obligations under those credit facilities and does not expect any outflow of resources.

- (v) The said claim has been provided for in the financial statements in the current year on account of levy of service tax on renting of immovable property by the Service Tax Department.
  - (vi) During the previous year, the outcome of the said writ petition filed by the entities and MCHI has been unfavorable. Accordingly, the entities has provided the service tax liability in its financial statements and are of the view that the same is required to be deposited as and when collected from the purchasers. The Management has taken adequate steps for the recovery of such service tax dues and are of the opinion that the same shall be collected and deposited in due course of time and does not believe that it is unreasonable to expect the ultimate collection.
31. The Company has acquired 1/3rd stake in another company by paying ₹ 892,225,001. By and under a Share Purchase Agreement dated December 2, 2010, the Company agreed to purchase additional 1/3rd stake from another shareholder of this company vide a Share Purchase Agreement and paid advance of ₹ 400,000,000. However, as per the said agreement, such purchase is subject to settlement of a suit which is pending at the High Court of Judicature at H'ble Bombay High Court. The Company, based on legal advice is confident of a favourable resolution in getting the matter resolved favourably so as to be able to develop the underlying land parcel; and accordingly the said amounts paid are considered to be good of recovery.
  32. The company has incurred a sum of ₹ 134,772,050 (Previous year ₹ 123,779,659) towards acquisition of tenancy rights pertaining to a redevelopment project, which is the subject matter of litigation. Based on legal advice and certain judicial precedents, the Company believes that it has very good chances of getting the project awarded to itself and is confident of commencement of start redevelopment activities shortly in near future and accordingly the said amount is considered as good of recovery.
  33. Significant matters stated in the notes to the audited financial statements/audit reports of the subsidiaries / Partnership firms / joint ventures and jointly controlled entities.

A) Partnership firm(s)/ Limited Liability Partnership(s) (consolidated as per AS-27)

- i) Notes to financial statements of Dynamix Realty (Dynamix) relating to outstanding receivables of ₹ 1,672,235,959 (Previous Year ₹ 5,798,640,429) (including dues aggregating ₹ 697,844,175 (Previous Year ₹ 4,476,974,912) from companies in which directors of the Holding Company are interested) as at March 31, 2012 as follows:
  - a. the other partner (being an entity in which a director of the Holding Company is interested) of Dynamix viz. Eversmile Construction Company Private Limited (ECC) has a debit balance of ₹ 423,844,175 (Previous Year ₹ 3,428,974,912). As represented by the Partners of the Dynamix, the said balance shall be recovered in due course of time and hence, the same is considered good for recovery.
  - b. Dynamix has granted unsecured loans repayable on demand with no other terms, for which the partners have given their consent. In the opinion of Dynamix, the outstanding amount as of the year end of loan and interest there on of ₹ 387,925,377 (Previous Year ₹ 1,208,431,620) (including ₹ 274,000,000 (Previous Year ₹ 1,048,000,000) from a Company in which a director of the Holding Company is interested) is considered good of recovery;
  - c. Trade receivables include ₹ 860,466,407 (Previous Year ₹ 1,151,233,897) inclusive of overdue amount of ₹ 469,100,000 (Previous Year ₹ 307,055,381), out of which ₹ 391,366,407 (Previous Year ₹ 51,233,897) is outstanding for more than six months. Out of these outstanding, debtors amounting to ₹ 841,720,750 are attached under the PML Act. In the opinion of the Partners of the Dynamix, they do not expect any shortfall in recovery.
- ii) Notes to financial statements and reference in auditor's report of Dynamix relating to matter which is sub-judice:

Dynamix had granted Loan to Kusegaon aggregating to ₹ 2,092,425,485, (the said loans) as upto March 31, 2010. As of March 31, 2012, the outstanding balance due from Kusegaon is ₹ 91,501,379, being part of interest charged. Central Bureau of Investigation, Anti-corruption Branch, New Delhi in the Supplementary (First) charge sheet RC.DAI.2009. A.0045 (2G Spectrum Case) has alleged that the Key Management Personnel of D B Group of Companies have out of the said loans granted, paid ₹ 2,000,000,000 as illegal gratification to M/s Kalaigarnar TV Private Limited through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau of Investigation have alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000 is accepted as genuine business transaction, the said loans obtained by Kalaigarnar for a consideration which being known as inadequate, constitutes commission of offence. In the opinion of the Partners of Dynamix, these are preliminary charges based on investigation carried out by the Central Bureau of Investigation Team and the key management personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trail. These preliminary charges have no impact on the business/operations of Dynamix.



Further, consequent to above, a complaint was filed under the Prevention of Money Laundering Act, 2002 (the PML Act) and the Adjudicating Authority vide Order dated January 10, 2012 has confirmed the Provisional Attachment Order (the Order). The Firm being included as one of the defendant, properties in the form of bank balances and sundry debtors aggregating to ₹ 1,338,877,171 were provisionally attached, out of which, sundry debtors of ₹ 497,120,750 stands realised after furnishing the information for which the requisite intimation has been made to the Prescribed Authority. Upon reaching finality in the 2G Spectrum Case, the outcome of the Order shall become final. Further, an appeal has been preferred against the Order before the Appellate Tribunal under the PML Act.

- iii) Notes to financial statements and reference in Auditors' report of Mira Real Estate Developers regarding a matter which is sub-judice :

The Salt Department, Union of India has filed a petition and the partnership firm has filed cross petitions towards their respective claim for exclusive title over the salt pan land. Though the matter is sub-judice, the firm is of opinion that it has a rightful claim over the ownership of the salt pan land and will be in a position to defend its title.

- iv) Notes to Financial statements relating to procedures pertaining to direct confirmations:

The Firm's Auditors have employed direct confirmation procedure for verification of balances of certain parties from / to whom unsecured loans, trade receivables, balances held in bank, trade Payables, contractors' retention money and mobilization advance in the financial statements are subject to confirmation. As per the contention of the management the same are good for realization.

**B) Subsidiaries (Consolidated as per AS 21):**

- i) In the previous year, one of the subsidiary companies had issued 4,000,000, 0.1% Redeemable Cumulative Preference Shares of ₹ 100 each fully paid up amounting to ₹ 400,000,000. The said Preference shares were at the discretion of the Board of Directors redeemable at par fully or partially after expiry of 12 years from the date of allotment i.e. November 21, 2006, but not later than 20 years from the date of allotment.

The said subsidiary in its Extra ordinary General Meeting held on October 25, 2010 has modified the terms of redemption whereby it has granted power to its Board of Directors to redeem the said Preference Shares after expiry of 3 years from the date of allotment.

Consequent to the above, the Board of Directors at their meeting held on November 3, 2010 decided to redeem the said Preference Shares without declaring any dividend thereon including the unprovided cumulative dividend as upto March 31, 2010 and the same stands, duly accepted by each of the Preference Shareholder and accordingly the said preference shares stands redeemed.

In view of the redemption being made not out of the proceeds of fresh issue of capital, an amount equivalent to ₹ 400,000,000 has been transferred from the balance standing to the credit of Profit and Loss account to Capital redemption Reserve account in compliance of the provisions of Section 80(1)(d) of the Companies Act, 1956.

