

DB Realty.

90  million sq. ft. of prime real estate property.

15.2  million sq. ft. of ongoing projects.

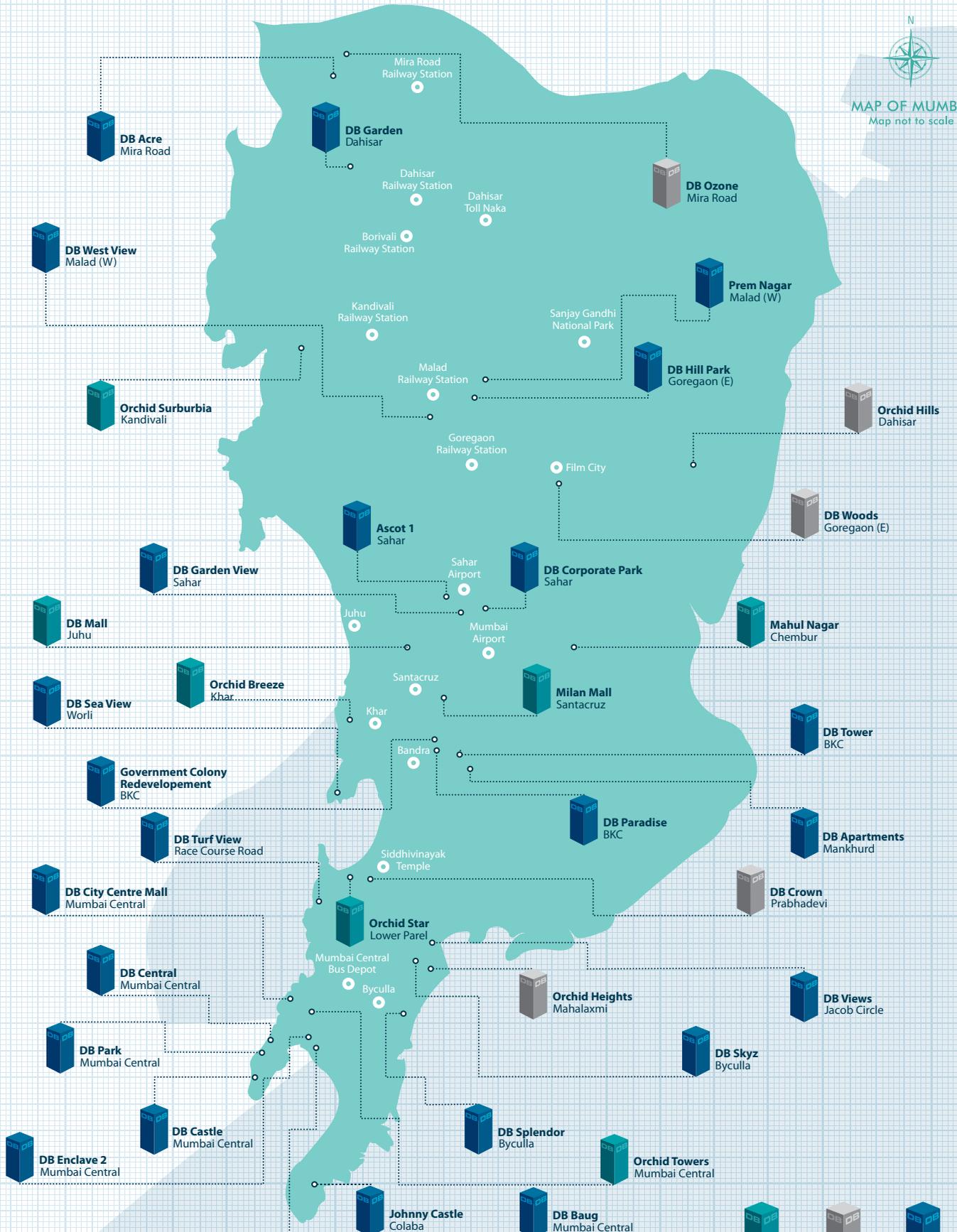
9.3  million sq. ft. delivered.

36  projects across all segments.

20,000  satisfied customers.



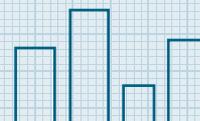
MAP OF MUMBAI
Map not to scale



36 luxury projects.
90 million sq. ft. of prime real estate.



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CEO Speak

Vipul Bansal, CEO, DB Realty

Dear Shareholders,

I am pleased to inform that your company has made substantial progress on all the fronts including Approvals, Construction and Sales in the past financial year, and is ready to embark on an aggressive growth path in the coming one.

Currently, your company has a portfolio of 36 projects across Mumbai, spanning over 90 million sq.ft., and is under different stages of execution and development. We expect to get approvals and start the construction and sales at DB Turf View (Mahalaxmi Race Course), DB Heights (Mahalaxmi), DB Paradise (BKC) and DB Garden View (International Airport), in the financial year 2013 - 14. The area of these projects will aggregate around 5 million sq.ft., and the value of the inventory would be in excess of Rs. 20,000 Cr.

Our continued focus on execution saw the successful delivery of Orchid Suburbia (Kandivali). In the year 2013 -14, we expect to deliver DB Woods to our customers.

I take this opportunity to thank all our shareholders, customers, employees, bankers, and regulators for reposing their faith in us and motivating us to take our business to greater heights.

Regards,

Vipul Bansal

DB Realty:

The name behind iconic landmarks.



DB Realty Limited, founded in 2007, has in a short span of time covered enormous ground, establishing its place as a leading real estate developer in India. While our growth story is rooted in facts and figures, our legacy will be built on a strong reputation of excellence in residential, commercial and gated community developments. This is why, even during these challenging times, we remain deeply committed to our mission of creating superior developments in each of our market segments, and fulfilling our promises to all of our stakeholders.

Our expanding portfolio consists of over 90 million sq. ft. of prime property, carefully crafted by 15,000 experts and managed by over 500 internationally and nationally acclaimed executives. This translates to 36 exclusive projects that have served close to 20,000 satisfied customers till date.

Our projects are based in and around Mumbai, and are under various stages of planning and construction. Widely accredited with redefining luxury living in Mumbai, DB Realty constantly seeks to design aesthetically striking residences, responding to changing needs and evolving lifestyles.

Our residential projects include a wide range of premium condominiums and duplexes across North and South Mumbai, built in partnership with best-in-class contractors and master architects.

We further endeavour to execute more projects that would redefine urban living. In this regard, being backed by a highly experienced team of experts from diverse backgrounds only strengthens our ability to do so. Going forward, DB Realty hopes to continue changing the landscape of Mumbai with growth and sustainability.

For more information on the company, please visit, www.dbrealty.co.in

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)

Mr. Janak Desai

(Independent Director)

Mr. N.M Rafique

(Independent Director)

Mr.Salim Balwa

(Non-Independent Director)

Mr.Jayvardhan Goenka

(Non-Independent Director)

Group Director (Finance)

Mr.Asif Balwa

Chief Finance Officer

Mr.N.M.Gattu

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

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)

Finance & Investment Committee:

Mr. Mahesh Gandhi (from 17-3-2011)

Mr. Vinod Goenka (from 10-12-2011)

Mr. Jagat Killawala (from 10-12-2011)

Remuneration Committee:

Mr. Mahesh Gandhi (from 17-3-2011)

Mr. Jagat Killawala (from 17-5-2011)

Mr. Janak Desai (from 10.12.2011)

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)

Bankers

Oriental Bank of commerce

Punjab National 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

NOTICE

NOTICE is hereby given that the 7th Annual General Meeting of the members of the Company will be held on Saturday, the 28th September, 2013 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 31st March, 2013, Statement of Profit and Loss for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Mahesh Gandhi, who retires by rotation and offers himself for re-appointment.
3. To appoint a Director in place of Mr. N. M. Rafique, who retires by rotation and offers himself for re-appointment.
4. To appoint a Director in place of Mr. Vinod K. Goenka, who retires by rotation and offers himself for re-appointment.
5. 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:

6. 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 re-appointment of Mr. Vinod Goenka, a Director of the Company as Chairman & Managing Director for a period of five years with effect from 1st September, 2012 and upto and including 31st August, 2017, to carry the functions of business development, business strategy and responsibilities of management of 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: Rs.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.
- 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 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. Vinod Goenka 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.

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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: 10th August, 2013

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 business under Item no. 6 set out above is 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 23rd September, 2013 to Saturday, the 28th September, 2013 (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, Goregaon (E), Mumbai -400063 on all working days of the Company between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
10. Members/Proxies are requested to bring the attendance slip duly filled in.
11. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
12. 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.

13. 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 st April, 2012	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 st March, 2013	9	686

14. Details of unclaimed Refunds:

Post Initial Public Offer (IPO) in February, 2010, the Company transferred a sum of Rs.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 31st March, 2013 was Rs.6,132/- The details are as under:

Particulars	No of unrealized refund orders	Amount (Rs.)
Outstanding Physical Warrants as on 1 st April, 2012	10	6,132
Investors who have approached the Company / Registrar and Share Transfer Agent for refunds	-	-
Investors to whom refunds were made from the unclaimed account	-	-
Outstanding amount in the unclaimed Refund account as on 31 st March, 2013	10	6,132

15. 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 initiative 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

**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: 10th August, 2013

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

ITEM NO. 6:

Mr. Vinod Goenka was appointed as Executive Chairman designated as Chairman & Managing Director (Non-Independent) by the Board of Directors for a period of five years with effect from 1st September, 2007. Mr. Vinod Goenka was acting as Managing Director only when Mr.Karun Shrivastava and Mr.K.M.Goenka were appointed as Chairmen of the Board of Directors for the period from 14th September, 2009 till 16th May, 2011 and from 17th May, 2011 till 9th December, 2011 respectively. Mr.Vinod Goenka's tenure as Executive Chairman expired on 31st August, 2012 and he continues to act as Chairman and Managing Director, having been re-appointed as such by the Board of Directors of the Company. Mr.Vinod Goenka is a Promoter of the Company and is a Director from inception of the Company.

Mr. Vinod Goenka (CMD) has more than two decades of experience in construction industry in Mumbai and Goa. The details of directorship, chairmanship and membership of Mr. Vinod Goenka are appearing in the Corporate Governance Report.

Mr.Vinod Goenka's re-appointment as Chairman & Managing Director has been recommended by the Remuneration Committee of the Board of Directors of the Company and he was re-appointed by your Board for a period of five years w.e.f.1st September,2012, subject to the approval of members in the general meeting. In the event of loss or inadequacy of profit, the remuneration payable to Mr.Vinod Goenka as Chairman & Managing Director shall be subject to Part II of Schedule XIII of the Companies Act, 1956.

Mr. Vinod Goenka is a member of the Finance and Investment Committee of the Directors and also a Managing Director of a Subsidiary Company.The Board recommends the Special Resolution set forth in Item No. 6 of the Notice for approval of the members.

Other than Mr. Vinod Goenka and Mr. Jayvardhan Goenka another Director and son of Mr. Vinod Goenka, none of the other Directors is in any way, concerned or interested in this resolution.

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: 10th August, 2013

DIRECTORS' REPORT

To
The Members
DB REALTY LIMITED

Your Directors have pleasure in presenting the 7th Annual Report on the business and operations of the Company along with the audited accounts for the financial year ended 31st March, 2013.

Financial Highlights

(Amount Rs.)

Particulars	Standalone		Consolidated	
	F.Y.2012-13	F.Y. 2011-12	F.Y.2012-13	F.Y.2011-12
Gross sales and other receipts	524,317,816	1,263,202,903	3,674,454,862	6,955,137,061
EBIDTA	184,474,181	730,645,604	252,117,735	1,228,969,125
Interest and Finance Charges	180,833,853	72,129,377	181,282,103	71,334,332
Depreciation and amortization	35,183,064	71,887,953	139,792,371	77,647,589
Operating Profit	(31,542,736)	586,628,274	(68,956,739)	1,079,987,204
Provision for Tax	(28,561,344)	(38,821,441)	(61,217,974)	159,695,117
Prior period tax Adjustment	(6,000,000)	(6,500,000)		
Less: Minority Interest	-	-	56,433,968	(58,740,220)
Add: Share of Profit/(Loss) in Associates (Net)	-	-	(15,225,772)	2,047,590
Profit after taxation	3,018,608	631,949,715	33,469,432	863,599,457
Balance brought forward	7,883,151,766	7,251,202,051	7,155,252,911	6,305,975,810
Loss of amalgamated subsidiary taken over	-	-		(14,322,356)
Adjustment of subsidiary converted to Associate	-	-	116,125,625	-
Amount available for appropriation	7,886,170,374	7,883,151,766	7,304,847,968	7,155,252,911
Balance carried to Balance Sheet	7,886,170,374	7,883,151,766	7,304,847,968	7,155,252,911
Net Worth	34,162,048,386	34,159,029,778	33,994,225,980	33,844,630,923

Business Initiatives

The on-going project viz.DB Woods at Goregaon (East) is nearing completion and the possession is expected to be handed over in the current year. The project Orchid Suburbia at Kandivali (East) has been completed and the handing over of possession is in progress. The other on-going projects viz.DB Crown at Prabhadevi and DB Ozone at Dahisar are progressing satisfactorily. The Project Orchid Heights at Mahalakshmi is now being launched by IL&FS Group in a revised format. Your company is also proposing to re-launch the Turf Estate Project in a revised format during the festival period. The project Orchid Centre in Pune will now be executed by one of the subsidiaries of D B Hospitality Private Limited.

Your Company is also proposing to launch DB Golf Link project in Yerawada, Pune and DB Paradise project, in Bandra (East), Mumbai in the current year.