- ii) In the earlier years, a subsidiary (entity) had changed the conceptualization of its project from "Mall" to "Residential cum Commercial". In relation to Mall project, the entity had executed Joint Venture Agreements with parties for constructing part of the project on their land as per the agreed terms therein. The entity expects to execute the requisite Deed of Modification, having no material impact on the rights and obligations of the said entity, qua the executed Joint Venture Agreements. Pending reaching finality in the matter, in these accounts, land cost has been provided for on the following basis:

**(Amount in ₹ )**

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to 31.03.2012	Outstanding Amount of Provision as of 31.03.2012
Estimated construction cost referable to the saleable area to be provided by the Company free of cost to the respective party	456,502,982	316,846,051	139,656,930

**Notes:**

- a) Further, as per the terms of a Joint Venture Agreement, the Company is to pay compensation of ₹ 2,000,000 per month if there is delay in completing and giving possession of the agreed Saleable Area. On happening of such event, the Company has paid such compensation of ₹ 60,000,000 as up to March 31, 2012, being the liability which the Company estimates it would have to pay towards its said obligation in terms of Joint Venture Agreement.
- b) The aggregate amount of such compensation as upto March 31, 2012 is ₹ 60,000,000 (Previous year : ₹ 36,000,000) against which unpaid amount is ₹ 18,500,000. As regards the amount payable effective April 2012 upto the date of settlement, the same shall be provided for on time proportion basis.
- c) Interest free performance refundable deposit paid by the Company on execution of above Joint Venture Agreement is ₹ 29,000,000 (Previous Year ₹ 29,000,000)

The Company has entered into an arrangement with the Mumbai Metropolitan Region Development Authority (MMRDA), wherein it has agreed to construct residential complex of self-contained tenements and provide land, in



view of the Rental Housing Scheme framed by MMRDA. In consideration thereof, MMRDA has provided additional Floor Space Index on the land on which the Company is developing and constructing its Project. Accordingly, the cost of construction thereof represents land cost in the hands of the Company. Pending incurrence of such cost, in these accounts, provision thereof has been made on the following basis:

(Amount in ₹)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to 31.03.2012	Outstanding Amount of Provision as of 31.03.2012
Estimated construction cost referable to the residential complex	909,883,000	304,124,282	605,758,718

The Company, keeping in view the maximum potential of the land on which the Project is being constructed, had provided for estimated cost of purchase of TDR/Land in the year ended March 31, 2010. During the year the management has reassessed the potentiality of the land on which the project has been constructed and is of view that the company would not require to purchase any additional land and consequent to which the estimated provision made therefore has been reversed and reduced from project expenses for the year. The details are as under:

(Amount in ₹)

Particulars	Amount Provided	Amount Adjusted	Outstanding Amount of Provision as of 31.03.2012
Estimated Monetary Price to be paid by the Company for Land	104,132,500	(104,132,500)	-
Estimated cost of Transferrable Development Right(s)	60,867,000	-	60,867,000
<b>Total</b>	<b>164,999,500</b>	<b>(104,132,500)</b>	<b>60,867,000</b>

Necessary adjustments, if any, shall be made for the estimated cost of land so provided for in the year, upon reaching finality in each of the matter.

The Company is legally advised that in respect of the land forming part of the Project, which has been obtained by execution of Joint Venture Agreement(s), the consideration in respect of which is to be discharged by way of handing over the agreed square feet of built up area, is not liable for stamp duty.

- iii) During the year ended March 31, 2011, the Management of two of its subsidiary companies had revised the estimated project cost from ₹ 13,436,057,000 to ₹ 15,728,925,667. As against the said revision, for the current year, the estimated project cost has been revised to ₹ 16,434,870,600. On account of such revisions net profit of the respective years includes the impact of reversal of the profits recognised as upto March 31, 2010 / March 31, 2011. Consequently the consolidated profits stands adjusted to this effect for the year ended March 31, 2012.
- iv) One of the Group's project is delayed due to title dispute concerning the previous landlords. The subsidiary has filed a special leave petition before the Supreme Court of India. The management, based on legal advice about the outcome of the matter believes that there is no impairment in the project cost carried in inventory at ₹ 1,084,499,868.
- v) One of the subsidiary company had undertaken development and construction of an Eco Friendly Affordable Township at Sector 12 at Bhosari, Pune on a public private partnership basis for which Letter of Allotment dated August 25, 2009 (LOA) was issued by Pimpri Chinchwad New Town Development Authority (PCNTDA). For the purpose the subsidiary had paid upfront fees of ₹ 500,000,000 to PCNTDA as per said LOA and had incurred expenditure aggregating to ₹ 130,583,058 upto March 31, 2011, which was allocated to the value of Project Work-in-Progress. During the year PCNTDA cancelled the said LOA and has refunded back upfront fees of ₹ 500,000,000 paid earlier.

The company has contested the said cancellation of LOA by PCNTDA and filed writ petition before the Hon. High Court of Bombay. Pending reaching finality in the matter, the Company has not considered the cost incurred and allocated to Project Work-In-Progress as infructuous and accordingly, has carried forward the said cost as well as has continued to allocate the relevant cost incurred during the year ended March 31, 2012 to the value of Project Work-in-Progress. Necessary adjustment entries, if any shall be passed in the year of reaching finality in the matter.

- vi) As per the terms of the Development Agreement and Supplementary Agreement entered into by the one of the subsidiary company with the land owner, proportionate expenditure incurred towards the project by the subsidiary company has to be recovered from the said land owner. Accordingly, the company has raised a total debit notes of ₹ 908,529,646 towards his share of project costs, mobilisation advance etc. However, the land owner has not accepted the said debit notes in its entirety and has raised certain objections to the extent of ₹ 15,267,954. The subsidiary company is in negotiations with the land owner for recovery / reaching a settlement of the same.
- vii) One of the subsidiary has investment in partnership firm, of which the financial statements are not prepared as per Revised Schedule VI. For the purpose of Consolidation, the management has provided presentation of firm's financial statements in the Revised Schedule VI format and the same has been relied upon by the auditors.

viii) Significant matters stated in the notes to the financial statement / auditor's report of partnership firm in which one of the subsidiary is a partner :

a) **Land Cost :**

As per then Scheme of Rehabilitation Authority, the Firm has to construct buildings and hand over to the Authority for the project affected persons/for slum dwellers, In consideration thereof, the Firm is provided Additional Floor Space Index on the land on which the Firm is developing and constructing its project. Accordingly, the cost of construction thereof representing land cost in the hands of the Firm and consequently, it has provided for the estimated cost in respect thereof to be incurred.

b) In the course of survey proceedings conducted by the Income Tax Department, the firm offered to tax an undisclosed income of ₹ 2,250,000. The said undisclosed income was utilised in payment of compensation and accordingly has been charged to the account of compensation in the year ended 31st March, 2011.

ix) One of the subsidiary has entered into agreement with HDIL for purchase of 1,500 sq. mtrs. worth of Transferable Development Rights and have paid consideration for the same. However, the said rights are yet to be transferred in the name of the Company. The company is making efforts to transfer the rights in it's favour.

x) Notes to Financial statements relating to procedures pertaining to direct confirmations:

The Auditors have employed direct confirmation procedure for verification of balances of certain parties from / to whom unsecured loans, trade receivables, balances held in bank, trade Payables, contractors' retention money and mobilization advance in the financial statements are subject to confirmation. As per the contention of the management the same are good for realization.

xi) One of the subsidiaries had accounted for the cost of Transferable Development Right (TDR) purchased for an ongoing project as a part of the value of work-in-progress (WIP) of the project. Subsequent realisation proceeds on sale of such TDR and also resulting loss of ₹ 445,800,423 (net of gain of ₹ 20,732,004 made in previous year) are adjusted against eh WIP. However, in the consolidated statement of profit and loss, the cost of ₹ 2,279,223,182 (previous year ₹ 1,406,854,796) and sale proceeds ₹ 1,812,690,753 (previous year ₹ 1,427,586,800) of TDR are shown as a part 'change in inventory' and 'revenue froms operations' respectively. Such different accounting treatment in the consolidated statement has no impact on the consolidated provit of the year.

34. Group Share in Inventories (Note 16 of the Balance Sheet) represents the unsold TDR of the partnership firms and valued at cost as per the accounting policy followed on inventories. However, the said firms have considered such unsold TDR at its estimated realisable value prevailing as at the year end and recognised as revenue / provided as contract revenue to the extent of unrecognised revenue, which has been reversed for the purpose of consolidation.

35. Group share in loans and advances :

i) Includes ₹ 260,730,654 relating to advance paid to various parties including associates facilitate the jointly controlled entity (entity) for acquiring the occupancy rights in connection with the project and as such, these parties are acting in fiduciary capacity for and on behalf of the entity. For the said purpose, the entity has executed Memorandum of Understanding with each of the party. The management of the said entity has decided to appropriate the advances so paid to each party to the account of compensation in the year in which the occupancy rights shall get transferred to the said entity. Further the entity is in the process of quantifying the amount of stamp duty liability, if any, payable by each of the party in execution of the agreement for acquiring occupancy rights from the occupants and shall account the same upon such ascertainment. However, as regards, the capital gain tax liability, if any, the entity does not expect the same to arise having regard to the market value of the entity as per the stamp duty ready reckoner and the value as per the agreement. The above classification of monies so advanced to parties to acquire occupancy rights at the behest of the entity and accounting as compensation payments in the year of transfer of such occupancy rights of the entity has no adverse impact in determination of loss for the year of the said associate as the amount of compensation, including the stamp duty, if any, and other costs shall stand allocated to the value of project work in progress as and when paid.

ii) Limited Liability Partnership firms (LLPs) on the behest of a jointly controlled entity (entity) of the Group has advanced ₹ 31,832,000 towards acquisition of occupancy rights of the occupants situated in the said land of the entity. As per the Memorandum of Understanding entered into by the LLP(s) with the entity, the LLP(s) have been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to the Entity as and when so directed. In the accounts of LLP(s) the amount received from the entity has been disclosed as current liability and the amount so advanced have been classified as advances. The necessary adjustment entries will be passed in the year in which the occupancy rights are transferred back to the entity. Further, as per the Memorandum of Understanding liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is on account of the entity.

iii) Includes ₹ 336,809,291 paid as mobilisation advance and ₹ 610,000,000 paid as machinery advance by a subsidiary company to one of the related parties in which directors of the holding company are interested. The mobilisation advance has been given under a construction contract with the related party for construction of the project in a subsidiary company. However, before awarding the contract to the said related party the subsidiary company has cancelled an LOI previously given to a third party. In view of the directors of the company the said contract has been awarded at arm's length and the outstanding amount is considered good of recovery.

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

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

(₹ In lacs)

Particulars of funds utilisation for	Amount to be utilised as per prospectus				Amount utilised till		
	Total	Up to March 2010	Up to March 2011	Up to March 2012	March 2010	March 2011	March 2012
Construction and development costs of projects specified in the prospectus	104,417	9,106	47,737	84,027	10,140	13,086	12,646
Prepayment of loan from IDFC as specified in the prospectus	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Deployed for other projects of D B Realty Group entities (Refer Note (a) below)	-	-	-	-	28,789	82,986	93,897
General Corporate Purposes	31,483	10,000	31,483	31,483	8,656	30,264	30,264
Share Issue Expenses	6,100	6,100	6,100	6,100	3,798	5,193	5,193
<b>Total (A)</b>	<b>150,000</b>	<b>33,206</b>	<b>93,320</b>	<b>129,610</b>	<b>59,383</b>	<b>139,529</b>	<b>150,000</b>

Notes:

- The Management of the Company has taken approval in the Annual General Meeting held on September 29, 2010 to vary and/or revise the terms of utilisation of the proceeds of IPO to part finance the construction and development of the existing as well as proposed projects of Subsidiaries, Joint Ventures, Associates, Firms, etc. over and above the projects already specified in the prospectus.
- The Monitoring agency viz. Punjab National Bank, Capital Market Service Branch, Mumbai has submitted its report for the six months ended September 30, 2011 and the utilization of the said proceeds has been given as per the Monitoring report.
- Pending utilisation, the funds are temporarily invested / held in:

(₹ In lacs)

	March 2010	March 2011	March 2012
a. Bank Balances	1,617	471	-
b. Mutual Funds	89,000	10,000	-
<b>Total (B)</b>	<b>90,617</b>	<b>10,471</b>	<b>-</b>
<b>Grand Total (A+B)</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>

37. Managerial Remuneration (pertaining to the Holding Company and one of the subsidiary):

Amount in ₹

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
a) Salaries and Allowances	33,709,677	31,321,429
b) Perquisites	-	4,638,742
c) Directors' sitting fees	1,140,000	1,080,000
<b>Total</b>	<b>34,849,677</b>	<b>37,040,171</b>

- The above remuneration for the current year is of two managing directors of the Company of ₹ 15,709,677 and one of the subsidiary company of ₹ 18,000,000.
- The above remuneration excludes;
  - contributions to provident and other funds as per declarations of non-deduction received from the respective directors;
  - provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them. Such waivers in (i) and (ii) above have been approved by the Board of Directors.
- Management Remuneration paid of ₹ 33,709,677 has exceeded the limit specified under Schedule XIII read with Section 349, 350 and 198 of the Companies Act, 1956, by ₹ 8,350,386. However, the same has recovered from directors during the F.Y. 2012-13.

38. Payment to Auditors of the Group\* (included in Legal and Professional charges) :

Amount in ₹

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Statutory Audits	10,394,981	9,045,868
Consolidation audit, certification, IPO related work and other matters	2,596,964	3,172,772
Reimbursement of Expenses	94,373	75,970
<b>Total</b>	<b>13,086,318</b>	<b>12,294,610</b>

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

**Defined Contribution Plan:**

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

**Amount in ₹**

	<b>For the Year Ended</b>	
	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Employers contribution to Provident fund	5,455,082	3,786,013

**Defined Benefit Plan:**

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

The following table sets out the status of the gratuity plan (unfunded) and the amounts recognised as at March 31, 2012:

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

**Amount in ₹**

<b>Particulars</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Liability at the beginning of the year	21,241,082	9,752,654
Interest cost	1,649,125	1,236,384
Current Service cost	12,006,419	5,797,466
Liability transfer in	-	-
Actuarial (gain)/loss on obligations	(7,302,295)	1,340,802
Benefit Paid	(1,195,618)	4,065,842
<b>Liability at the end of the period</b>	<b>26,398,713</b>	<b>22,193,148</b>

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

**Amount in ₹**

<b>Particulars</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Liability at the end of the period	26,398,713	22,193,148
Fair value of Plan Assets at the end of the period	-	-
Difference	(26,398,713)	(22,193,148)
<b>Amount Recognised in the Balance Sheet</b>	<b>26,398,713</b>	<b>(22,193,148)</b>

c) Expense recognized during the period:

<b>Particulars</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Current service cost	12,006,419	5,797,466
Interest cost	1,649,125	1,236,384
Expected Return on Plan Assets	-	-
Actuarial (Gain) or Loss	(7,302,295)	(1,340,801)
<b>Expense Recognised in Profit and loss account</b>	<b>6,353,249</b>	<b>5,693,049</b>

d) Actuarial Assumptions:

<b>Mortality Table</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
Discount rate ( per annum)	8.5%	8%
Rate of escalation in salary (per annum)	15%	10%

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

# DB REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

e) **Other Long Term Employee Benefit:**

The compensated absences charge for the year ended March 31, 2012, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting ₹ 18,204,496 (for Previous Year ₹ 16,180,865) has been recognized in the Profit and Loss Account.

40. **Segment Reporting:**

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

41. The Group has taken commercial premises on Non-Cancellable Operating Lease and lease rent of ₹ 36,046,281 (Previous Year ₹ 38,680,976) has been debited to Profit and Loss Account. The future minimum lease payments are as under:

Particulars	Amount in ₹	
	As at March 31, 2012	As at March 31, 2011
Not later than one year	4,456,475	35,044,730
Later than one year but not later than five year	706,332	13,109,086
Later than five year	-	-
<b>Total</b>	<b>5,162,807</b>	<b>48,153,816</b>

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

The above mentioned amounts debited to Consolidated Statement of Profit and Loss and future minimum lease payments are exclusive of service tax to the extent applicable.