Audit Report:

The Statutory Auditors in their Report have drawn attention of the members to certain notes to the Financial Statements, as a matter of emphasis and also have expressed a qualified opinion in their Report on Consolidated Financial statements by drawing attention to a note forming part of Consolidated Financial statements. While the said notes are themselves self explanatory, your Directors offer the following clarifications and further explanations on the same;

1. Para 1 relating to Note no. 37 on Managerial Remuneration is self explanatory and is a matter of record.
2. Para 2 (Note 42): 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. 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

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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 (Note Nos.21,11 and 14) refers to losses incurred by the firms and LLPs in which Company is a partner, which have been audited by the respective Auditors and accounted in your Company's Statement of Profit and Loss. The losses are mainly due to the said firms except Dynamix Realty not recognizing the revenue in their books and carrying the expenses incurred on the projects as Inventories. As and when the said firms recognize the revenues after triggering the threshold limits, the company would account for the share of profit and also recover the investments in the said firms. In the case of Dynamix Realty, the loss in the current year was mainly due to fluctuation in the price of transferable development rights which the company acquired from SRA on construction of buildings for them and carried as inventory.
4. Para 4 (i) (Note 30(A)(i) (1) and (2) and Para 4 (ii)(Note 27(A)(III) refer to disclosures in the audited financial statements of the firm Dynamix Realty regarding outstanding receivables which is good for recovery and the allegations in the 2G Spectrum case which is sub-judice. These notes are self-explanatory.
5. Para 5 (Note 27) refer to the guarantees amounting to Rs. 2414.81 crores given by the Company for loans taken by promoter group companies and few other entities while the Company was a private limited company and also subsidiaries and associate companies. All these 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.
6. Para 6 (Note 35) : 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 are in the early stage of real estate development. These investments are strategic in nature and long term. 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,
7. Para 7 (Notes. 31 to 33): These relate to (a) Acquisition of additional 1/3rd stake in a company for which an advance of Rs.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 Rs.143.26 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 and (c) 15.58 crores for acquisition of development rights of a SRA redevelopment project with a litigation. Your Directors believe that these investments are of long term nature and would fetch adequate return in the long term.
8. Para 8 (Note No.15) The realizable value of the Work-in-progress valued at lower of the cost or net realizable value as stated in the financial statements is in our opinion more than adequately realizable for similar reasons as stated in Para 6 above.
9. Para 9 (Note No.46) The loss in the Association of Persons(AOP), not debited to the Members' accounts in the Books of AOPs would be offset against the income/profit to be realized by the said AOPs when the said AOPs recognize the revenues in their books on reaching the threshold limits of the execution of the respective projects.
10. In Para (v) (b) of the CARO Report, the Auditors have referred to certain transactions in respect of aircraft usage charges of Rs.100.49 Lakhs for which comparable 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.

Auditors Report on Consolidated Financial Statements:

11. The Auditors in the Report to Consolidated Accounts have expressed a qualified opinion by drawing attention to Note 45(a) of the Consolidated Financial Statements which states that two partnership firms' accounts have not been considered for consolidation as these statements were not available. The Company's subsidiaries are partners in these firms and these subsidiaries have not consolidated the accounts of the said firms with their financial statements. As stated in the said note, the investments in the said firms are not significant and hence there is no material impact of these investments in the financial statements.

12. Para 1 of the Auditors Report to Consolidated Accounts on Emphasis of Matter deals with Managerial Remuneration dealt with elsewhere in this Report.
13. With regard to Para 2 of the Report to Consolidated Accounts, on the subject of accounting of Brokerages your Directors would like to state that the same would be accounted 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.
14. With regard to Paras 3 to 7 of the Report to Consolidated Accounts, these matters have already been dealt with in the earlier paragraphs and are references made by the Auditors as part of Report to Consolidated Accounts.

Preferential Issue of Convertible Warrants and under ESOP Scheme:

Your Company has not implemented the Preferential issue as contemplated since the necessary approvals for the same have not been received.

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 2012-13.

Subsidiaries

Your Company had the following subsidiaries as on 31st March, 2013:

Name of the Subsidiary of D B Realty Ltd.	Shareholding (%)
1. Esteem Properties Private Limited	100.00
2. Gokuldharm Real Estate Development Company Private Limited	74.99
3. Neelkamal Realtors Suburban Private Limited	66.00
4. Neelkamal Shantinagar Properties Private Limited	100.00
5. Real Gem Buildtech Private Limited	100.00
6. Saifee Bucket Factory Private Limited	100.00
7. D B Man Realty Limited	51.00
8. Priya Constructions Private Limited	100.00
9. Royal Netra Constructions Private Limited	50.40
10. D B View Infracon Private Limited	100.00
11. Spacecon Realty Private Ltd (Formerly D B Spacecon Private Limited)	74.00
12. D B MIG Realtors & Builders Private Limited	100.00
13. Vanita Infrastructure Private Limited	100.00
14. N A Estates Private Limited	100.00
15. Nine Paradise Erectors Private Limited	100.00
16. D B Contractors & Builders Private Limited	100.00

Neelkamal Realtors Tower Pvt Ltd, another erstwhile subsidiary Company, executing Orchid Heights project has now ceased to be a subsidiary of your Company after conversion of the Preference shares by IL & FS into Equity shares. This project is now being managed by IL & FS group who has consented to provide the necessary funding and other project management assistance. Your Company's overall economic interest in the said company continues to be the same.

Particulars under Section 212 of the Companies Act, 1956, the Audited Statement of Account and the Auditor's Report of the Subsidiary Companies for the year ended 31st March, 2013 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.

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Your Company has invested a sum of Rs. 94 crores in the Cumulative Redeemable Preference Shares (CRPS) during the year, of D B Hospitality Private Limited. Three hotels are already in operation at Ahmedabad, Mumbai and Goa under this Company 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 31st March, 2013 is annexed hereto.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Mahesh Gandhi, Mr. Vinod Goenka and Mr. N.M. Rafique retire by rotation at the forthcoming Annual General Meeting.

Mr. Vinod Goenka, one of the promoters and Managing Director of the Company has been reappointed as 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.

Fixed Deposits

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

Directors' Responsibility Statement

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

- a) in the preparation of the annual accounts for the year ended 31st March, 2013, 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 forms 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 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' relations have been cordial during the year. There were no investors' grievances pending as on 31st March, 2013. 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 Rs. Nil)

Expenditure in Foreign Currency:

Stand alone Amounts.

PARTICULARS	Fiscal 2013 (Rs)	Fiscal 2012 (Rs)
Professional Fees	11,87,542	-
Interest	-	-
Other Expenses	-	-

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 Companies Act, 1956 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.

On behalf of the Board of Directors

Mumbai
Date: 18th May, 2013

Vinod K. Goenka
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC REVIEW

Global Economy

In the year 2013, the Global economy continued rough and testing time. The developed economies are still struggling to recover from the financial crisis in 2008. Several countries in Euro zone are facing tight fiscal, monetary and expansionary policies facing challenges on account of high unemployment and banking fragility. In the US, recovery is showing some sign and improvements in employment numbers and housing sector. In BRICS countries, the challenges are different in managing growth and inflation. The export volume growth is flat and hopeful for upcoming year.

Indian Economy

The challenging global scenario, distorted fiscal, import-export trade balance and parliamentary policy paralysis are the bottlenecks affecting the Indian economic growth. The persistent high consumer price inflation is the biggest problem in the economy. RBI is inclined to curb the persistent high consumer price inflation, over the choice of boosting the business cycle and increasing liquidity in the banking system.

The government took some initiative on policy front to curb the fiscal deficit by cutting down on subsidy on fuels like diesel and LPG. The FDI regime was further liberalised in key sectors such as power, banking, insurance, retail and aviation.

Despite being challenges, India still remains as one of the fastest growing economies of the world. All the eyes are hopeful for 2014 election out come and new policies supporting the economy boost.

INDUSTRY REVIEW

Real Estate

The year 2013 witnessed slowdown in Indian Real Estate in residential market, commercial and retail space, facing approval challenges, rising price of steel, cement and labour. Entire developer fraternity is expecting this year an industry status to Real Estate segment, single window clearance for obtaining permissions to begin a project and creation of a housing regulator. Most of the companies in the sector continued to be in a slow growth mode and hopes for upcoming year.

Mumbai Real Estate

The Mumbai real estate market has showed stagnant growth during FY 2013 due to the high interest rates and slow economic growth and income levels. Slow project approvals, high construction cost and funding cost are the bottleneck and concern for the developers in Mumbai. However, demand is likely to remain subdued due to the prevailing uncertainty in the economy. The lack of infrastructure development in line with the overall pace of development of real estate is also the big concern.

COMPANY STRENGTHS

Execution and Delivery

D B Realty Ltd has focus on execution and delivery of projects. Your company has delivered the Orchid Suburbia Project located at Kandivali West during the financial year 2013.

Quality of Execution

D B Realty Ltd 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 2013-14 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 Core Team comprises professionals like CA, CFAs, Lawyers and MBAs which are driving the organization through their

contribution. 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 0.1 and has high potential of leveraging for construction activities.

BUSINESS OVERVIEW

The company remains committed to timely completion and delivery of projects with quality state-of-art construction. 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:

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 high end retail malls. The project comprises 6 wings of 21 storeys of 2 BHK and 3 BHKs. The complex has all the modern amenities like swimming pool, club house, podium garden, jogging tracks and grand entrance lobby.

The project has been successfully completed well within the stipulated timeframe and a total 685 units have been constructed.

DB Woods

DB Woods is a lush property located away from the urban chaos of the city next to the only 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 in project: 630

Cumulative units sold: 597

Total Sales Value: Rs 10623 mn, of which Rs 7479 mn has been recognized as revenue.

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 in project: 3,661

Cumulative units sold: 3,351

Total Sales Value: Rs 9,507 mn, of which Rs 5,617 mn has been recognized as revenue.

DB Crown

DB Crown is located in the upscale neighborhood of Prabhadevi, South Mumbai. It has luxury of amplexness 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 in project: 606

Cumulative units sold: 254

Total Sales Value: Rs 20,239 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

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 in project: 311

Cumulative units sold: 163

Total Sales Value: Rs 10,747 mn. There is no revenue recognition from this project as the project is yet to reach the requisite threshold limit.

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FINANCIAL PERFORMANCE OVERVIEW

1. Balance Sheet Analysis:

A comparative table showing synopsis of FY 2013 vs FY 2012 of Consolidated Balance Sheet is provided below:

Rs Mn

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
EQUITY AND LIABILITIES				
Shareholders Fund				
Share Capital	2,433	2,433	-	0%
Reserves and Surplus	31,562	31,412	150	0.4%
Net Worth	33,995	33,845	150	0.4%
Minority Interest	466	946	(480)	-51%
Non- Current Liabilities	3,662	2,208	1,454	-66%
Current Liabilities	14,566	14,912	(346)	-2%
Total	52,688	51,911	777	2%
ASSETS				
Non-Current Assets	29,795	23,369	6,426	27%
Current Assets	22,893	28,542	(5,649)	-20%
Total	52,688	51,911	777	2%
A. Non-Current Liabilities:				
Long-Term Borrowings	3,312	1,515	1,797	119%
Other Long Term Liabilities	285	438	(153)	-35%
Long-Term Provisions	65	255	(190)	-75%
Total	3,662	2,208	1,454	66%
B. Current Liabilities:				
Short-Term Borrowings	1,313	1,103	210	19%
Trade Payables	1,148	1,334	(186)	-14%
Other Current Liabilities	11,328	11,431	(103)	-1%
Short-Term Provisions	777	842	(65)	-8%
Total	14,566	14,710	(144)	-1%
C. Non-Current Assets:				
Fixed Assets including CWIP	2,142	2,450	(308)	-13%
Goodwill on Consolidation	2,657	2,445	212	9%
Non-Current Investments	11,563	10,052	1,511	15%
Deferred Tax Assets (net)	145	58	87	150%
Long-Term Loans and Advances	12,674	7,829	4,845	62%
Other Non-Current Assets	614	535	79	15%
Total	29,795	23,369	6,426	27%
D. Current Assets:				
Current Investments	10	1	9	900%
Inventories	15,038	18,432	(3,394)	-18%
Trade Receivables	1,948	920	1,028	112%
Cash and Bank Balances	277	311	(34)	-11%
Short-Term Loans and Advances	3,713	6,757	(3,044)	-45%
Other Current Assets	1,906	2,121	(215)	-10%
Total	22,892	28,542	(5,650)	-20%

2. Profit and Loss Analysis:

A comparative table showing synopsis of FY 2013 vs. FY 2012 statement of Profit and Loss is provided below:

Rs Mn

	2013	2012	Increase / (Decrease)	% Increase / (Decrease)
Revenue from Operations	3,408	5,909	(2,501)	-42%
Other Income	266	1,047	(781)	-75%
Total Revenue	3,674	6,955	(3,281)	-47%
Total Expenses	3,688	5,854	(2,166)	-37%
Profit Before Tax	(69)	1,080	(1,149)	-106%
Profit After Tax and before Minority Interest and Share of Profit/ (Loss) in Associates	(8)	920	(928)	-101%
Minority Interest	56	(59)	-	-
Share of Profit / (Loss) in Associates	(15)	2	-	-
Profit After Tax	33	864	(831)	-96%
Basic and Diluted EPS (Rs)	0.14	3.55	(3.41)	-96%
A. Revenue from Operations:				
Revenue from Projects	3,198	3,082	116	-4%
Sale of Transferable Development Rights (TDRs)	210	993	(783)	-79%
Trading Sales - Transferable Development Rights (TDRs)	-	1,833	(1,833)	
Total	3,408	5,908	(2,500)	-42%
B. Expenses:				
Operating Costs	2,791	4,831	(2,040)	-42%
Employee Benefits Expenses	169	212	(43)	-20%
Finance Costs	181	71	110	155%
Depreciation and Amortization Expenses	140	78	62	79%
Exceptional Items	-	1	(1)	-
Prior Period Items	55	21	34	162%
Other Expenses	406	662	(256)	-39%
Total	3,742	5,876	(2,134)	-36%

3. Cash Flow Analysis:

A comparative table of FY 2013 vs. FY 2012 Cash Flows is provided below:

	2013	2012
Opening Cash and Cash Equivalents	230	408
Net Cash Inflow from Operating activities	1,944	10,015
Net Cash Outflow from Investing activities	(5,015)	(8,752)
Net Cash Outflow from Financing activities	3,048	(1,441)
Closing Cash and Cash Equivalents	207	230

INTERNAL CONTROL SYSTEMS

D B Realty Ltd. 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 BDO Haribhakti. 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

The year 2014 would be challenging considering the economic environment in domestic and international front. The inflation, current account & fiscal deficit and balancing depreciated Rupee would be the issues on the top list of the policy makers. The GDP growth of India for 2013-14 is calibrated by IMF at 5-5.5%. The economic and business sentiments witnessing low are eyeing on upcoming monsoon and 2014 election that would bring hopes and new policies from new government.

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India is witnessing rapid urbanization on an unprecedented scale. The young India with average age of 29 is joining the workforce every year that adds to the domestic consumption. 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.

Urbanisation 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.

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 favored 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 the inflation and volatility in Rupee foreign exchange value, the Reserve Bank of India (RBI) has taken steps to regulate the liquidity in the banking system by changing the policy rates in last year. After reducing the key interest rate for the 13 times, RBI decreased the rates once. But due to volatility in forex market, the short term rates were revised upward to suck up the liquidity from the market. High interest rates reduced the ability to purchase of the home buyer, which dampened residential sales, primarily in the low and middle income segments. 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 2012-2013 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 31st March, 2013:

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 (eight) 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 is as follows:

No.	Name of the Director	Category
1	Mr. Vinod K. Goenka, Chairman & Managing Director [^]	Executive Director (Promoter)
2	Mr. Shahid U. Balwa, Vice Chairman & Managing Director ^{^^}	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.17.5.2011
5.	Mr. Janak I. Desai	Non Executive Independent Director w.e.f.17.5.2011
6.	Mr. Nasir M. Rafique	Non Executive Independent Director w.e.f.17.5.2011
7.	Mr. Salim U. Balwa	Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011
8	Mr. Jayvardhan V. Goenka	Non Executive Non Independent Director (Promoter Group) w.e.f.10.12.2011

[^] appointed as Executive Chairman w.e.f. 10.12.2011

^{^^} Appointed as a Managing Director, designated as Vice-Chairman w.e.f. 10.12.2011

The Board of Directors of the Company met 6 times during the Financial Year 2012–2013, and the dates of the said meetings were viz. 26.05.2012, 11.08.2012, 08.09.2012, 05.10.2012, 10.11.2012 and 09.02.2013. The interval between any two meetings was not more than four calendar months.

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The Composition, category of Directors, Attendance at Board / Annual General Meeting(s), Directorships and Committee Memberships in other Companies as on 31st March, 2013 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. Vinod K. Goenka	ED** Chairman & Managing Director	6	3	Yes	7	Nil	1
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director	6	6	Yes	2	Nil	2
Mr. Mahesh M. Gandhi	NE& ID*	6	5	Yes	1	1	Nil
Mr. Jagat Killawala	NE & ID*	6	4	Yes	1	Nil	2
Mr. Janak Desai	NE & ID*	6	5	Yes	1	1	2
Mr. Nasir M Rafique	NE & ID*	6	3	Yes	Nil	Nil	Nil
Mr. Salim U. Balwa	NE & NID ³	6	6	No	10	Nil	Nil
Mr. Jayvardhan V. Goenka	NE & NID ³	6	3	Yes	Nil	Nil	Nil

- 1) * Non-Executive & Independent Director
- 2) ** Executive Director
- 3) ³ "Non Executive and Non Independent Director.

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 Grievance 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 Rs. 20,000/- each, reimbursement of travelling expenses and out of pocket expenses on actual basis for attending Board Meetings 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 share 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. The Code has been circulated to all the members of the board and senior management and the compliance of the same have been affirmed by 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 31st March, 2013 and the copy of the code of conduct is put on the website of the Company viz. www.dbrealty.co.in.

On behalf of the Board of Directors

**Vinod Goenka
Chairman**

III. Audit Committee

Constitution of Audit Committee (During the Year 2012-13):

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 (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 32 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. Shahid Balwa (M D and Member of the Audit Committee w.e.f. 10.12.2011 till date) has more than a decade of experience in hospitality and construction industry. He led the family’s business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian/Hilton, 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 at Marine Lines, Mumbai.

Mr. Janak Desai has over seven 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 2012-2013

The Audit Committee met Four times during the Financial Year 2012-2013, i.e., on 26.05.2012, 10.08.2012, 10.11.2012 and 09.02.2013. 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	4	4

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.

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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 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. The present members of the Remuneration Committee are Mr. Mahesh Gandhi (Chairman), Mr. Janak Desai and Mr. Jagat Killawala.

The Committee met once during the financial Year 2012 – 2013 on 10.11.2012 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 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 reviews 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 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 Committee so reconstituted comprises of Mr. Janak Desai (Chairman), Mr. Jagat Killawala & Mr. Shahid Balwa as on the date of this Report:

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 2012 – 2013 on 09.02.2013 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: 1

No. of requests/complaints resolved : 1

No. of requests/complaints pending : Nil

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

The present Finance & Investment Committee comprises of Mr. Vinod Goenka (Chairman), Mr. Mahesh Gandhi and Mr. Jagat Killawala. The committee, during the year held meetings on 12.04.2012, 26.07.2012, 21.08.2012, 03.11.2012 and 27.12.2012. The details of the committee meetings are as under:

Name of the Member	Finance/Investment Committee meetings	
	Held	Attended
Mr. Vinod Goenka	5	5
Mr. Mahesh Gandhi	5	5
Mr. Jagat Killawala	5	5

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

Name of Director	Category	Sitting Fees (Rs.)	Remuneration paid during 2012-2013	
			Salary & perquisites (Rs.)	Total (Rs.)
Mr. Vinod K. Goenka @	ED** Managing Director, Chairman w.e.f.10.12.2011	--	1,20,00,000 @ @	1,20,00,000 @ @
Mr. Shahid U. Balwa	ED** Vice Chairman & Managing Director (w.e.f. 10.12.2011)	--	-- @ @	-- @ @
Mr. Mahesh M. Gandhi	NE& ID*	3,00,000	Nil	3,00,000
Mr. Jagat Killawala	NE & ID*	2,20,000	Nil	2,20,000
Mr. Janak Desai	NE & ID*	2,20,000	Nil	2,20,000
Mr. Nasir M. Rafique	NE & ID*	60,000	Nil	60,000
Mr. Salim Balwa &	NE & NID***	1,20,000	48,75,000	49,95,000
Mr. Jayvardhan Goenka	NE & NID***	60,000	Nil	60,000

* Non-Executive & Independent Director

** Executive Director

*** Non-Executive & Non-Independent Director

@ includes Rs.30,00,000/- paid by a subsidiary and Rs.90,00,000/- paid by an Associate

@ @ Net of Rs. 30,00,000/- recovered subsequently

& includes Rs.30,00,000/- paid by a subsidiary and Rs.18,75,000/- paid by an Associate

Subsidiary Monitoring framework

The Company has two material non-listed subsidiaries within the meaning Clause 49 definition, in which one of the independent Directors of the Company was nominated as Independent Director.

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

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

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
2011-2012	Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East), Mumbai 400063	22.09.2012	03.00 P.M.
2010-2011	Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra East, Mumbai 400051	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.

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

(A) Annual General Meeting:

Year & Date	Type of Meeting	Brief particulars of the Special Resolutions passed
2011-2012 22-09-2012	6 th Annual General Meeting	1. Appointment of and Remuneration payable to Mr. Shahid Balwa as Vice Chairman and Managing Director for a period of 5 years w.e.f. 10/12/2011
2010-2011 21-09-2011	5 th Annual General Meeting	None
2009-2010 29-09-2010	4 th Annual General Meeting	1. 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. 2. 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.

(B) Extra Ordinary General Meeting:

Year & Date	Type of Meeting	Brief particulars of the Special Resolutions passed
2012-2013 03-11-2012	Extra Ordinary General Meeting	1. Preferential issue of Convertible Warrants to the Promoters/Promoters Group for cash in accordance with SEBI (ICDR) Regulations, 2009 2. Issue of Stock Options to the employees under ESOS Guidelines 3. Issue of Stock Options to the employees of the Company's subsidiaries under ESOS Guidelines

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. Mahesh Gandhi
2. Mr. Vinod K. Goenka
3. Mr. Nasir M. Rafique

1. Mr. Mahesh Gandhi:

Mr. Mahesh M. Gandhi, aged 60 years is a Non-Executive Independent Director of our Company. He has been on the Board of our Company since April 26, 2007. Mr. Mahesh Gandhi holds a Bachelors degree in Science from University of Gujarat, a Masters degree in Financial Management from Jamnalal Bajaj Institute of Management Studies, Mumbai, Masters degree in Law in the area of International Law and Tax practice from University of Gujarat, and a Diploma in journalism. Mr. Gandhi has over 32 years of experience in asset management, investment banking and corporate finance. He was involved in the launching of Millenium Capital Management Private Limited in 1998, which provides consultancy and advisory services. He has also been the chief executive officer of Jardine Fleming Asset Management Fund and the chief executive officer of Unit Trust of India's Investment Advisory Services from 1995 until 1996. He has also served General Insurance Corporation of India. The details of directorship, chairmanship and membership of Mr. Mahesh Gandhi are appearing elsewhere in this Report. Mr. Mahesh Gandhi does not hold any share in D B Realty Limited as on 31st March, 2013.

2. Mr. Vinod Goenka:

Mr. Vinod K. Goenka, aged 54 years, is the Managing Director and a Promoter of our Company. He has been on the Board of our Company since January 8, 2007. He holds a graduate degree in commerce from Mumbai University. Mr. Goenka has over 25 years of experience in the field of construction and real estate business. Over the years, Mr. Goenka has acquired expertise in project management and in formulating strategy for development of residential townships and commercial complexes. His involvement as Managing Director has substantially been in respect of developing the projects of our Company. The details of directorship, chairmanship and membership of Mr. Vinod Goenka are appearing elsewhere in this Report. Mr. Vinod Goenka holds 15364216 shares of D B Realty Limited as on 31st March, 2013.

3. Mr. Nasir M. Rafique:

Mr. Nasir M Rafique aged 63 years is a Non Executive Independent Director of our Company and has been on the Board since 17th May, 2011. He has been on our Board (Independent and Non-executive Director) w.e.f. 17th May, 2011. He has completed Engineering from IIT, Kanpur / AMU and Hotel Management from IHM, PUSA, New Delhi. He has been a Freelance Consultant for the last 7 years and prior to that has worked as Advisor to Dadabhai Group, Baharin(1998-2005), and as Principal of IHMA (1974-1998) The details of directorship, chairmanship and membership of Mr. Nasir M Rafique are appearing elsewhere in this Report. Mr. Nasir M Rafique does not hold any share in DB Realty Limited as on 31st March, 2013.

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Mr. Mahesh Gandhi	Mr. Vinod Goenka	Mr. Nasir Rafique
<p>The details of directorship (other than in DBRL) of Mr. Mahesh Gandhi are as follows:</p> <ol style="list-style-type: none"> 1. Apodis Hotels & Resorts Ltd. 2. Millenium Capital Management Pvt. Ltd. 3. Trikona Capital Services Pvt. Ltd. 4. Prama Consultancy Services Pvt. Ltd. 5. TCK Advisors Pvt. Ltd. 6. Duranta Energy Pvt. Ltd. 7. Prama Hospitality Pvt. Ltd. 8. Prama Agri Business Pvt. Ltd. 9. Apodis Foods and Brands Pvt. Ltd. 10. Apodis Projects Pvt. Ltd. 11. Prama Canary Wharf Hotels Pvt. Ltd. 12. Intellistay Hotels Pvt. Ltd. 13. Kashi Infotech Pvt. Ltd. <p>Mr. Mahesh Gandhi is a Chairman of Audit Committee and Member of Finance & Investment Committee of the Company. 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. Vinod Goenka are as follows:</p> <ol style="list-style-type: none"> 1. Gokuldham Real Estate Development Co. Pvt. Ltd.- Managing Director 2. DB Man Realty Ltd. 3. Neelkamal Realtors Suburban Pvt. Ltd. 4. Pony Infrastructure and Contractors Ltd. 5. Dynamix Man Pre-Fab Ltd. 6. Conwood Pre-Fab Ltd. 7. A G Mercantile Pvt. Ltd. 8. Aniline Construction Co. Pvt. Ltd. 9. Conwood Agencies Pvt. Ltd. 10. Conwood Construction & Developers Pvt. Ltd. 11. Crystal Granite & Marble Pvt. Ltd. 12. D B Hospitality Pvt. Ltd. 13. Densewood Pvt. Ltd. 14. Eversmile Construction Co. Pvt. Ltd. 15. Eversmile Properties Pvt. Ltd. 16. Goan Real Estate and Construction Pvt. Ltd. 17. Majestic Infracon Pvt. Ltd. 18. Neelkamal Realtors Tower Pvt. Ltd. 19. Sangam City Township Pvt. Ltd. 20. Siddhivinayak Realities Pvt. Ltd. <p>Mr. Vinod Goenka is a Chairman of Finance & Investment 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. Nasir Rafique are as follows:</p> <ol style="list-style-type: none"> 1. BIHM Hospitality Management Pvt. Ltd.

Other details for shareholders:

AGM Date, Time and Venue	: 28 th September, 2013. 3 P.M. at Lakshdham High School Auditorium, Lakshdham High School, Gokuldham, Goregaon (East) Mumbai – 400 063,
Financial Year	: 01.04.2012 – 31.03.2013
Book Closure	: 23 rd September, 2013 to 28 th September, 2013
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 2012 to March 2013

Month	Stock Exchanges					
	BSE			NSE		
	Share Price		Sensex	Share Price		Nifty
	High (Rs.)	Low (Rs.)	Close	High (Rs.)	Low (Rs.)	Close
April, 2012	91.45	72.65	17318.81	91.50	72.55	5248.15
May, 2012	93.20	65.55	16218.53	93.35	68.00	4924.25
June, 2012	93.20	79.20	17429.98	93.40	78.00	5278.90
July, 2012	85.25	75.00	17236.18	85.00	76.10	5229.00
August, 2012	80.80	72.25	17429.56	80.40	72.25	5258.50
September, 2012	76.00	68.25	18762.74	77.90	68.20	5703.30
October, 2012	119.40	71.50	18505.38	121.70	71.00	5619.70
November, 2012	141.00	96.15	19339.90	141.50	96.50	5879.85
December, 2012	164.70	128.55	19426.71	164.50	128.30	5905.10
January, 2013	168.40	130.10	19894.98	168.40	130.00	6034.75
February, 2013	141.40	69.60	18861.54	141.40	68.40	5693.05
March, 2013	82.50	55.25	18835.77	80.80	55.25	5682.55

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

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 promoter group are held in demat form.

Distribution schedule as on 31st March, 2013

Equity Shares held	No. of Shareholders	Percent (%) of Shareholders	No. of Equity Shares	Percent (%) of Shareholding
1 – 500	18,961	84.6927	22,12,581	0.9096
501 – 1000	1,389	6.2042	11,45,919	0.4711
1001 – 2000	774	3.4572	12,04,659	0.4952
2001 – 3000	296	1.3221	7,79,771	0.3206
3001 – 4000	134	0.5986	4,85,582	0.1996
4001 – 5000	164	0.7325	7,87,420	0.3237
5001 – 10000	252	1.1256	19,30,852	0.7937
10001 and above	418	1.8671	23,47,11,998	96.4865
Total	22,388	100.00	24,32,58,782	100.00

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Shareholding Pattern as on 31st March, 2013.