42. The components of deferred tax recognised as on March 31, 2012 are as follows:

Particulars	Amount in ₹	
	March 31, 2012	March 31, 2011
<b>A Deferred Tax Liabilities</b>		
- Related to Depreciation	-	52,238
<b>Total (A)</b>	<b>-</b>	<b>52,238</b>
<b>B Deferred Tax Assets</b>		
- Deduction u/s 35D of the Act	-	8,682
- Disallowance under the Income Tax Act	17,636,263	3,886,469
- Related to Depreciation	33,635,960	-
- Unabsorbed Business Loss	6,676,203	-
<b>Total (B)</b>	<b>57,948,426</b>	<b>3,895,151</b>
<b>Closing Deferred Tax Assets / (Liability) (B-A)</b>	<b>57,948,426</b>	<b>3,842,913</b>

Three entities considered in consolidation has not accounted for deferred tax assets taking prudence as consideration as per AS-22 regarding future available profit to be set off against deferred tax assets.

The components of Unrecognised Deferred Tax Assets are as follows :

Particulars	Amount in ₹	
	March 31, 2012	March 31, 2011
<b>A Deferred Tax Liabilities</b>		
- Related to Depreciation	1,239,611	-
<b>Total (A)</b>	<b>1,239,611</b>	<b>-</b>
<b>B Deferred Tax Assets</b>		
- Disallowance under the Income Tax Act	13,240,225	19,780,916
- Related to Depreciation	-	285,386
- Unabsorbed Business Loss	56,186,546	-
<b>Total (B)</b>	<b>69,426,771</b>	<b>20,066,302</b>
<b>Closing Deferred Tax Assets / (Liability) (B-A)</b>	<b>68,187,160</b>	<b>20,066,302</b>

43. Earnings per share (EPS) is calculated as follows:

	Particulars	March 31, 2012	March 31, 2011
A	Net Profit after tax as per Statement of Profit and Loss (₹)	863,599,457	2,987,011,271
	Less: Preference Dividend in arrears	570	455
	Net Profit after tax available to equity shareholders	863,598,887	2,987,010,816
B	Weighted average number of equity shares outstanding		
	– for Basic EPS (Nos)	243,258,782	243,258,782
	– for Diluted EPS (Nos)	243,258,782	243,258,782
C	Earning per equity shares of face value of ₹ 10 each		
	– for Basic EPS (₹)	3.55	12.28
	– for Diluted EPS (₹)	3.55	12.28
D	Reconciliation between number of shares used for calculating basic and diluted Earnings per share:		
	Number of shares used for calculating Basic EPS	243,258,782	243,258,782
	Add : Potential Equity Shares (Refer note below)	-	-
	Number of shares used for calculating Diluted EPS	243,258,782	243,258,782

Note :

In calculating diluted earnings per share for the year, the effect of convertible preference shares till the date of actual conversion is considered whereas the effect of dilution of debentures converted into equity shares is ignored as the same are considered to be anti-dilutive.

44. Dynamix Realty (“Partnership Firm”) in which DB Realty Limited is a partner, had granted Loan to Kusegaon aggregating to ₹2,092,425,485, (the said loans) as upto March 31, 2010. As of March 31, 2012, the outstanding balance due from Kusegaon is ₹91,501,379, being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that the Key Management Personnel of D B Group of Companies have out of the said loans granted, paid ₹ 2,000,000,000 as illegal gratification to M/s Kalaingar TV Private Limited through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited in 2G Spectrum Case. The Central Bureau of Investigation has alternatively alleged in the said charge sheet that even if the said transaction of ₹ 2,000,000,000 is accepted as genuine business transaction, the interest charged being inadequate is a favor to the government servant. Hence, constitutes commission of offence. In the opinion of the Partners of the firm and the Management of the Company, these are preliminary charges based on investigation carried out by the Central Bureau of Investigation Team and the key management personnel named in the charge sheet are presumed to be innocent till their alleged offence is established after a fair trial. These preliminary charges have no impact on the business/operations of the firm.

Further, The Deputy Director Enforcement vide his attachment order No: 01/2011 dated August 30, 2011 has provisionally attached Company’s bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of ₹ 6,892,967. Further the Enforcement Directorate has also attached two flats belonging to the Company situated at Goregaon (East). The Combined value of these two flats as shown in Company’s financial statement of ₹ 10,765,400 at the time of attachment (WDV as on March 31, 2012 is ₹ 9,599,495). Also, a loan amounting to ₹ 503,963,329 (at the time of attachment) advanced to Goan Hotels & Clubs Pvt. Ltd. has also been provisionally attached. However, the above loan was converted into the equity shares of DB Hospitality Limited (holding Company of Goan Hotels & Clubs Private Limited) before the provisional attachment Order via tripartite confirmation. This fact has been brought to the notice of Enforcement Directorate vide this Office Letter dated September 20, 2011.

This provisional attachment order has been upheld by adjudicating authority vide order number 116/2011 dated January 10, 2012. Appeal has been filed on March 19, 2012 with Appellate Tribunal under prevention of money laundering act (PML Act). The appeal is pending before appellate tribunal for PML

45. Related Party Disclosure:

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

Sr. No.	Name of the Related Party
<b>Associates:</b>	
1.	Sangam City Township Private Limited
2.	Dynamix Building Materials Private Limited
3.	DB Hi Sky Constructions Private Limited
4.	DB Hotels (India) Private Limited (Formerly known as Heaven star Realty Private Limited)
<b>Key Management Personnel (KMP)</b>	
5.	Mr. Shahid Balwa, Vice Chairman and Managing Director (w.e.f.10.12.2011)
6.	Mr. Vinod Goenka, Chairman and Managing Director



## D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

<b>Relatives of KMP</b>	
7.	Mr. Usman Balwa (w.e.f.10.12.2011)
8.	Mrs. Sakina Balwa (w.e.f.10.12.2011)
9.	Mrs. Shabana Balwa (w.e.f.10.12.2011)
10.	Mr. Arshad Balwa (w.e.f.10.12.2011)
11.	Ms. Aliya Balwa (w.e.f.10.12.2011)
12.	Mr. Salim Balwa (w.e.f.10.12.2011)
13.	Mr. Krishna Murari Goenka
14.	Mrs. Aseela V.Goenka
15.	Mr. Jayvardhan Goenka
16.	Mr. Pramod Goenka
17.	Mrs. Sanjana Goenka
18.	Mrs. Sunita Goenka
19.	Mrs. Shanita Jain
<b>Enterprise where control / significant influence exists</b>	
20.	A.G. Mercantile Private Limited
21.	Aasma Realtors Private Limited (w.e.f.10.12.2011)
22.	Aim Properties & Investments Private Limited
23.	Aniline Construction company Private Limited
24.	Aniline Real Estate Developers Private Limited
25.	Ashtlakshmi Financial and Investment Services Private Limited
26.	Associated Hotels Limited
27.	Azur Tree Township LLP (Formerly known as Azur Tree Township Private Limited )
28.	Balwas Charitable Trust (w.e.f.10.12.2011)
29.	Basera Hotels Inn Private Limited (w.e.f.10.12.2011)
30.	BD & P Hotels (India) Private Limited
31.	Bed Inn Hotels Private Limited (w.e.f.10.12.2011)
32.	Chocklate Developers Pvt Ltd
33.	Consort Hotels Private Limited
34.	Conwood Agencies Private Limited.
35.	Close Hotels Private Limited (w.e.f.10.12.2011)
36.	Conwood Associates (Partnership Firm)
37.	Conwood Chemical Industries Private Limited
38.	Conwood Construction & Developers Private Limited
39.	Conwood Construction Company Private Limited
40.	Conwood Pre-fab Limited
41.	Crystal Granite and Marbles Private Limited
42.	DB Hospitality Private Limited
43.	DB Modern Build Tech Private Limited
44.	DB Structures and Builders Private Limited
45.	DB Tele Wimax Private Limited
46.	Dense wood Private Limited
47.	Dynamix Balwas Realty Ventures Private Limited
48.	Dynamix Balwas Resorts Private Limited
49.	Dynamix Balwas Telecom Private Limited
50.	Dynamix Club and Resorts Private Limited
51.	Dynamix Developers Private Limited
52.	Dynamix Man Pre-fab Limited
53.	Dynamix Securities and Holdings Limited