	Category	Number of Equity Shares	Percentage of Holding
A	Promoter's Holding		
1	Indian Promoter	14,88,35,998	61.18
	Sub Total (A)	14,88,35,998	61.18
B	Non Promoter's Holding		
1	Institutional Investors		
	1. Mutual Funds/UTI	2,372	0.00
	2. Financial Institution/Banks	16,94,871	0.70
	3. Venture Capital Funds	14,90,538	0.61
	4. Foreign Institutional Investors	1,19,45,701	4.91
2	Non Institutional Investors		
	1. Bodies Corporate	2,43,45,934	10.01
	2. Individuals	1,71,19,580	7.04
	3. Non-resident Individuals	6,70,399	0.27
	4. Trusts	1,70,000	0.07
	5. Foreign Company	3,56,04,853	14.64
	6. Clearing Members	13,78,536	0.57
	Sub Total (B)	9,44,22,784	38.82
	Grand Total (A+B)	24,32,58,782	100.00

Dematerialization of Equity Shares and liquidity

As at 31st March, 2013, 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 31st March, 2013, which would likely to 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: 18th May, 2013

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 and the cash flow statement of D B Realty Limited for the fourth quarter and year ended 31st March, 2013 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: 18th May, 2013

Asif Balwa
Group Director (Finance)

N.M.Gattu
C.F.O

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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, 2013, 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 18, 2013
Place: Mumbai

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

INDEPENDENT AUDITORS' REPORT

To the Members of DB Realty Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **DB Realty Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

1. We draw attention to Note No. 37 regarding managerial Remuneration of Rs. 6,000,000 paid by the Company has exceeded the limits specified under Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956. We are informed that the Company will recover the excess remuneration of Rs. 6,000,000 from the relevant Directors during FY 2013-14.
2. We draw attention to Note No. 42 regarding attachment order issued by adjudicating authority under Prevention of Money Laundering Act (PML Act), by which the Company's assets amounting to Rs. 521,621,696 have been attached on August 30, 2011. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
3. We draw attention to Note No. 21 which includes share of losses (net) from investment in partnership firms and LLPs (the 'Firms') aggregating Rs. 93,097,413 and investments in these Firms aggregating Rs. 2,613,624,756 (Refer Note 11 & 14); are based on financial statements of the firms as audited by other auditors whose reports have been furnished to us and which have been relied upon by us.
4. We draw attention to the following disclosures in audited financial statements in respect of a partnership firm viz. Dynamix Realty ('Dynamix') where the Company is one of the partner :
 - I. Outstanding receivables of Rs 737,420,341 as at March 31, 2013 from Companies in which Directors of the Company are interested. (Refer Note 30 (A)(i) (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) (iii)}

This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.

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5. We draw attention to note number 27, regarding guarantees issued and securities provided aggregating Rs. 24,148,098,400 issued by the Company to banks and financial institutions on behalf of various entities, 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.
6. We draw attention to note number 35 regarding the Company's investments aggregating Rs. 2,046,339,120 in and loans and advances aggregating Rs. 3,043,702,747 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.
7. We draw attention to Note No. 31 to 33 regarding matters which 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, 2013 for loans and advances aggregating Rs. 1,676,350,333 and investments of Rs. 312,018,720.
8. We draw attention to Note No. 15 of the financial statements regarding the status of the projects and the opinion framed by the Company regarding realizable value of the cost incurred, being a technical matter, relied upon by us.
9. We draw attention to note no 46 w.r.t manner of recognition of Company's share in Association of Persons.
Our opinion is not qualified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Chetan Desai
Partner
Membership No. 17000

Place: Mumbai
Date: May 18, 2013

ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of DB Realty Limited on the financial statements for the year ended on 31st March, 2013]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, 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 off by the Company during the year.
- (ii) (a) Inventories comprise of expenditure incurred on acquisition of plot of lands and tenancy rights, development rights and other expenditure on construction and development thereof. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory, except for records in respect of payments to tenants where documentation needs to be considerably strengthened by the Company and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) The Company has granted loan to seventeen companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 5,321,461,703 and the year- end balance of loans granted to such parties was Rs. 4,825,061,807.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company. Attention is invited to Para 6 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 of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company had taken loan from two companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 964,832,142 and the year-end balance of loans taken from such parties was Rs. 714,725,262.
- (f) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- (g) Since the said loans (including interest thereon) are repayable on demand except for one of the loan taken from a subsidiary and there is no repayment schedule, the question of repayment being regular does not arise. In respect of the loan from a subsidiary, it is repayable after three years from acceptance and hence, 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 Rs. 45,793,700 are in accordance with general industry practice; there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. 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 any continuing failure to correct weakness in internal control system of the company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.

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- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rs five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time except for certain transactions in respect of (1) aircraft charges of Rs. 10,048,565 (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) The Company has an internal audit system, the scope and coverage of which, in our opinion requires to be enlarged to be commensurate with the size and nature of its business.
- (viii) We have been informed by the Management regarding the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act. However, the same records have not been provided to us for our verification.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, service tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, service tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except service tax which is as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Due Date	Date of Payment
Service Tax Authorities	Service Tax Liability and interest thereon	455,163	2010 to 2012	Various Period	Not paid

- (c) According to the information and explanation given to us, there are no dues of income tax, service tax and cess which have not been deposited on account of any dispute.
- (x) In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. Further, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution and bank. The Company 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 to 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, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the company.

The Company had given guarantees (as referred in Note 27, 28 & 29) on behalf of four non- group entities and the balance of Rs 17,739,848,400 (previous year Rs 15,589,597,000) is subsisting as at the year end. As informed to us, the Board of Directors have approved the same 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 loans have 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, we report that the Company has used funds raised on short term basis for long term investment. The Company has borrowed loan amounting to Rs. 61 crores which would fall due for repayment six months from the date of acceptance. The Company has invested Rs. 34.74 Crores out of the same in preference shares in one of the company under the same management.
- (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) We have verified that the end use of money raised by public issues from the draft prospectus filed with SEBI, the offer document and as disclosed in the note 45 to the financial statements.
- (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 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 financial year 2010-11, 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 42) which is alleged to have paid an amount of Rs 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 18, 2013

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BALANCE SHEET AS AT MARCH 31, 2013

(Amount in ₹)

Particulars	Note No.	As at 31st March 2013		As at 31st March 2012	
I. EQUITY AND LIABILITIES					
1 Shareholders' Funds					
Share Capital	3	2,432,587,820		2,432,587,820	
Reserves and Surplus	4	<u>31,729,460,566</u>	34,162,048,386	<u>31,726,441,958</u>	34,159,029,778
2 Non-current Liabilities					
Long-term Borrowings	5	1,123,901,283		315,796,425	
Long-term Provisions	6	<u>8,736,959</u>	1,132,638,242	<u>27,475,179</u>	343,271,604
3 Current liabilities					
Short-term Borrowings	7	919,563,374		427,181,142	
Trade Payables	8A	117,307,777		99,186,885	
Other Current Liabilities	8B	769,420,287		485,213,132	
Short-term Provisions	9	<u>41,780,018</u>	1,848,071,456	<u>12,994,299</u>	1,024,575,458
TOTAL			<u>37,142,758,084</u>		<u>35,526,876,840</u>
II. ASSETS					
Non-current Assets					
1 Fixed Assets	10				
Tangible Assets		118,839,913		118,784,214	
Intangible Assets		3,431,253		683,652	
Capital Work-in-progress		-		31,201,117	
Intangible Assets under development		<u>225,134,008</u>		<u>205,340,729</u>	
		347,405,174		356,009,712	
Non-current Investments	11	17,454,525,989		16,532,581,626	
Deferred Tax Assets (Net)	34	73,382,785		44,821,441	
Long-term Loans and Advances	12	9,062,778,718		6,158,437,198	
Other Non-Current Assets	13	<u>29,820,000</u>	26,967,912,666	<u>30,460,781</u>	23,122,310,758
2 Current assets					
Current Investments	14	2,125,273,456		5,189,846,482	
Inventories	15	2,005,660,682		2,068,074,734	
Trade Receivables	16	430,000,000		-	
Cash and Bank Balances	17	68,350,279		79,620,835	
Short-term Loans and Advances	18	5,537,096,891		5,057,498,342	
Other Current Assets	19	<u>8,464,110</u>	10,174,845,418	<u>9,525,689</u>	12,404,566,082
TOTAL			<u>37,142,758,084</u>		<u>35,526,876,840</u>
Significant accounting policies	2				

The accompanying notes form an integral part of the financial statements.

As per our report of even date

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

Chetan Desai
Partner
Membership No. 17000

Mumbai, Dated : May 18, 2013

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director

Mahesh Gandhi
Director

N.M. Gattu
Chief Financial Officer

Mumbai, Dated : May 18, 2013

Shahid Balwa
Vice Chairman & Managing Director

Asif Balwa
Group Director (Finance)

S A K Narayanan
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)			
Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
I. Revenue from operations	20	430,000,000	-
II. Other income	21	94,317,816	1,263,202,903
III. Total Revenue		<u>524,317,816</u>	<u>1,263,202,903</u>
IV. Expenses:			
Project Expenses	22	105,783,449	151,881,399
Changes in Inventories	23	62,414,052	(153,119,672)
Employee Benefits Expenses	24	58,707,220	141,934,231
Finance Costs	25	180,833,853	72,129,377
Depreciation and Amortization Expenses	10	35,183,064	71,887,953
Other Expenses	26	112,938,914	391,861,341
Total Expenses		<u>555,860,552</u>	<u>676,574,629</u>
V. Profit before tax (III-IV)		(31,542,736)	586,628,274
VI. Tax expense:			
Current tax		31,500,000	6,000,000
Less : MAT Credit Entitlement	34	(31,500,000)	-
Net Current Tax		-	6,000,000
Deferred tax	34	(28,561,344)	(44,821,441)
Prior Period Tax Adjustment		(6,000,000)	(6,500,000)
VII Profit for the period (V-VI)		<u>3,018,608</u>	<u>631,949,715</u>
VII Earnings per share (Nominal Value Per Share Rs. 10 Each (Previous Year Rs. 10)):			
Basic	41	0.01	2.60
Diluted	41	0.01	2.60

The accompanying notes form an integral part of the financial statements.

As per our report of even date

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

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director

Shahid Balwa
Vice Chairman & Managing Director

Chetan Desai
Partner
Membership No. 17000

Mahesh Gandhi
Director

Asif Balwa
Group Director (Finance)

N.M. Gattu
Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai, Dated : May 18, 2013

Mumbai, Dated : May 18, 2013

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CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
A Cash flows from operating activities:		
Net Profit/ (loss) before taxation	(31,542,736)	586,628,274
Adjustments for:		
Depreciation	35,183,064	71,887,953
Interest and finance charges	180,833,853	72,129,377
Profit on sale of current investments	(1,000,000)	(83,601,000)
Profit on sale of long term investments	-	(437,784,752)
Dividend income	-	(7,222,433)
Share of profit in partnership firms (Net)	93,097,413	(486,580,981)
Loss on sale of fixed assets	-	718,181
Capital work in progress written off	-	16,196,490
Project expenses written off	-	78,504,863
Advances written off	-	200,000,000
Provision against doubtful security Deposit	11,983,866	-
Excess provision written back	(24,434,063)	-
Interest Income	(3,733,704)	(8,664,086)
Operating profit before working capital changes	260,387,693	2,211,886
Adjustments for :		
(Increase) in trade receivables	(430,000,000)	-
(Increase)/decrease in loans and advances	(520,403,876)	6,393,209,915
(Increase)/decrease in inventories	62,414,052	(153,119,672)
Increase/(decrease) in current liabilities	(42,878,978)	99,182,609
Increase/(decrease) in provisions	(5,930,862)	10,850,035
Decrease in deposits under lien	12,755,102	2,677,071
Cash generated from/(used in) operations	(663,656,868)	6,355,011,844
Direct taxes paid (Net of refunds)	(13,948,119)	(975,238)
Net cash flow from/(used in) operating activities	A (677,604,988)	6,354,036,606
B Cash flows from investing activities:		
Purchase of fixed assets (including CWIP)	(22,954,550)	(71,323,519)
Proceeds from sale of fixed asset	-	1,266,666
Purchase of long term investments in -subsidiaries	-	(1,695,639,723)
-joint ventures/Associates/entities under joint control	(3,480,000)	(357,070,195)
-Others	(940,000,000)	(9,065,734,732)
Sale of long term investments in:		
- Subsidiaries companies/associate companies/ partnership firms /joint ventures	-	557,939,162
Repayment of capital contribution by firm	3,083,350,243	1,045,722
Return of capital contribution by joint venture	146,925,000	-
Dividend received	-	7,222,433
Capital Contribution to firms & LLPs	(35,388,852)	-
Capital Contribution to joint venture	(96,875,000)	-
Proceeds from sale of current Investments	2,000,000	3,674,576,114
Advance for share purchase	(2,824,071,940)	1,611,600,000
Interest received	4,795,283	3,303,726
Net cash flow (used in) investing activities	B (685,699,816)	(5,332,814,346)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
C Cash flows from financing activities:		
Repayment of secured Loans	(7,569,072)	(884,087,828)
Proceeds from loans from subsidiary	-	86,632,142
Repayment of loans to subsidiary	(76,650,000)	-
Inter-corporate deposits (Net)	(40,985,000)	(30,801,000)
Proceeds from secured loans	1,731,059,035	-
Repayment of unsecured loans	-	(170,000,000)
Interest paid on loans and debenture deposits	(241,706,394)	(62,430,430)
Net cash flow (used in)/from financing activities	C	
	1,364,148,569	(1,060,687,116)
Net increase/ (decrease) in cash and cash equivalents	(A + B + C)	(39,464,856)
Add : Cash and cash equivalents at the beginning of the year	7,629,099	47,093,955
Cash and Cash Equivalents at the end of the year	8,472,864	7,629,099
Notes to Cash Flow:		
1 Reconciliation of cash and cash equivalent:		
Cash and bank balance (as per Note 13 & 17)	98,170,279	110,081,616
Less: Fixed deposits under lien/margin money	89,697,415	102,452,517
Cash and cash equivalents at the end of the year	8,472,864	7,629,099

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

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

For and on behalf of the Board
Vinod Goenka
Chairman & Managing Director

Shahid Balwa
Vice Chairman & Managing Director

Chetan Desai
Partner
Membership No. 17000

Mahesh Gandhi
Director

Asif Balwa
Group Director (Finance)

N.M. Gattu
Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai, Dated : May 18, 2013

Mumbai, Dated : May 18, 2013

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013**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 management to make estimates and assumptions 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. The cost of an item of fixed asset comprises its purchase price, including import duties and other non refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

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. Sales office building is being depreciated on straight line basis over a period of 4 years.

v. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. 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, outcome of the real estate project can be estimated reliably and stage of completion of the project reaches at reasonable level of development i.e. at least 25% of total project cost should be incurred at reporting date.

When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, project revenue and project costs associated with the real estate project should be recognised as revenue and expenses by reference to the stage of completion of the project activity at each reporting date. Stage of completion is arrived with reference to the entire project cost incurred versus total estimated project cost. Further, with regard to total estimated cost of each project is based upon the judgment of management and certified by Company's technical personnel.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

The following specific recognition criteria must also be met before revenue is recognized:

- All critical approvals necessary for commencement of the project have been obtained.
- At least 25% of construction cost (excluding cost incurred in acquisition of land and its development rights) is incurred.
- At least 25% of the saleable project area is secured by contracts or agreements with buyers.
- And at least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

viii. INVESTMENTS

- a) Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Long-term (Non Current) investments are carried at cost, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

- 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.
- c) As regards investments in LLPs, the Company's share of Profit / Loss from investment in LLPs is accounted for in respect of the year ended as on the balance sheet date, on the basis of the audited accounts of such LLPs in accordance with Para 9.4 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 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 recognized 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.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit & Loss as Current Tax. The company recognizes MAT credit available as an Asset only to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an Asset in accordance with the Guidance note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said Asset is created by way of credit to the statement of Profit & loss & shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date & writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

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. A Contingent Liability is, a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events. 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.

xv. CASH FLOW STATEMENT

Cash Flow Statement is prepared under the 'Indirect Method' prescribed under 'Accounting Standard – 3 Cash Flow Statement' prescribed under the Companies (Accounting Standard) Rules, 2006.

xvi. EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

xvii. CASH AND CASH EQUIVALENTS

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

3 Share Capital

Particulars	As at 31 March 2013		As at 31 March 2012	
	Number	Amount In ₹	Number	Amount In ₹
Authorised				
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
Total		3,000,000,000		3,000,000,000
Issued, Subscribed & Fully Paid up				
Equity Shares of ₹10/- each	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Total	243,258,782	2,432,587,820	243,258,782	2,432,587,820

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares:

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	Amount In ₹	Number	Amount In ₹
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	243,258,782	2,432,587,820	243,258,782	2,432,587,820

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 Rs. 10/- per share.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	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	14,587,500	6.00%	19,687,500	8.09%
Vinod Goenka*	15,364,216	6.32%	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)				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares :					
Fully paid up by way of bonus shares (Equity shares of ₹10/- each)	-	-	-	201,150,000	-
Shares bought back		-	-	-	-

3.5 Shares held by holding/ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the company, 104,564,838 shares (Previous year - 104,564,838 shares) are held by holding company i.e. Neelkamal Tower Constructions LLP.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

4 Reserves & Surplus

Particulars	As at 31 March 2013 Amount In ₹	As at 31 March 2012 Amount In ₹
a. Securities Premium Account	23,843,290,192	23,843,290,192
b. Surplus		
Opening balance	7,883,151,766	7,251,202,051
Net Profit for the current year	3,018,608	631,949,715
Closing Balance	7,886,170,374	7,883,151,766
Total (a+b)	31,729,460,566	31,726,441,958

5 Long Term Borrowings

Particulars	As at 31 March 2013 Amount In ₹	As at 31 March 2012 Amount In ₹
I. Secured		
(a) Term Loans		
Vehicle Loan from Banks (Secured by way of hypothecation of vehicles purchased) (Refer Note 5.1 for Terms of Vehicle Loan)	2,859,480	9,567,247
From STCI Finance Limited (Secured by Pledge of shares of DB Realty Ltd)	421,841,803	-
(The said loan was received for General Corporate purpose & it is Secured by Pledge of Shares of DB Realty Ltd and carries fixed interest rate of 9.75% p.a with monthly rest. The Tenure of the Loan is of 36 months. The Loan amount is repayable at the end of the Tenor of the loan and Interest cost is payable on a monthly basis. Redemption Premium is payable at the end of 36th month so as to yield a nominal IRR of 14.75% P.a. with monthly rests.) (Out of the Outstanding amount, Debt redemption premium of Rs. 1,841,803 is payable at the end of tenure)		
In case of continuing default as on the balance sheet date in repayment of loans and interest		
1. Period of default - Interest for the month of February & March 13 has been paid on 3rd April 2013.		
2. Amount - Rs. 32,31,123/- (Previous year - Rs. Nil)		
Total I	424,701,283	9,567,247
II. Unsecured		
(a) Term Loans		
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) (During the year, the said loan is reclassified as Current Maturities of Long Term Debt as the same is due for repayment on August 2013.)	-	306,229,178
1. Period of default: Interest for the months of January & February 2013 have not been paid till 31st March 2013.		
2. Amount: Rs. 69,55,543/- (Previous Year - Rs. 78,39,902/-)		
(b) Loans from Related Parties		
Loan taken from subsidiary	699,200,000	
(The said loan was received for general corporate purpose of the Company and carries interest rate of 15.25% p.a. The said loan is repayable after 3 years.)		
Total II	699,200,000	306,229,178
Total (I + II)	1,123,901,283	315,769,425

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

5.1 Terms of Vehicle Loan

Particulars	No. of EMI's payable from 31-3-2013	ROI (%)	EMI Amount (₹)
HDFC Bank(Honda City)	1	9.76%	18,717
HDFC Bank(Skoda)	22	9.35%	42,200
Kotak Mahindra(Passat)	8	13.80%	52,500
Kotak Mahindra(Camry)	10	12.25%	44,130
ICICI Bank(BMW)	10	12.25%	203,750
ICICI Bank(BMW)	10	12.25%	203,750
ICICI Bank(Honda City)	19	9.50%	18,420
ICICI Bank(Honda City)	19	9.50%	18,420
ICICI Bank(Indigo Manza-Aura)	30	9.48%	10,390
ICICI Bank(Linea-Emotion)	30	9.49%	15,625
ICICI Bank(Toyota Camry)	32	9.01%	47,400
ICICI Bank(Toyota Altis)	30	9.62%	22,980
ICICI Bank(Tata Aria)	32	9.00%	27,510

6 Long Term Provisions

Particulars	As at 31 March 2013 Amount In ₹	As at 31 March 2012 Amount In ₹
(a) Provision for employee benefits		
Gratuity (unfunded)	3,849,460	10,021,404
Leave Encashment (unfunded)	4,887,499	17,453,775
Total	8,736,959	27,475,179

6.1 During the year, some employees of the company have been transferred to other group companies. Gratuity liability related to these employees is transferred to the respective transferee companies. In case of Leave Encashment, Leave Encashment payable on the date of transfer is to be borne by transferee companies.

7 Short Term Borrowings

Particulars	As at 31 March 2013 Amount In ₹	As at 31 March 2012 Amount In ₹
Secured		
Other Loans		
Short Term Loan from Reliance Capital Ltd (The said loan was received as Loan against Residential Property and carries floating interest rate of 20% p.a subject to BPLR being constant. The Tenure of the Loan is of 6 months. The Loan amount is repayable at the end of the Tenor of the loan and Interest cost is payable on a monthly basis. The Loan is guaranteed by personal guarantees of Mr.Shahid Balwa & Mr.Vinod Goenka. Further, Registered Mortgage has been created on plot 2 & 3(A+C) at Yerwada Pune.)	610,017,232	-
Unsecured (Related Party)		
Loans taken from Subsidiary	9,982,142	86,632,142
Inter-Corporate Deposits (Interest-Free)	299,564,000	340,549,000
Total	919,563,374	427,181,142

8 Trade Payables and Other Current Liabilities

Particulars	As at 31 March 2013 Amount In ₹	As at 31 March 2012 Amount In ₹
A] Trade Payables		
Dues outstanding to micro and small enterprises*	-	439
Dues outstanding Of other Micro and small enterprises	117307777	99186446
	117307777	99186885

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	As at 31 March 2013 Amount In ₹	As at 31 March 2012 Amount In ₹
B] Other Current Liabilities		
Current maturities of long-term debt	312,955,513	7,587,639
Interest accrued but not due on borrowings	72,782,192	15,022,628
Interest accrued and due on borrowings	10,186,666	7,073,689
Advance received from Customers	45,793,700	47,676,200
Current Account balance with Partnership Firm	196,009,885	297,944,782
Other payables:		
Duties & Taxes	16,932,225	10,483,980
Employee benefits payable	9,675,274	12,900,267
Payables for the purchase of fixed assets	14,518,873	10,894,897
Tenancy rights payable	15,000,000	15,000,000
Expenses payable	49,279,162	38,074,337
Other payables	26,286,797	22,554,713
Total	769,420,287	485,213,132

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

Description	As at 31 March 2013 Amount Rs ₹	As at 31 March 2012 Amount Rs ₹
a) Principal amount remaining unpaid as at year end	-	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 2013 Amount Rs ₹	As at 31 March 2012 Amount Rs ₹
(a) Provision for employee benefits		
Gratuity (Unfunded)**	913,142	1,857,551
Leave Encashment (Unfunded)**	3,366,876	5,136,748
(b) Others		
Provision for Taxation	37,500,000	6,000,000
Total	417,800,18	12,994,299

** Refer Note 6.1

10. Fixed Assets

Sr. No	Particulars	Gross Block			Accumulated Depreciation			Net Block	
		Balance as at 1 April 2012	Additions	(Disposals)	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charged for the year #	Balance as at 31 March 2013	Balance as at 31 March 2012
		₹	₹	₹	₹	₹	₹	₹	₹
a	Tangible Assets								
	Buildings-Flats@	11,015,400	-	-	11,015,400	1,415,905	479,975	1,895,880	9,119,520
	Fixed Assets-Sales Office		31,812,134	-	31,812,134	-	1,988,258	1,988,258	29,823,876
	Plant and Equipments -Air Conditioners	11,872,230	-	-	11,872,230	4,303,813	1,052,767	5,356,580	6,515,650
	Furniture & Fixtures	47,795,116	-	-	47,795,116	22,033,634	4,662,828	26,696,462	21,098,654
	Vehicles	97,834,088	-	-	97,834,088	44,354,724	13,845,651	58,200,375	39,633,713
	Office Equipments	12,842,156	1,982,998	-	14,825,154	3,747,712	1,369,442	5,117,154	9,708,000
	Computers	11,860,610	189,575	-	12,050,185	7,501,970	1,607,714	9,109,684	2,940,501
	Improvement on Leasehold Property	136,509,242	-	-	136,509,242	127,586,869	8,922,373	136,509,242	0
	Total	329,728,842	33,984,707	-	363,713,549	210,944,627	33,929,008	244,873,635	118,839,914
b	Intangible Assets								
	Computer software	9,684,613	4,001,657	-	13,686,270	9,000,961	1,254,056	10,255,017	3,431,253
c	Total	9,684,613	4,001,657	-	13,686,270	9,000,961	1,254,056	10,255,017	3,431,253
	Capital Work In Progress	31,201,117	611,017	31,812,134	-	-	-	-	31,201,117
	Total	31,201,117	611,017	31,812,134	-	-	-	-	31,201,117
d	Intangible assets under Development								
	Computer Software	44,224,935	1,298,880	-	45,523,815	-	-	-	44,224,935
	Beautification-Bandra-Worli Sea Link*	161,115,794	18,494,399	-	179,610,193	-	-	-	161,115,794
	Total	205,340,729	19,793,279	-	225,134,008	-	-	-	225,134,008
	Grand Total	575,955,301	58,390,660	31,812,134	602,533,827	219,945,588	35,183,064	255,128,652	347,405,175
	Previous Year	407,522,486	204,570,574	(36,137,759)	575,955,301	148,630,704	71,887,953	219,945,589	356,009,712

@ The said flats are attached by Enforcement Directorate under Prevention of Money Laundering Act, 2002 (Refer Note 42)

During the period depreciation inventorised Rs. 8,92,915/- (Previous Year - Rs. 12,38,272)

* As per the agreement, the revenue to be generated from Film shooting and Advertising activities for the group companies 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

11. Non Current Investments

Particulars	As at 31st March 2013 Amount in ₹	As at 31st March 2012 Amount in ₹
A Other Investments (Refer B below)		
(a) Investment in Equity instruments	4,881,219,741	4,881,219,741
(b) Investments in preference shares	11,052,685,716	10,112,685,716
(c) Investments in debentures or bonds	25,000,000	25,000,000
(d) Investments in partnership firms	1,053,550,000	1,032,160,637
(e) Other non-current investments	442,070,532	481,515,532
Total	17,454,525,989	16,532,581,626
Less : Provision for diminution in the value of Investments	-	-
Total	17,454,525,989	16,532,581,626

Particulars	As at 31st March 2013 Amount in ₹	As at 31st March 2012 Amount in ₹
Aggregate amount of quoted investments (Market value of Rs. Nil)	-	-
Aggregate amount of unquoted investments	17,454,525,989	16,532,581,626

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)	
				As at 31/03/13	As at 31/03/12			As at 31/03/13	As at 31/03/12	As at 31/03/13	As at 31/03/12
(a)	Investment in Equity Instruments										
	Esteem Properties Private Limited	Subsidiary	100	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	312,018,720	312,018,720
	Gokuldham 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	38.47	50.72	165,703,146	165,703,146
	D B Man Realty Limited	Subsidiary	10	7,140,000	7,140,000	Unquoted	Fully Paid	51.00	51.00	71,400,000	71,400,000
	Real Gem Buildtech Private Limited	Subsidiary	10	10,000	10,000	Unquoted	Fully Paid	100.00	100.00	1,500,085,000	1,500,085,000
	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
	D B Hi-Sky Construction Private Limited	Associate	10	5,000	5,000	Unquoted	Fully Paid	50.00	50.00	50,000	50,000
	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	3,838,382	Unquoted	Fully Paid	15.53	15.53	783,029,928	783,029,928
	TOTAL (a)									4,881,219,741	4,881,219,741

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(b) Investments in Preference Shares											
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	100.00	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	70,652	Unquoted	Fully Paid	13.30	13.30	488,482,556	488,482,556	
Real Gem Buildtech Private Limited	Subsidiary	10	13,500,000	13,500,000	Unquoted	Fully Paid	100.00	100.00	135,000,000	135,000,000	
DB Hospitality Private Limited											
i) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares	Others	10	24,233,571	24,233,571	Unquoted	Fully Paid	73.76	73.76	4,943,648,484	4,943,648,484	
ii) 0.002% Compulsory Convertible Cumulative Preference Shares	Others	10	9,260,080	9,260,080	Unquoted	Fully Paid	92.60	92.60	1,889,056,320	1,889,056,320	
iii) Cumulative Redeemable Preference Shares	Others	10	2,390,000	1,450,000	Unquoted	Fully Paid	100.00	100.00	2,390,000,000	1,450,000,000	
TOTAL (b)									11,052,685,716	10,112,685,716	
(c) Investments in Debentures or Bonds											
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	
TOTAL (c)									25,000,000	25,000,000	
(d) Investments in partnership firms											
M/s Dynamix Realty (Project II)	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	50.00	50.00	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	3,300,000	1,494,020	
M/s Mira Salt Works Company	Subsidiary	N.A.	N.A.	N.A.	N.A.	N.A.	99.00	99.00	1,050,000,000	1,030,416,617	
TOTAL (d)									1,053,550,000	1,032,160,637	
(e) Other non-current investments											
Conwood - DB Joint Venture	Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.	90.00	90.00	161,134,732	157,654,732	
ECC - DB Joint Venture	Joint Venture	N.A.	N.A.	N.A.	N.A.	N.A.	75.00	75.00	253,960,000	296,885,000	
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	
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	
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	
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	
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	
TOTAL (e)									442,070,532	481,515,532	
Total(a+b+c+d+e)									17,454,525,989	16,532,581,626	

Notes:

- 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 Rs. 75 crores, to the said joint venture.