54.	Earthen Agro & Infrastructure Private Limited
55.	Eon Aviation Private Limited
56.	Eterna Realty Private Limited
57.	Etisalat DB Telecom Private Limited
58.	Eversmile Construction Company Private Limited
59.	Eversmile Properties Private Limited
60.	Excon Developers Private Limited
61.	Face Inn Hotels Private Limited
62.	Fair Brother Securities Private Limited (w.e.f.10.12.2011)
63.	Falgun Consultants Private Limited
64.	Glossy Inn Hotels Private Limited (w.e.f.10.12.2011)
65.	Goan Hotels & Clubs Private Limited
66.	Goan Real Estate and Construction Private Limited
67.	Goenka & Associates Educational Trust
68.	Goenka & Associates Medical Research Centre
69.	Goenka & Associates Social Welfare Trust
70.	Heritage Mining Company Private Limited
71.	Hillside Construction Company Private Limited
72.	Hiracon Properties Private Limited
73.	Hotel Balwas Private Limited (Formerly known as IT Square Software Solutions Private Limited)
74.	K G Enterprises
75.	Kalbadevi Hotels Private Limited (w.e.f.10.12.2011)
76.	Kalpataru Plaza Private Limited
77.	Khairun Developers Private Limited
78.	M. J. Estates Private Limited
79.	Majestic Infracon Private Limited (Formerly known as Tiger Trustees Private Limited and DBI Infracon Private Limited )
80.	Maldunge Farming and Agro Produce Private Limited
81.	Maldunge Retreat & Farming Private Limited
82.	Milan Theatres Private Limited
83.	Modren Hi-Tech Developers Private Limited
84.	Neelkamal Central Apartment LLP (Formerly known as Neelkamal Central Apartment Private Limited )
85.	Neelkamal City Shopping Mall India Limited
86.	Neelkamal Realtors and Builders Private Limited
87.	Neelkamal Realtors And Complex Pvt Ltd (w.e.f.10.12.2011)
88.	Neelkamal Relators & Erectors (India) Private Limited
89.	Nihar Construction Private Limited
90.	P G Developers Private Limited
91.	Panchsheel Developers (Partnership firm)
92.	Pegasus Builders Private Ltd (w.e.f. 17.03.2012)
93.	Pony Infrastructure & Contractors Ltd (Formerly known as Dynamix Balwas Infrastructure Limited)
94.	Pushpa Properties Private Limited
95.	Sahapur Plantations & Orchard Private Limited
96.	SB Fortune Realty Pvt Ltd (w.e.f.10.12.2011)
97.	Schon Farms Private Limited
98.	Ship Hotels India Private Limited (w.e.f.10.12.2011)
99.	Siddharth Consultancy Services Private Limited.
100.	Siddhivinayak Realities Private Limited
101.	Sigatu Chemicals Private Limited

**D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

102.	Span Construction Company Private Limited
103.	Success Inn Hotels Private Limited (w.e.f.10.12.2011)
104.	Sunday Inn Hotels Private Limited (w.e.f.10.12.2011)
105.	Swan Connect Communication Private Limited.
106.	Taloja Hotels Private Limited (w.e.f.10.12.2011)
107.	Thanks Inn Hotels Private Limited (w.e.f.10.12.2011)
108.	The Cresnet Iron & Steel Corporation Limited
109.	Three star dulex Private Limited (w.e.f.10.12.2011)
110.	Travellers Inn Hotels (India) Limited
111.	Trident Estate Private Limited
112.	V.S. Erectors & Builders Private Limited
113.	Vinod Goenka-HUF
114.	Y. J. Realty Private Limited
115.	Yadgar Hotels Private Limited (w.e.f.10.12.2011)
116.	Zenstar Hotel Private Limited (w.e.f.10.12.2011)
<b>Jointly Control Entities</b>	
117.	DB (BKC) Realtors Private Limited (formerly known as MK Malls & Developers Private Limited)
118.	Dynamix Realty (Partnership Firm under joint control)
119.	DBS Realty (Partnership Firm)
120.	Turf Estate Joint Venture
121.	DB Realty and Shreepati Infrastructures LLP
122.	Ahmednagar Warehousing Developers & Builders LLP
123.	Aurangabad Warehousing Developers & Builders LLP
124.	Badnera Warehousing Developers & Builders LLP
125.	Baramati Warehousing Developers & Builders LLP
126.	Bhandara Warehousing Developers & Builders LLP
127.	Chandrapur Warehousing Developers & Builders LLP
128.	Daund Warehousing Developers & Builders LLP
129.	Hingoli Warehousing Developers & Builders LLP
130.	Jalgaon Warehousing Developers & Builders LLP
131.	Jalna Warehousing Developers & Builders LLP
132.	Kolhapur Warehousing Developers & Builders LLP
133.	Latur Warehousing Developers & Builders LLP
134.	Malkapur Warehousing Developers & Builders LLP
135.	Nandurbar Warehousing Developers & Builders LLP
136.	Osmanabad Warehousing Developers & Builders LLP
137.	Parbhani Warehousing Developer & Builders LLP
138.	Parli Vajinath Warehousing Developers & Builders LLP
139.	Ratnagiri Warehousing Developers & Builders LLP
140.	Saswad Warehousing Developers & Builders LLP
141.	Satara Warehousing Developers & Builders LLP
142.	Sawantwadi Warehousing Developers and Builder LLP
143.	Solapur Warehousing Developers & Builders LLP
144.	Umri Warehousing Developers & Builders LLP
145.	Wadsa Warehousing Developers & Builders LLP
146.	Washim Warehousing Developers & Builders LLP
<b>Entities in respect of which the Holding Company is an Associate</b>	
147.	Neelkamal Tower Construction LLP (formerly known as Neelkamal Tower Construction Private Limited)