D B REALTY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

C. Investment in Partnership Firms

(i) M/s Dynamix Realty (Project II)*				
Name of the Partners	31st March 2013		31st March 2012	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)		(%)	
DB Realty Ltd	50.00	250,000	50.00	250,000
Eversmile Construction Company	50.00	125,000	50.00	125,000
Total Capital	100.00	375,000	100.00	375,000

(ii) M/s DBS Realty				
Name of the Partners	31st March 2013		31st March 2012	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)		(%)	
DB Realty Ltd.	33.33	3,300,000	33.33	1,494,020
Bharat Shah	8.33	825,000	8.33	825,000
Manakchand Loonkar	8.33	825,000	8.33	825,000
Real Street Developers	16.67	825,000	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
Total Capital	100.00	9,075,000	100.00	8,094,020

(iii) M/s Mira Salt Works Company				
Name of the Partners	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)		(%)	
	DB Realty Ltd	99.00	1,050,000,000	99.00
DB View Infracon Pvt Ltd.	1.00	-	1.00	
Total Capital	100.00	1,050,000,000	100.00	1,030,416,617

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

D. Investment in Limited Liability Partnership

(i) DB Realty and Shreepati Infrastructures Limited Liability Partnership				
Name of the Partners	31st March 2013		31st March 2012	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd	58.80	58,800	58.80	58,800
Nine Paradise Erectors Private Limited	0.60	600	0.60	600
DB View Infracon Private Limited	0.60	600	0.60	600
Shreepati Infra Realty Limited	20.00	20,000	20.00	20,000
Mr. Rajendra R Chaturvedi	10.00	10,000	10.00	10,000
Mr. Tapas R Chaturvedi	10.00	10,000	10.00	10,000
Total Capital	100.00	100,000	100.00	100,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

(ii) Ahmednagar Warehousing Developers & Builders Limited Liability Partnership				
Name of the Partners	31st March 2013		31st March 2012	
	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
DB Realty Ltd.	50.00	50,000	50.00	50,000
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(iii) Aurangabad Warehousing Developers & Builders Limited Liability Partnership				
Name of the Partners	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount (Rs.)	(%)	Amount (Rs.)
	DB Realty Ltd.	50.00	50,000	50.00
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(iv) Daund Warehousing Developers & Builders Limited Liability Partnership				
Name of the Partners	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
	DB Realty Ltd	50.00	50,000	50.00
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(v) Latur Warehousing Developers & Builders Limited Liability Partnership				
Name of the Partners	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount ₹	(%)	Amount ₹
	DB Realty Ltd	50.00	50,000	50.00
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(vi) Saswad Warehousing Developers & Builders Limited Liability Partnership				
Name of the Partners	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount (Rs.)	(%)	Amount (Rs.)
	DB Realty Ltd	50.00	50,000	50.00
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

(vii) Solapur Warehousing Developers & Builders Limited Liability Partnership				
Name of the Partners	Share of each Partner	Total Capital	Share of each Partner	Total Capital
	(%)	Amount (Rs.)	(%)	Amount (Rs.)
	DB Realty Ltd	50.00	50,000	50.00
Nihar Constructions Private Limited	50.00	50,000	50.00	50,000
Total Capital	100.00	100,000	100.00	100,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013
12 Long Term Loans and Advances

Particulars	As at 31st March 2013		As at 31st March 2012	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
a. Security Deposits (Unsecured, considered good)				
Security Deposits		4,123,168,382		4,122,351,248
b. Loans and advances to related parties (Refer Note 12.1) (Unsecured, considered good)				
Loans to Associates		143,319,936		-
Project Advances to Associates		782,535,000		780,740,000
c. Other loans and advances (Refer Note 12.1) (Unsecured, considered good)				
Advance Payment of Taxes	19,951,421		17,851,409	
MAT Credit Entitlement	37,500,000		-	
Advance against Share Purchase	3,688,471,940		864,400,000	
Other Loans & Advances	267,832,039	4,013,755,400	373,094,541	1,255,345,950
Total		9,062,778,718		6,158,437,198

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

Particulars	As at 31st March 2013	As at 31st March 2012
	Amount in ₹	Amount in ₹
Firm in which director is a partner		
Private Company in which director is a member/ director	7,412,400,896	4,463,980,237
Total	7,412,400,896	4,463,980,237

13 Other Non-Current Assets

Particulars	As at 31st March 2013	As at 31st March 2012
	Amount in ₹	Amount in ₹
Margin money Deposit*	29,820,000	41,820,000
Total	29,820,000	41,820,000

* Under lien with Banks.

14 Current Investments

Particulars	As at 31st March 2013	As at 31st March 2012
	Amount in ₹	Amount in ₹
(a) Investments in Debentures	-	1,000,000
(b) Investments in partnership firms	1,494,923,259	4,648,526,299
(c) Other Current Investments	630,350,197	540,320,183
Total	2,125,273,456	5,189,846,482
Less : Provision for diminution in the value of Investments	-	-
Total	2,125,273,456	5,189,846,482

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

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 in Rs. (Valued at cost unless otherwise specified)	
				As at 31st March 2013	As at 31st March 2012			As at 31st March 2013	As at 31st March 2012
(a)	Investments in Debentures or Bonds								
	The Estate Investment Company Private Limited	Others	100	-	10,000	Unquoted	Fully Paid	-	1,000,000
(b)	Investments in partnership firms*								
	M/s Dynamix Realty	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	1,163,639,990	4,304,903,099
	Mira Salt Works	Subsidiary	N.A.	N.A.	N.A.	N.A.	N.A.	331,283,269	343,623,200
								1,494,923,259	4,648,526,299
(c)	Other Current Investments*								
	Turf Estate Joint Venture	JCE	N.A.	N.A.	N.A.	N.A.	N.A.	565,557,500	468,682,500
	DB Realty and Shreepati Infrastructures Limited Liability Partnership	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	64,314,001	70,686,875
	Ahmednagar Warehousing Deve. & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	130,716	218,123
	Aurangabad Warehousing Dev. & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	31,835	166,548
	Daund Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	-	N.A.	-	N.A.	-	13,890
	Latur Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	114,641	162,219
	Saswad Warehousing Deveopers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	83,594	172,418
	Solapur Warehousing Developers & Builders LLP	Entity under Joint Control	N.A.	N.A.	N.A.	N.A.	N.A.	117,910	217,610
								630,350,197	540,320,183
								2,125,273,456	5,189,846,482
									Total

* Refer Note 11(c) & (d) to Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013
15 Inventories

Particulars	As at 31st March 2013	As at 31st March 2012
	Amount in ₹	Amount in ₹
Project Work in Progress (Valued at cost or net realisable value whichever is lower)#	2,005,660,682	2,068,074,734
Total	2,005,660,682	2,068,074,734

Refer footnote (ii) to Note 27.

Note: All projects are under initial stage of development & expected to have net realizable value of greater than the cost.

16 Trade Receivables

Particulars	As at 31st March 2013	As at 31st March 2012
	Amount in ₹	Amount in ₹
Trade receivables (Outstanding for a period less than six months from the due date of payment)		
Unsecured, considered good	430,000,000	-
Total	430,000,000	-

17 Cash and Bank Balances

Particulars	As at 31st March 2013	As at 31st March 2012
	Amount in ₹	Amount in ₹
1. Cash and cash equivalents		
a. Balances with banks#	8,214,282	7,398,462
b. Cash on hand	258,582	230,637
2. Other Bank Balances*	59,877,415	71,991,736
Total	68,350,279	79,620,835

Includes Rs. 6,892,967/- attached under Prevention of Money Laundering Act, 2002 by the Enforcement Directorate

* Under lien with Banks.

18 Short-term loans and advances

Particulars	As at 31st March 2013	As at 31st March 2012
	Amount in ₹	Amount in ₹
a. Loans and advances to related parties		
Unsecured, considered good (Refer Note 18.1)		
Loans to Subsidiaries	3,908,103,167	3,667,268,336
Loans to Joint Ventures under Joint Control	-	-
Loans to Others	773,638,704	787,647,403
Total	4,681,741,871	4,454,915,739
b. Others		
Unsecured, considered good		
Tax Deducted at Source	17,330,011	5,481,904
Service Tax Receivable	455,163	455,163
Other Loans and Advances	837,569,846	596,645,536
Unsecured, considered doubtful		
Security Deposits	11,983,866	-
Other Loans and Advances	17,557,328	17,557,328
	29,541,194	17,557,328
Less: Provision for Doubtful Security Deposits & Advances	(29,541,194)	(17,557,328)
Total	5,537,096,891	5,057,498,342

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

18.1 Loans and Project 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 31st March 2013 Amount in ₹	As at 31st March 2012 Amount in ₹
Private Company in which director is a member	3,649,145,812	3,510,230,569
Total	3,649,145,812	3,510,230,569

19 Other Current Assets

Particulars	As at 31st March 2013 Amount in ₹	As at 31st March 2012 Amount in ₹
Interest Accrued but not due	8,464,110	9,525,689
Total	8,464,110	9,525,689

20 Revenue from Operations

Particulars	For the year ended 31st March 2013 Amount in ₹	For the year ended 31st March 2012 Amount in ₹
Sale of Development Right (Project - Orchid Centre IT Park)	430,000,000	-
Total	430,000,000	-

21 Other Income

Particulars	For the year ended 31st March 2013 Amount in ₹	For the year ended 31st March 2012 Amount in ₹
Interest Income	161,927,413	247,424,562
Dividend Income on current investments	-	7,222,433
Net gain on sale of current investments	1,000,000	83,601,000
Net gain on sale of long term investments	-	437,784,752
Share of Loss from Investment in Partnership Firms & LLP (Net)	(93,097,413)	486,580,981
Excess Provision written back	24,434,063	-
Miscellaneous Income	53,753	589,175
Total	94,317,816	1,263,202,903

22 Project Expenses incurred

Particulars	For the year ended 31st March 2013 Amount in ₹	For the year ended 31st March 2012 Amount in ₹
Land acquisition and purchase of tenancy rights	2,180,184	13,052,814
Project Salaries, Wages and Bonus (including Managerial Remuneration)	17,419,751	62,959,212
Other construction expenses	86,183,514	75,869,373
Total	105,783,449	151,881,399

23 (Increase)/Decrease in Inventories

Particulars	For the year ended 31st March 2013 Amount in ₹	For the year ended 31st March 2012 Amount in ₹
Opening Inventory - Project Work in progress	2,068,074,734	1,993,459,925
Less : Transferred to Advances recoverable in cash or kind	-	-
Less : Charged off during the year	-	(78,504,863)
Less : Transferred to subsidiary company	-	-
Closing Inventory - Project Work in progress	(2,005,660,682)	(2,068,074,734)
Total	62,414,052	(153,119,672)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013
24 Employee Benefit Expenses

Particulars	For the year ended 31st March 2013 Amount in ₹	For the year ended 31st March 2012 Amount in ₹
(a) Salaries and wages	54,047,986	118,846,884
(b) Contributions to Provident and other funds	2,399,203	4,248,102
(c) Staff welfare expenses	2,260,031	18,839,245
Total	58,707,220	141,934,231

25 Finance Cost

Particulars	For the year ended 31st March 2013 Amount in ₹	For the year ended 31st March 2012 Amount in ₹
Interest Expense	151,468,347	67,740,600
Other borrowing costs	29,365,506	4,388,777
Total	180,833,853	72,129,377

26 Other Expenses

Particulars	For the year ended 31st March 2013 Amount in ₹	For the year ended 31st March 2012 Amount in ₹
Rent	22,771,539	19,130,755
Repairs and Maintenance - others	1,949,377	3,903,134
Legal and Professional Charges	19,750,287	32,253,953
Audit Fees (Refer Note 36)	6,896,412	6,754,331
Donations	81,300	1,200
Net loss on foreign currency transactions	2,223	5,610
Advertisement and Publicity	13,898,193	11,998,843
Books, Periodicals, Subscription & Membership Fees	1,484,112	1,423,004
Directors Sitting Fees	980,000	1,140,000
Printing and Stationery and Telephone Charges	1,334,377	1,878,636
Travelling and Conveyance Expenses	12,292,607	9,068,508
Provision for Doubtful Advances	-	-150,000,000
Earlier Provision written off	-	150,000,000
Loss on Sale of Asset	-	718,181
Project Expenses written off	-	78,504,863
Capital Work in Progress written off	-	16,196,490
Advances witten off	-	200,000,000
Commission & Brokerage	6,961,334	-
Provision against Doubtful Security Deposit	11,983,866	-
Miscellaneous Expenses	12,553,287	8,883,833
Total	112,938,914	391,861,341

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

27. Contingent Liabilities and commitments:

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Contingent Liabilities:		
A. Guarantees and Securities provided to banks and financial institutions (in India and overseas) against credit facilities extended to:		
a) Subsidiaries		
- Gokuldharm Real Estate Development Company Private Limited (Guarantee of Rs. 430 Crores & Security Provided of Rs. 135 Crore)	5,650,000,000	1,300,000,000
Sub Total (a)	5,650,000,000	1,300,000,000
b) Associates		
- Neelkamal Realtors Tower Private Limited	4,125,000	2,004,125,000
Sub Total (b)	4,125,000	2,004,125,000
c) Jointly Controlled Entities		
- Dynamix Realty (Towards vehicle loan)	4,125,000	4,125,000
- DB (BKC) Realtors Private Limited (earlier known as M K Malls & Developers Private Limited) (Refer note (i) below)	750,000,000	750,000,000
Sub Total (c)	754,125,000	754,125,000
d) Companies under the same management		
- D B Hospitality Limited, Mauritius (Term Loan of USD 138 Million) & YJ Realty Ltd (Stand by Letter of Credit of USD 65 Million) (Overall Guarantee of the Company in USD 138 million) (Refer note 28 below)	7,505,723,400	7,059,597,000
- 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 (ii) & 28 below)	8,530,000,000	8,530,000,000
Sub Total (d)	16,039,848,400	15,593,722,000
e) Others		
- DB Hotels (India) Private Ltd (Refer Note 29 below)	1,700,000,000	-
Sub Total (e)	1,700,000,000	-
Grand Total (a+b+c+d+e)	24,148,098,400	18,901,972,000
B. Other money for which the company is contingently liable:-		
i) Arrears of Dividend on 0.001 % compulsorily Convertible Cumulative Preference shares (CCPS), during an earlier year converted into 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 42) Dynamix Realty (Refer Note (iii) of A of 30)	Amount unascertainable	Amount unascertainable

Notes:

- (i) No amount has been utilized towards a total corporate guarantee provided of Rs. 750,000,000 (Previous year: Rs. 750,000,000).
- (ii) Together with collateral securities of the Company's property admeasuring 80934 Sq. Mtr at Malad (east), Mumbai (forming part of Inventory) with all including 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

28. 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 Rs. 8,530,000,000 (Previous Year Rs. 8,530,000,000).
- (ii) In respect of facilities availed by DB Hospitality Limited, Mauritius ('DBH, Mauritius') & YJ Realty Ltd from ICICI Bank - United Kingdom PLC of USD 138 millions – Rs. 7,505,723,400 as at the year end March 31, 2013 (Previous Year Rs. 7,059,597,000) .

The outstanding balances as at March 31, 2013 in respect of aforesaid guarantees are aggregating Rs. 16,035,723,400 (Previous Year Rs. 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:

- (iii) 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. (c) 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.
- (iv) 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.

29. During the year, the Company has given Corporate Guarantee on behalf of DB Hotels (India) Private Limited which is not a part of DB consolidated group. The said facility is secured by (i) charge on Fixed Assets both present and future of the project other than project land (ii) charge on all current assets including receipt of all the receivables related to the project (iii) charge on all bank accounts, insurance contracts (iv) pledge of its entire shareholding of DB Hospitality Private Limited ('DBHPL') and Goan Hotels & Clubs Private Limited in DB Hotels (India) Private Limited. The Company is confident that this company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.

30. Share of loss (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. As at the balance sheet date, the other partner (being an entity in which a director of the Company is interested) viz. Eversmile Construction Company Private Limited (ECC) is having a debit balance of Rs. 492,920,341 (Previous Year Rs. 423,844,175). 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 with or without interest as applicable and 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 Rs. 374,547,577 (Previous year Rs. 387,925,377) is considered good for recovery.

ii. Notes to Financial statements relating to Trade receivables :

Trade receivable includes outstanding for more than 1 year of Rs. 860,145,027 (Previous year Rs. 860,466,407) which are inclusive of debtors amounting to Rs. 838,154,114 (Previous year Rs. 838,154,114) 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 and reference in Auditors' report regarding a matter which is sub-judice:

Dynamix had granted Loan to Kusegaon aggregating to Rs. 2,092,500,000, (the said loans) as upto 31.03.2010. As of 31.03.2013, the outstanding balance due from Kusegaon is Rs. 91,501,379 (Previous year Rs. 91,501,379) being part of interest charged. Central Bureau of Investigation Anti-corruption (Branch, New Delhi CBI) 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Rs. 2,000,000,000 as illegal gratification to M/s Kalaignar TV Private Limited (Kalainagar) through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited (Swan) in 2G Spectrum Case. The Central Bureau of Investigation have alternatively alleged in the said charge sheet that even if the said transaction of Rs. 2,000,000,000 is accepted as genuine business transaction, the said loans obtained by Kalaignar 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 Rs. 1,338,900,000 (previous year Rs. 1,338,900,000) were provisionally attached, out of which, sundry debtors of Rs. 497,100,000 (Previous year Rs. 497,100,000) stands realized 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.

- iv. Notes to Financial statements relating to procedures pertaining to direct confirmations: Balances of unsecured loans, trade payables, trade receivables, loans granted & trade advances are subject to confirmation wherever applicable from respective parties & reconciliation, if any.

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 payable/ receivable.

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.

- 31. During an earlier year, the Company acquired 1/3rd stake in another company by paying Rs. 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 Rs. 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.
- 32. 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 which is pending and a status quo order has been passed by 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, 2013, the Company's investment in and Loan to this subsidiary aggregate Rs. 312,018,720 (previous year Rs. 312,018,720) and Rs. 1,120,577,945 (previous year Rs. 1,120,577,945) respectively. The company has been legally advised that the outcome of the petition before the High Court of Bombay against the reversed order & that of the Supreme Court of India against the order of the Bombay High Court in PIL could be in favor & accordingly 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.
- 33. The Company has incurred a sum of Rs. 155,772,388 (previous year Rs. 134,772,050) 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.
- 34. 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Tax act, 1961 amounting to Rs. 31,500,000.

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	Deferred Tax Asset as at March 31, 2013	Deferred Tax Asset as at March 31, 2012	Charged/ (Credited) to Profit & Loss Account
	₹	₹	₹
Related to Depreciation	31,339,008	33,637,819	2,298,811
Unabsorbed Depreciation	27,692,385	-	(27,692,385)
Disallowance under Income Tax Act	14,351,392	11,183,622	(3,167,770)
Total	73,382,785	44,821,441	(28,561,344)

35. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating Rs. 2,046,339,120 (Previous year Rs. 2,044,533,140) and loans and advances outstanding aggregating Rs. 3,043,702,747 (Previous year Rs. 3,172,489,420) as at March 31, 2013. 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. 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.

36. **Payment to Auditors (Included in Note 26 Other expenses) (excluding service tax):**

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
	Rs.	Rs.
a) As Auditor (Statutory Audit (including limited reviews))	6,600,000	6,750,000
b) For other services (Certification and IPO related work)	140,000	-
c) For reimbursement of expenses	156,412	4,331
Total	6,896,412	6,754,331

37. **Managerial remuneration:**

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
	Rs.	Rs.
a) Salaries and allowances (Refer Note 'a' & 'b')	2,400,000	15,709,677
b) Contribution to provident and other funds	-	-
c) Perquisites	-	-
d) Directors' sitting fees	980,000	1,140,000
e) Remuneration paid by one of the subsidiary company (Refer Note 'c')	3,000,000	18,000,000
Total	6,380,000	34,849,677

Notes:

- a) During the year, the Company has paid aggregate of Rs. 6,000,000 as managerial remuneration, which has exceeded the prescribed limit as per Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956 by Rs. 3,600,000 and the same is recoverable from them as of yearend. Further, during the previous year, Managerial Remuneration paid of Rs. 15,709,677 by the Company had exceeded the limits specified under Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956, by Rs. 8,350,386. The Company has recovered such excess remuneration of Rs. 8,350,386 from the directors during the current year.
- 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) 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 Rs. 13,500,000 as remuneration, which has exceeded the prescribed limit as per Schedule XIII of the Companies Act, 1956 by Rs. 10,500,000 and the same if recoverable from him as of year end.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

38. Foreign Currency Transactions :

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2013 which is as follows:-

Particulars	As at March 31, 2013		As at March 31, 2012	
	INR Equivalent	USD Equivalent	INR Equivalent	USD Equivalent
Payable for Professional fees	135,975	\$2500	-	-

39. Expenditure in foreign currency:

Description	For the year ended March 31, 2013	For the year ended March 31, 2012
	₹	₹
Professional Fees	1,187,542	-

40. 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 Rs. 12,459,507 (Previous Year Rs. 7,294,156) has been debited to statement of Profit and Loss.

(ii) The future minimum lease payments are as under:

Particulars	As at March 31, 2013	As at March 31, 2012
	Rs.	Rs.
Within one year	11,076,196	1,572,543
After one year but not more than five years	28,275,449	160,083
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.

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

Particulars		As at March 31, 2013	As at March 31, 2012
A Net Profit after tax as per statement of profit and loss	Rs.	3,018,608	631,949,714
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 Rs. 10 each			
- Basic EPS	Rs.	0.01	2.60
- Diluted EPS	Rs.	0.01	2.60
D Number of shares used for calculating Basic/ Diluted EPS	Nos.	243,258,782	243,258,782

42. Dynamix Realty ("Partnership Firm") in which DB Realty Limited ("Company") is a partner, had granted Loan to Kusegaon aggregating to Rs. 2,092,425,485, (the said loans) as upto 31st March 2010. As of 31st March, 2012, the outstanding balance due from Kusegaon is Rs. 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 Rs. 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 Rs. 2,000,000,000 is accepted as genuine business transaction, the interest charged being inadequate is a favor to a 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 dt. 30th August, 2011 has provisionally attached Company's bank account number 05211011001053 maintained with Oriental Bank of Commerce, Goregaon (East), having Bank Balance of Rs. 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 Rs. 10,765,400/- at the time of attachment (WDV as on 31st March, 2013 is Rs. 9,119,520). Also, a loan amounting to Rs. 503,963,329/- (at the time of attachment) advanced to Goan Hotels & Clubs

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

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 20th September, 2011.

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

43. The disclosures under the Accounting Standard 15 “ Employee Benefits”.
A) Defined Contribution Plan:

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

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Employers' contribution to provident fund	7,75,859	4,248,102

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, 2013:

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

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Liability at the beginning of the year	11,878,955	10,465,061
Interest cost	1,009,711	817,913
Current Service cost	2,086,509	5,740,318
Past Service Cost	-	-
Actuarial (gain)/loss on obligations	(10,212,573)	(4,662,029)
Benefit paid	-	(482,308)
Liability at the end of the year	4,762,602	11,878,955

b) Reconciliation of fair value of plan assets and obligations

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Liability at the end of the year	4,762,602	11,878,955
Fair value of Plan Assets at the end of the year	-	-
Difference	-	-
Amount Recognized in the Balance Sheet	(4,762,602)	(11,878,955)

c) Expense recognized during the year:

Particulars	March 31, 2013 ₹	March 31, 2012 ₹
Current service cost	2,086,509	5,740,318
Interest cost	1,009,711	817,913
Expected Return on Plan Assets	-	-
Actuarial Gain or Loss	(10,212,573)	(4,662,029)
Past Service Cost – Vested Benefit	-	-
Expense Recognized in P&L	(7,116,353)	1,896,202

d) Actuarial Assumptions:

Mortality Table	LIC (1994-96)	LIC (1994-96)
Discount rate (per annum)	7.90%	8.50%
Rate of escalation in salary (per annum)	15.00%	15.00%
Expected Average remaining working lives of employees (Years)	6.44	6.81

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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	March 31, 2013 ₹	March 31, 2012 ₹
Experience adjustments on actuarial (Gain)/ loss:		
Plan liabilities (gain)/loss	10,322,525	6,038,702
Plan assets (gain) loss	Nil	Nil

The present value of defined benefit obligation was Rs. 10,465,061, Rs. 3,768,438, Rs. 1,949,197 as on March 31 2011, 2010 and 2009 respectively.

The fair value of plan assets was Rs. Nil as on March 31, 2009, 2010 and 2011.

Experience adjustments arising on Plan liabilities as on March 31, 2011 is Rs. 4,370,588. 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 year ended March 2009, 2010 and hence, are not furnished.

C) Other Long Term Employee Benefit:

The compensated absences charged for the year ended March 31, 2013, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting (Rs. 14,292,279) (for Previous Year Rs. 9,436,141) has been recognized in the statement of Profit and Loss.

44. 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 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.

45. Details of utilization of funds received from IPO of Equity Shares are as under: (Rs. in Lacs)

Particulars of funds utilization for	Amount to be utilized as per prospectus				Amount utilized 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
Total (A)	150,000	129,610	93,320	33,206	150,000	139,529	59,383

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 utilization 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 utilized 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.
- 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.
- Pending utilization, the funds are temporarily invested / held in: (₹ in lacs)

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

46. In respect of company's investment in Association Of Person (AOP), each executing a single project, the Company's share in the expenses of such projects not inventorised in the books of such AOPs and shown as accumulated losses is recognised only when such loss will be debited to members account in the books of such AOPs. As per the projections of the management, each of such projects is expected to make a good profit on completion.

47. Related Party Disclosure:

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

Name of the Related Party
Subsidiaries:
Gokuldhama Real Estate Development Company Private Limited
Neelkamal Realtors Suburban Private Limited
Neelkamal Shanti Nagar Properties Private Limited
Neelkamal Realtors Tower Private Limited (Upto 24 th October 2012)
Esteem Properties Private Limited
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
Associates:
Sangam City Township Private Limited
D.B. Hi-Sky Constructions Private Limited
Neelkamal Realtors Tower Private Limited (W.E.F 25 th October 2012)
Mahal Pictures Private Limited
Jointly Controlled Entities:
Dynamix Realty
DBS Realty
Turf-Estate Joint Venture
Lokhandwala-Dynamix Balwas Joint Venture
DB (BKC) Realtors Pvt Ltd
DB Realty and Shreepati Infrastructure LLP
Daund Warehousing Developers & Builders LLP
Saswad Warehousing Developers & Builders LLP
Ahmednagar Warehousing Developers & Builders LLP
Solapur Warehousing Developers & Builders LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Latur Warehousing Developers & Builders LLP
Aurangabad 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 Control entity of DB View Infracon Pvt Ltd)
Entity in respect of which the Company is an Associate
Neelkamal Tower Construction LLP
Key Management Personnel (KMP)
Mr. Shahid Balwa, Vice Chairman & Managing Director
Mr. Vinod Goenka, ,Chairman & Managing Director
Relatives of KMP
Mr.Usman Balwa
Mrs Sakina U Balwa
Mrs.Shabana Balwa
Mr.Arshad S.Balwa
Ms.Aaliya S.Balwa
Mr.Salim Balwa
Mrs.Aseela V.Goenka
Mr.Krishna Murari Goenka
Mr.Jayvardhan V.Goenka
Ms.Sanjana Goenka
Mr.Pramod Goenka
Mrs.Sunita Goenka
Mrs.Shanita Jain
Enterprise where individuals i.e. KMP and their relatives have significant influence
Balwas Charitable Trust
Conwood Agencies Private Limited.
Conwood Associates (partnership firm)
Conwood Construction & Developers Private Limited
Conwood Pre-fab Limited
DB Hospitality Private Limited
Dynamix Contractors & Builders Pvt Ltd (Formerly Known as DB Modern Build tech Pvt Ltd)
Pony Infrastructure and Contractors Limited
Dynamix Developers Private Limited
Dynamix Balwas Resorts Private Limited
Dynamix Club and Resorts Private Limited
Dynamix Man Pre-fab Limited
Eversmile Properties Private Limited
Eversmile Construction Company Private Limited.
Face Inn Hotels 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
K G Enterprises
Milan Theatres Private Limited
Modren Hi-Tech Developers Private Limited
Neelkamal Central Appartment Private Limited /Neelkamal Central Apartment LLP
Neelkamal Realtors and Builders Private Limited