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

(Amount in ₹)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
<b>a) Loans given</b>					
Opening Balance	791,032,492	-	-	155,248,697	5,032,447,331
	(737,646,389)	(-)	(-)	(66,360,579)	(8,166,593,957)
Given during the year /on acquisition	15,900,000	-	-	54,709,612	1,215,109,900
	(66,886,103)	(-)	(-)	(342,185,136)	(11,319,271,452)
Returned during the year	26,192,492	-	-	24,996,277	4,883,622,415
	(13,500,000)	(-)	(-)	(253,297,018)	(14,453,418,078)
Closing Balance	780,740,000	-	-	184,962,032	1,363,934,816
	791,032,492	(-)	(-)	(155,248,697)	(5,032,447,331)
<b>b) Deposits placed</b>					
Opening Balance	-	-	-	-	5,852,381,934
	(-)	(-)	(-)	(-)	(1,955,493,934)
Placed during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(4,347,500,000)
Repaid / adjusted during the year	-	-	-	-	1,435,612,000
	(-)	(-)	(-)	(-)	(450,612,000)
Closing Balance	-	-	-	-	4,416,769,934
	(-)	(-)	(-)	(-)	(5,852,381,934)
<b>c) Inter-corporate deposits / Loans received/ repaid during the year</b>					
Opening Balance	-	-	-	219,826,935	55,364,852
	(-)	(-)	(-)	(814,853,060)	(72,802,047)
Taken / adjusted during the year	-	-	-	33,330	16,825,842
	(-)	(-)	(-)	(82,094,268)	(3,532,864,852)
Repaid / adjusted during the year	-	-	-	18,266,502	71,590,694
	(-)	(-)	(-)	(652,580,054)	(3,551,802,047)
Adjustments, net (Refer Note (ii) below)	-	-	-	-	-
	(-)	(-)	(-)	((24,540,339))	(1,500,000)
Closing Balance	-	-	-	201,593,763	600,000
	(-)	(-)	(-)	(219,826,935)	(55,364,852)
<b>d) Advance received against sale of Land TDR</b>					
Opening Balance	-	-	-	-	2,913,546
	(-)	(-)	(-)	(-)	(-)
Received during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(2,913,546)
Repaid / adjusted during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	2,913,546
	(-)	(-)	(-)	(-)	(2,913,546)
<b>e) Sundry Creditors</b>					
Opening Balance	-	-	2,073,000	-	563,508,937
	(-)	(-)	(165,000)	(-)	(399,331,291)
Payable during the year	-	-	6,030,000	-	1,443,903,476
	(-)	(-)	(2,873,000)	(-)	(2,110,419,594)
Paid / adjusted during the year	-	-	6,852,675	-	1,822,150,328
	(-)	(-)	(965,000)	(-)	(1,946,241,948)

# D B REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
Closing Balance	-	-	1,250,325	-	185,262,085
	(-)	(-)	(2,073,000)	(-)	(563,508,937)
<b>f) Other Current Liabilities</b>					
Opening Balance	-	1,000,000	-	126,584,694	-
	(-)	(5,500,000)	(-)	(244,559,810)	(-)
Payable during the year	-	19,709,677	-	106,673,491	-
	(-)	(12,816,040)	(-)	(24,333,500)	(-)
Paid during the year	-	19,327,677	-	18,202,401	-
	(-)	(17,316,040)	(-)	(147,725,114)	(-)
Adjustments, net (Refer Note (iii) below)	-	-	-	-	-
	(-)	(-)	(-)	(5,416,497)	(-)
Closing Balance	-	1,382,000	-	215,055,784	-
	(-)	(1,000,000)	(-)	(126,584,694)	(-)
<b>g) Sundry Debtors</b>					
Opening Balance	-	-	663,986	-	255,753
	(-)	(-)	(377,437)	(-)	(255,753)
Receivable during the year	-	-	-	-	-
	(-)	(-)	(286,549)	(-)	(-)
Received / adjusted during the year	-	-	-	-	126,585
	(-)	(-)	(-)	(-)	(-)
Adjusted against transfer	-	-	663,986	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	129,168
	(-)	(-)	(663,986)	(-)	(255,753)
<b>h) Advances Recoverable in cash or kind</b>					
Opening Balance	-	-	-	-	1,574,364,112
	(-)	(-)	(-)	(-)	(-)
Recoverable during the year	-	-	-	-	3,426,510
	(-)	(-)	(-)	(-)	(1,931,980,482)
Recovered during the year	-	-	-	-	367,708,560
	(-)	(-)	(-)	(-)	(357,616,370)
Closing Balance	-	-	-	-	1,210,082,062
	(-)	(-)	(-)	(-)	(1,574,364,112)
<b>i) Advance against purchase of shares</b>					
Opening Balance	-	-	-	-	1,476,000,000
	(-)	(-)	(-)	(-)	(20,000,000)
Given during the year	-	-	-	-	7,011,417,912
	(-)	(-)	(-)	(-)	(1,576,000,000)
Adjusted during the year	-	-	-	-	8,023,017,912
	(-)	(-)	(-)	(-)	(120,000,000)
Closing Balance	-	-	-	-	464,400,000
	(-)	(-)	(-)	(-)	(1,476,000,000)
<b>j) Advance for tenancy rights / flat / land</b>					
Opening Balance	-	-	33,125,000	-	14,749,200
	(-)	(-)	(500,000)	(-)	(2,500,000)
Given during the year	-	-	-	-	-
	(-)	(-)	(32,625,000)	(-)	(12,249,200)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
Returned / Adjusted during the year	- (-)	- (-)	- (-)	- (-)	- (-)
Closing Balance	- (-)	- (-)	33,125,000 (33,125,000)	- (-)	14,749,200 (14,749,200)
<b>k) Equity Share Capital</b>	- (-)	273,642,160 (362,525,580)	96,828,880 (116,598,890)	- (-)	1,045,648,380 (Refer Note (iv) below) (1,045,648,380)
<b>l) Purchase of fixed assets</b>	- (-)	- (-)	- (-)	- (-)	- (83,250)
<b>m) Investment in Equity Shares</b>	- (-)	- (-)	- (-)	- (-)	783,029,928 (-)
<b>n) Investment in Preference Shares</b>	- (-)	- (-)	- (-)	- (-)	8,282,704,804 (-)
<b>o) Corporate Guarantee given by the Holding Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies</b> (Refer Note 30 (c) and footnote (iv) of the same note)	- (-)	- (-)	- (-)	2,062,500 (4,083,750)	15,589,597,000 (14,695,825,000)
<b>p) Irrevocable and unconditional personal guarantee by each Managing Director in favour of the Company against guarantees given by Holding Company to the lenders on behalf of various entities</b> (Refer footnote (iv) to note 30)	- (-)	USD 138 million Plus ₹ 16,570 million (USD 138 million Plus ₹ 16,570 million)	- (-)	- (-)	- (-)
<b>q) Managerial Remuneration / Remuneration to relatives of KMP</b>	- (-)	33,709,677 (35,960,171)	5,700,000 (3,000,000)	- (-)	- (-)
<b>r) Interest paid on loans taken</b>	- (-)	- (-)	- (-)	- (-)	- (6,405,391)
<b>s) Travelling expenses / Hire charges</b>	- (-)	- (-)	- (-)	- (-)	35,943,151 (165,769,518)
<b>t) Rent paid</b>	- (-)	- (-)	150,000 (300,000)	- (-)	34,628,901 (36,447,696)
<b>u) Miscellaneous Expenses paid</b>	- (-)	- (-)	- (-)	- (-)	2,508,506 (2,786,493)
<b>v) Contractor Charges</b>	- (-)	- (-)	- (-)	- (-)	1,340,870,114 (1,437,074,484)
<b>w) Interest received on loans given</b>	- (-)	- (-)	- (-)	- (-)	241,005,269 (121,697,023)

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

**Notes :**

- i) The aforesaid related parties are identified by the Holding Company and relied upon by the Auditors.
- ii) The adjustment is on account of
  - a) ₹ 24,540,339 of DB (BKC) Realtors Private Limited (formerly known as MK Malls and Developers Private Limited) in which Holding Company has increased its stake by 4.57% in the previous year.

## DB REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

- b) ₹ 1,500,000 is of transactions done by the some of the subsidiary companies acquired during the previous year.
- iii) The adjustment is on account of
- a) ₹ 5,120,514 of Vanita Infrastructure Private Limited which became subsidiary w.e.f. October 1, 2010.
- b) ₹ 295,983 of DB Contractors and Builders Private Limited which became subsidiary w.e.f. March 7, 2011.
- iv) The equity share capital of ₹ 1,045,648,380 (Previous Year ₹ 1,045,648,380) is held by an entity of which the Holding Company is an associate.
- v) Disclosure in respect of material related party transaction:

(Amount in ₹)

Loans Given	Opening Balance as on April 1, 2011	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2012
DB Hi-Sky Construction Private Limited	323,350,000	3,390,000	-	326,740,000
	(294,000,000)	(42,850,000)	(13,500,000)	(323,350,000)
Sangam City Township Private Limited	446,500,000	7,500,000	-	454,000,000
	(422,500,000)	(24,000,000)	(-)	(446,500,000)
Dynamix Building Materials Private Limited	21,182,492	5,010,000	26,192,492	-
	(21,146,389)	(36,103)	(-)	(21,182,492)
Goan Hotels & Clubs Private Limited	503,963,329	698,154,583	1,202,117,912	-
	(-)	(503,963,329)	(-)	(503,963,329)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	31,675,480	4,751,322	475,132	35,951,670
	(-)	(289,261,644)	(257,586,164)	(31,675,480)
Nihar Construction Private Limited	1,838,111,781	238,727,603	1,805,452,500	271,386,884
	(3,948,639,750)	(8,051,846,781)	(10,162,374,750)	(1,838,111,781)
Y. J. Realty Private Limited	504,806,326	76,415,541	101,406,326	479,815,541
	(494,700,735)	(98,986,086)	(88,880,495)	(504,806,326)
Eversmile Construction Company Private Limited	4,582,712,582	57,500,000	3,089,792,582	1,550,420,000
	(5,794,472,582)	(1,768,635,000)	(2,980,395,000)	(4,582,712,582)
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	125,033,836	18,343,190	74,834,319	68,542,707
	(-)	(515,633,151)	(390,599,315)	(125,033,836)
Milan Theatres Private Limited	312,414,201	71,217,661	75,800,000	307,831,862
	(297,639,203)	(90,938,470)	(76,163,472)	(312,414,201)
Conwood Construction Company Private Limited	-	-	-	-
	(85,000,000)	(-)	(85,000,000)	(-)
Dynamix Balwas Realty Ventures Pvt Ltd	50,000,000	50,000,000	100,000,000	-
	(50,000,000)	(-)	(-)	(50,000,000)
Dynamix Realty	-	-	-	-
	(66,360,579)	(87,805,000)	(154,165,579)	(-)
Turf Estate JV	103,658,800	52,553,078	-	156,211,878
	(-)	(152,987,200)	(49,328,400)	(103,658,800)
DB Realty & Shreepati Infrastructures LLP	26,154,750	2,120,000	-	28,274,750
	(-)	(51,482,789)	(25,328,039)	(26,154,750)

(Figures in bracket denote previous year balances /transactions)

(Amount in ₹)

Advance received against sale of Land TDR	Opening Balance as on April 1, 2011	Received during the year	Repaid / adjusted during the year	Closing Balance as on March 31, 2012
K.G.Enterprises	2,913,546	-	-	2,913,546
	(-)	(2,913,546)	(-)	(2,913,546)

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

(Amount in ₹)

Deposits Placed	Opening Balance as on April 1, 2011	Placed during the year	Refunded during the year	Closing Balance as on March 31, 2012
Conwood Constructions and Developers Private Limited	17,381,934	-	612,000	16,769,934
	( 317,993,934)	(-)	(300,612,000)	( 17,381,934)
Conwood Construction Company Private Limited	-	-	-	-
	(150,000,000)	(-)	(150,000,000)	(-)
Eversmile Construction Company Private Limited	3,485,000,000	-	735,000,000	2,750,000,000
	(1,485,000,000)	(2,000,000,000)	(-)	(3,485,000,000)
Dynamix Club Resorts Private Limited	500,000,000	-	-	500,000,000
	(-)	(500,000,000)	(-)	(500,000,000)
Neelkamal Realtors & Builders Private Limited	750,000,000	-	-	750,000,000
	(2,500,000)	(747,500,000)	(-)	(750,000,000)
Nihar Constructions Private Limited	1,100,000,000	-	700,000,000	400,000,000
	(-)	(1,100,000,000 )	(-)	(1,100,000,000)

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

(Amount in ₹)

Inter-corporate Deposits / Loans received/repaid during the year	Opening Balance as on April 1, 2011	Taken during the year	Repaid during the year	Closing Balance as on March 31, 2012
D.B. Hospitality Private Limited	-	-	-	-
	(180,000)	(1,200,000)	(1,380,000)	(-)
Conwood Agencies Private Limited	54,764,852	16,825,842	71,590,694	-
	(63,712,047)	(5,764,852)	(14,712,047)	(54,764,852)
Neelkamal Realtors & Builders Private Limited	-	-	-	-
	(8,910,000)	(679,000,000)	(687,910,000)	(-)
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	219,826,935	-	18,233,172	201,593,763
	(814,853,060)	(57,553,929)	(652,580,054)	(219,826,935)
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	-	-	-	-
	(-)	(2,547,775,000)	(2,547,775,000)	(-)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	-	-	-	-
	(-)	(300,000,000)	(300,000,000)	(-)

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



**D B REALTY LIMITED**

(ANNUAL REPORT 2011 - 12)

(Amount in ₹)

Sundry Creditors	Opening Balance as on April 1, 2011	Payable during the year	Paid during the year	Closing Balance as on March 31, 2012
Eon Aviation Private Limited	-	39,496,576	39,496,576	-
	(22,651,438)	(207,591,692)	(230,243,130)	(-)
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	436,901,456	1,110,231,002	1,454,857,685	92,274,773
	(-)	(1,159,884,138)	(722,982,682)	(436,901,456)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	65,467,062	238,361,513	239,388,197	64,440,378
	(-)	(417,025,403)	(351,558,341)	(65,467,062)
Conwood Construction and Developers Private Limited	15,494,638	5,949,307	1,433,630	20,010,315
	(200,301,909)	(135,341,052)	(320,148,322)	(15,494,638)
K.G.Enterprises	2,822,661	43,558,860	41,351,501	5,030,020
	(2,962,755)	(41,941,276)	(42,081,371)	(2,822,661)
Conwood Construction Company Private Limited	5,004,682	-	5,004,682	-
	(98,509,753)	(66,394,929)	(159,900,000)	(5,004,682)

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

(Amount in ₹)

Other Current Liabilities	Opening Balance as on April 1, 2011	Payable during the year	Paid during the year	Closing Balance as on March 31, 2012
Turf Estate JV	-	-	-	-
	(7,884,789)	(-)	(7,884,789)	(-)
DBS Realty (Partnership Firm)	110,168,696	106,673,491	18,202,401	198,639,786
	(236,675,021)	(13,334,000)	(139,840,325)	(110,168,696)
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	16,415,998	-	-	16,415,998
	(-)	(16,415,998)	(-)	(16,415,998)

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

(Amount in ₹)

Sundry Debtors	Opening Balance as on April 1, 2011	Receivable during the year	Received / adjusted during the year	Closing Balance as on March 31, 2012
Salim Balwa	663,986	-	663,986	-
	(377,437)	(285,549)	(-)	(663,986)

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

(Amount in ₹)

Advance recoverable in cash or kind	Opening Balance as on April 1, 2011	Recoverable during the year	Recovered during the year	Closing Balance as on March 31, 2012
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	1,330,603,282	-	351,976,131	978,627,151
	(-)	(1,617,850,000)	(287,246,718)	(1,330,603,282)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	243,690,830	-	12,235,919	231,454,911
	(-)	(267,666,667)	(23,975,837)	(243,690,830)

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

(Amount in ₹)

Advance against share purchase	Opening Balance as on April 1, 2011	Paid during the year	Recovered during the year	Closing Balance as on March 31, 2012
Heaven Star Realty Private Limited (now known as DB Hotels (India) Private Limited (Share application money)	1,476,000,000	24,000,000	1,500,000,000	-
	(20,000,000)	(1,576,000,000)	(120,000,000)	(1,476,000,000)
DB Hospitality Private Limited	-	6,987,417,912	6,523,017,912	464,400,000
	(-)	(-)	(-)	(-)

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

(Amount in ₹)

Advance for development rights	Opening Balance as on April 1, 2011	Paid during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2012
Usman Balwa	33,125,000	-	-	33,125,000
	(500,000)	(32,625,000)	(-)	(33,125,000)
Aim Properties & Investments Private Limited	3,468,000	-	-	3,468,000
	(-)	(3,468,000)	(-)	(3,468,000)
Neelkamal Realtors & Builders Private Limited	3,549,600	-	-	3,549,600
	(2,500,000)	(1,049,600)	(-)	(3,549,600)
Neelkamal Relators & Erectors (India) Private Limited	3,651,600	-	-	3,651,600
	(-)	(3,651,600)		(3,651,600)
Nihar Construction Private Limited	4,080,000	-	-	4,080,000
	(-)	(4,080,000)	(-)	(4,080,000)

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

<b>Equity Share Capital</b>	<b>Amount (₹)</b>
NeelKamal Tower Construction LLP (formerly known as NeelKamal Tower Construction Company Private Limited)	1,045,648,380 (1,045,648,380)
Mr. Vinod Goenka	273,642,160 (361,782,180)
<b>Investment in Equity Shares</b>	<b>Amount (₹)</b>
DB Hospitality Private Limited	783,029,928 (-)
<b>Investment in Preference Shares</b>	<b>Amount (₹)</b>
DB Hospitality Private Limited	8,282,704,804 (-)
<b>Managerial Remuneration paid</b>	<b>Amount (₹)</b>
Mr. Shahid Balwa	3,709,677 (12,214,445)
Mr. Vinod Goenka	30,000,000 (23,745,726)
<b>Interest paid on loans taken</b>	<b>Amount (₹)</b>
Conwood Agencies Private Limited	- (6,405,391)
<b>Travelling expenses / hire charges</b>	<b>Amount (₹)</b>
Eon Aviation Private Limited	35,943,151 (165,769,518)
<b>Rent paid</b>	<b>Amount (₹)</b>
K.G.Enterprises	34,104,440 (36,185,704)
<b>Expenses paid</b>	<b>Amount (₹)</b>
K.G.Enterprises	2,410,987 (2,666,167)
<b>Contractor Charges</b>	<b>Amount (₹)</b>
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	231,939,985 (314,363,475)
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	1,108,930,129 (1,122,711,009)
<b>Interest received on loans given</b>	<b>Amount (₹)</b>
Y. J. Realty Private Limited	76,423,183 (72,758,362)
Milan Theatres Private Limited	49,922,653 (43,877,428)
Nihar Construction Private Limited	96,154,341 (657,534)

# DB REALTY LIMITED

(ANNUAL REPORT 2011 - 12)

## 46. FINANCIAL INFORMATION OF THE SUBSIDIARY COMPANIES AS ON 31.3.2012

Sr. No.	Name of the Subsidiary	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit(loss) before Tax	Provision for Tax	Profit(loss) after Tax	Proposed Dividend
1	Gokuldham Real Estate Development Company Private Limited	50,000,000	1,180,216,639	3,253,122,473	3,253,122,473	1,055,607,261	1,957,919,881	606,152,026	207,744,164	398,407,862	-
2	Neelkamal Realtors Suburban Private Limited	111,600,000	438,089,332	3,833,763,429	3,833,763,429	-	709,452,569	(21,393,460)	(4,154,571)	(17,238,889)	-
3	Esteem Properties Private Limited	1,000,000	(38,373,383)	1,089,275,046	1,089,275,046	-	-	(8,110,933)	33,118	(8,144,051)	-
4	Neelkamal Shantinagar Properties Private Limited	160,000	(6,732,705)	275,155,031	275,155,031	274,016,784	-	(208,189)	-	(208,189)	-
5	Saifee Bucket Factory Private Limited	248,000	(2,368,751)	24,481	24,481	-	-	(89,522)	-	(89,522)	-
6	Real Gems Build Tech Private Limited	135,100,000	(164,306,493)	3,868,978,240	3,868,978,240	699,600,000	155,000	(50,058,331)	-	(50,058,331)	-
7	Priya Constructions Private Limited	100,000	(6,282,990)	224,203,677	224,203,677	167,377,425	59,205	(1,316,128)	-	(1,316,128)	-
8	Neelkamal Realtors Tower Private Limited	32,887,250	883,260,363	4,341,130,056	4,341,130,056	-	-	(39,323,188)	-	(39,323,188)	-
9	D B Man Realty Limited	140,000,000	(8,680,002)	132,459,512	132,459,512	-	246,594	(819,002)	-	(819,002)	-
10	Royal Netra Constructions Private Limited	15,000,000	(7,501,224)	649,756,971	649,756,971	-	968,932	(1,239,623)	394	(1,240,017)	-
11	N. A. Estates Private Limited	100,000	(173,546)	145,155,364	145,155,364	-	-	(59,204)	-	(59,204)	-
12	Nine Paradise Erectors Private Limited	100,000	(385,191)	324,359,770	324,359,770	-	96,154,341	(117,810)	-	(117,810)	-
13	DB MIG Realtors & Builders Private Limited	17,100,000	1,658,822,445	2,166,571,557	2,166,571,557	-	-	(15,478,033)	-	(15,478,033)	-
14	Spaceon Realty Private Limited (Formerly DB Spaceon Private Limited)	135,140	(87,244,789)	581,141,608	581,141,608	-	-	(44,128,063)	-	(44,128,063)	-
15	Vanita Infrastructure Private Limited	100,000	3,641,286	51,364,662	51,364,662	-	-	(242,276)	-	(242,276)	-
16	DB View Infracon Private Limited	100,000	43,692,968	1,038,763,311	1,038,763,311	1,004,838,661	46,289,507	46,194,430	-	46,194,430	-
17	DB Contractors & Builders Private Limited	100,000	(181,671)	529,490	529,490	-	-	(98,776)	-	(98,776)	-

47. 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 of the previous year have also been reclassified to conform to the presentation of the current year.

---

**Signatures to Notes 1 to 47**

**For and on behalf of the Board**

**Vinod Goenka**  
Chairman & Managing Director

**Shahid Balwa**  
Vice Chairman & Managing Director

**Mahesh Gandhi**  
Director

**Asif Balwa**  
Group Director (Finance)

**N.M. Gattu**  
Chief Financial Officer

**S A K Narayanan**  
Company Secretary

**Mumbai, Dated : May 26, 2012**



✂

## D B REALTY LIMITED

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

### ATTENDANCE SLIP

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

Regd.Folio No : \_\_\_\_\_

Name of the Member(s) or Proxy : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I/We hereby record my/our presence at the 6<sup>th</sup> Annual General Meeting of the Company held on Saturday, the 22<sup>nd</sup> day of September, 2012 at 03.00 p.m. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400 063.

SIGNATURE OF THE MEMBER(s) OR PROXY

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

..... ✂ .....

## D B REALTY LIMITED

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

### PROXY FORM

DP ID : \_\_\_\_\_ Client ID : \_\_\_\_\_

Ledger Folio No. : \_\_\_\_\_ No.of Shares held : \_\_\_\_\_ Proxy No : \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a Member(s) of D B REALTY LIMITED, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_ in the District of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at the 6<sup>th</sup> Annual General Meeting of the Company to be held on the 22<sup>nd</sup> day of September, 2012 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signature of  
Member/s

(Affix a  
Re.1/-  
Revenue  
Stamp)

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

✂









**DB REALTY**<sup>®</sup>  
THE NEXT LEVEL

D B REALTY LTD.  
DB House, General A.K. Vaidya Marg,  
Goregaon (E), Mumbai 400 063, India.  
t: +91 22 40778600  
e: investors@dbg.co.in  
www.dbrealty.co.in