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Nihar Construction Private Limited
Oceanmint Buildcon Pvt Ltd (w.e.f. 9 th March 2013)
Neelkamal Realtors and Erectors India Private Limited
Span Construction Company Private Limited
Majestic Infracon Private Limited (formely known as Tiger Trustees Private Limited and DBI Infracon Private Limited)
Trident Estate Private Limited
Vinod Goenka-HUF
Chocklate Developers Pvt Ltd
Y. J. Realty Private Limited
Eon Aviation Pvt Ltd
BD&P Hotels (India) Pvt Ltd
Hotel Balwas Private Limited

Notes:

1. The aforesaid related parties are identified by the management of the Company.

(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.
Loans Granted by Company						
Opening Balance as on 1st April 2012	3,667,268,336	780,740,000	-	-	468,682,500	787,647,403
	(8,852,127,147)	(791,032,492)	(-)	(-)	(311,007,500)	(1,321,183,856)
Given during the year	896,588,200	145,114,936	-	-	96,875,000	124,138,704
	(2,963,407,530)	(15,900,000)	(-)	(-)	(157,675,000)	(845,837,785)
Returned during the year	655,753,369	-	-	-	-	138,147,403
	(8,148,266,341)	(26,192,492)	(-)	(-)	(-)	(1,379,374,238)
Transferred (to)/from (Refer Note 2 below)	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2013	3,908,103,167	925,854,936	-	-	565,557,500	773,638,704
	(3,667,268,336)	(780,740,000)	(-)	(-)	(468,682,500)	(787,647,403)
Loans Received by Company						
Opening Balance as on 1st April 2012	86,632,142	-	-	-	-	-
	(170,045,615)	(-)	(-)	(-)	(-)	(-)
Taken during the year	1,008,543,120	-	-	-	-	-
	(94,379,951)	(-)	(-)	(-)	(-)	(-)
Returned during the year	380,450,000	-	-	-	-	-
	(177,793,424)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2013	714,725,262	-	-	-	-	-
	(86,632,142)	(-)	(-)	(-)	(-)	(-)
Intercorporate Deposits						
Opening Balance as on 1st April 2012	-	-	-	-	340,549,000	-
	(-)	(-)	(-)	(-)	(371,350,000)	(-)
Taken during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Returned during the year	-	-	-	-	40,985,000	-
	(-)	(-)	(-)	(-)	(30,801,000)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2013	-	-	-	-	299,564,000	-
	(-)	(-)	(-)	(-)	(340,549,000)	(-)
Investments in Equity Shares						
Opening Balance as on 1st April 2012	2,219,315,913	892,370,001	-	-	986,503,899	783,029,928
	(653,115,913)	(1,012,524,411)	(-)	(-)	(986,503,899)	(-)
Investment purchased during the year	-	-	-	-	-	-
	(1,566,300,000)	(-)	(-)	(-)	(-)	(783,029,928)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

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.
Investments sold/redeemed during the year	-	-	-	-	-	-
	(100,000)	(120,154,410)	(-)	(-)	(-)	(-)
Transferred (to)/from (Refer Note 3 below)	-	-	-	-	-	-
	-	-	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2013	2,219,315,913	892,370,001	-	-	986,503,899	783,029,928
	(2,219,315,913)	(892,370,001)	(-)	(-)	(986,503,899)	(783,029,928)
Investment in Preference Shares						
Opening Balance as on 1st April 2012	349,871,507	-	-	-	1,480,109,405	8,282,704,804
	(214,871,507)	(-)	(-)	(-)	(1,255,099,210)	(-)
Investment purchased during the year	-	-	-	-	-	940,000,000
	(135,000,000)	(-)	(-)	(-)	(225,010,195)	(8,282,704,804)
Investments sold/redeemed during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2013	349,871,507	-	-	-	1,480,109,405	9,222,704,804
	(349,871,507)	(-)	(-)	(-)	(1,480,109,405)	(8,282,704,804)
Investment in Debentures						
Opening Balance as on 1st April 2012	25,000,000	-	-	-	-	-
	(25,000,000)	(-)	(-)	(-)	(-)	(-)
Investment purchased during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investments sold/redeemed during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2013	25,000,000	-	-	-	-	-
	(25,000,000)	(-)	(-)	(-)	(-)	(-)
Investment in Joint Ventures and Partnership firms						
Opening Balance as on 1st April 2012	1,374,039,817	-	-	-	4,835,683,334	-
	(1,375,235,094)	(24,117,000)	(-)	(-)	(6,746,158,189)	(-)
Contribution during the year	126,197,083	-	-	-	7,415,383,996	-
	(8,790,150)	(-)	(-)	(-)	(6,829,804,779)	(-)
Contribution refunded during the year	118,953,631	-	-	-	10,593,862,222	-
	(9,985,427)	(-)	(-)	(-)	(8,740,279,634)	(-)
Transferred (to)/from (Refer Note 4 below)	-	-	-	-	-	-
	-	-	-	-	(24,117,000)	(-)
Closing Balance as on March 31, 2013	1,381,283,269	-	-	-	1,657,205,108	-
	(1,374,039,817)	-	(-)	(-)	(4,859,800,334)	(-)
Reimbursement of expenses incurred on behalf as on March 31, 2013	1,983,396	-	-	-	497,425	2,109,317
	(9,515,304)	(-)	(-)	(-)	(2,971,992)	(600,666)
Interest free security deposit	-	20,000,000	-	33,125,000	-	3,650,000,000
	(20,000,000)	(-)	(-)	(33,125,000)	(-)	(3,650,000,000)
Mobilisation Advance	-	-	-	-	-	113,159,717
	(-)	(-)	(-)	(-)	(-)	(113,159,717)
Rent paid	-	-	-	-	-	21,789,726
	(-)	(-)	(-)	(-)	(-)	(7,302,881)
Miscellaneous Expenses (water and electricity expenses)	-	-	-	-	-	1,122,255
	(-)	(-)	(-)	(-)	(-)	(1,015,520)
Equity Share Capital	-	-	153,642,160	71,642,760	-	1,139,703,400
	(-)	(-)	(273,642,160)	(96,828,880)	(-)	(1,045,648,380)
Current Liabilities	3,775,410	854,368	(544,576)	-	194,190,663	23,996,413
	(-)	(2,410)	(1,382,000)	(162,000)	(297,944,782)	(12,530,833)
Managerial Remuneration *	-	-	6,000,000	-	-	-
	(-)	(-)	(15,709,677)	(-)	(-)	(-)
Corporate Guarantee given by the Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies	3,000,000,000	4,125,000	-	-	4,125,000	16,039,848,400

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

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.
(Refer note D of 25 and note 27)	(3,304,125,000)	(-)	(-)	(-)	(4,125,000)	(15,589,597,000)
Interest received	34,989,451	8,239,031	-	-	-	114,965,227
	(92,892,424)	(-)	(-)	(-)	(-)	(144,850,928)
Interest Paid	66,581,812	-	-	-	-	-
	(12,521,885)	(-)	(-)	(-)	(-)	(-)
Construction Expenses	-	-	-	-	-	18,169,321
	(-)	(-)	(-)	(-)	(-)	(25,687,118)
Advance against share purchase	-	-	-	-	-	3,288,471,940
	(-)	(-)	(-)	(-)	(-)	(464,400,000)
Travelling Expenses	-	-	-	-	-	10,048,565
	(-)	(-)	(-)	(-)	(-)	(5,625,300)
Share of loss/(profit) from partnership firms	(27,466,548)	-	-	-	(58,107,027)	-
	(6,160,277)	(-)	(-)	(-)	(492,741,258)	(-)
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. 10,530 million)	(-)	(-)	(-)

(Figures in brackets denote Previous Year's balances)

1. The aforesaid related parties are identified by the Company and relied upon by the Auditors.

(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, 2012	Given during the year	Returned during the year	Closing Balance as on 31st March, 2013	Maximum Balance Outstanding during the year
Loans to Subsidiaries (no repayment schedule and repayable on demand)					
D B Man Realty Limited	-	250,000	-	250,000	250,000
	(325,028,108)	(1,838,798)	(326,866,906)	(-)	(326,228,108)
D B Properties Private Limited	-	-	-	-	-
	(1,561,900,000)	(26,225,000)	(1,588,125,000)	(-)	(1,614,350,000)
Spacecon Realty Private Limited	645,413,288	31,135,000	15,300,000	661,248,288	676,223,288
	(2,711,347,618)	(104,914,189)	(2,170,848,519)	(645,413,288)	(2,711,347,618)
DB View Infracon Private Limited	194,602,713	515,930,000	89,702,713	620,830,000	660,230,000
	(2,126,713)	(1,042,472,600)	(849,996,600)	(194,602,713)	(960,652,713)
Esteem Properties Private Limited	1,106,077,945	17,800,000	3,300,000	1,120,577,945	1,120,577,945
	(1,351,977,945)	(7,302,772)	(253,202,772)	(1,106,077,945)	(1,356,077,945)
DB MIG Realtors and Builders Private Limited	-	-	-	-	-
	(1,300,286,258)	(571,775,000)	(1,872,061,258)	(-)	(1,420,286,258)
N. A. Estate Private Limited	76,379,689	1,875,000	-	78,254,689	78,254,689
	(75,888,065)	(1,077,700)	(586,076)	(76,379,689)	(76,495,285)
Neelkamal Realtors Tower Private Limited	1,429,808	56,200,000	57,629,808	-	143,319,936
	(7,144,948)	(145,029,808)	(150,744,948)	(1,429,808)	(52,844,948)
Neelkamal Realtor Suburban Private Limited	315,989,670	106,043,437	261,500,000	160,533,107	315,989,670
	(161,531,313)	(170,468,797)	(16,010,440)	(315,989,670)	(315,989,670)
Neelkamal Shantinagar Properties Private Limited	278,989,316	134,339,731	1,114,731	412,214,316	412,214,316
	(261,289,316)	(110,375,045)	(92,675,045)	(278,989,316)	(278,989,316)
Nine Paradise Erectors Private Limited	217,850,000	11,035,000	11,700,000	217,185,000	228,100,000
	(112,050,000)	(105,800,000)	(-)	(217,850,000)	(217,850,000)
Priya Construction Private Limited	216,461,152	8,190,000	-	224,651,152	224,651,152
	(216,011,152)	(450,000)	(-)	(216,461,152)	(216,461,152)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Loans and Advances	Opening Balance as on 1st April, 2012	Given during the year	Returned during the year	Closing Balance as on 31st March, 2013	Maximum Balance Outstanding during the year
Real Gem Buildtech Private Limited	210,348,154	5,175,000	215,523,154	-	211,448,154
	(397,221,650)	(637,748,154)	(824,621,650)	(210,348,154)	(399,221,650)
Royal Netra Construction Private Limited	364,030,134	8,347,069	-	372,377,203	372,377,203
	(328,316,594)	(35,713,540)	(-)	(364,030,134)	(364,030,134)
Saifee Buckets Factory Private Limited	917,467	112,963	7,963	1,022,467	1,022,467
	(807,467)	(116,127)	(6,127)	(917,467)	(917,467)
Vanita Infrastructure Private Limited	38,779,000	180,000	-	38,959,000	38,959,000
	(39,200,000)	(2,100,000)	(2,521,000)	(38,779,000)	(39,200,000)
Particulars	Opening Balance as on 1st April, 2012	Given during the year	Returned during the year	Closing Balance as on 31st March, 2013	Maximum Balance Outstanding during the year
Loans to Associates (Interest free and no repayment schedule as repayable on demand)					
D.B. Hi-Sky Constructions Private Limited	326,740,000	1,795,000	-	328,535,000	328,535,000
	(323,350,000)	(3,390,000)	(-)	(326,740,000)	(326,740,000)
Sangam City Township Private Limited	454,000,000	-	-	454,000,000	454,000,000
	(446,500,000)	(7,500,000)	(-)	(454,000,000)	(454,000,000)
Neelkamal Realtors Tower Private Limited	-	143,319,936	-	143,319,936	143,319,936
	-	-	-	-	-
Dynamix Building Materials Private Limited	-	-	-	-	-
	(21,182,492)	(5,010,000)	(26,192,492)	(-)	(21,182,492)
Loan to Jointly controlled entities					
Turf Estate JV	468,682,500	96,875,000	-	565,557,500	565,557,500
	(311,007,500)	(157,675,000)	(-)	(468,682,500)	(468,682,500)
Particulars	Opening Balance as on 1st April, 2012	Given during the year	Returned during the year	Closing Balance as on 31st March, 2013	Maximum Balance Outstanding during the year
Loans given to KMP Significant Entities (repayable on demand)					
Goan Hotels & Clubs Private Limited	-	-	-	-	-
	(503,963,329)	(698,154,583)	(1,202,117,912)	(-)	(1,185,463,329)
Goan Real Estate And Construction Private Limited	-	-	-	-	-
	(-)	(50,000)	(50,000)	(-)	(50,000)
Y J Realty Private Limited	479,815,541	67,610,362	131,815,541	415,610,362	479,815,541
	(504,806,326)	(76,415,541)	(101,406,326)	(479,815,541)	(504,806,326)
Milan Theatres Private Limited	307,831,862	56,528,342	6,331,862	358,028,342	358,028,342
	(312,414,201)	(71,217,661)	(75,800,000)	(307,831,862)	(329,414,201)
* includes disclosures as required under Clause 32 of the Listing Agreement					
Particulars	Opening Balance as on 1st April, 2012	Taken during the year	Repaid during the year	Closing Balance as on 31st March, 2013	Maximum Balance Outstanding during the year
Loans from Subsidiaries					
Gokuldham Real Estate Development Company Private Limited	-	953,000,000	253,800,000	699,200,000	878,200,000
	(170,045,615)	(7,747,809)	(177,793,424)	(-)	(170,045,615)
DB MIG Realtors and Builders Private Limited	86,632,142	55,543,120	126,650,000	15,525,262	86,632,142
	(-)	(86,632,142)	(-)	(86,632,142)	(86,632,142)
Loans taken from Jointly Controlled Entity					
DB(BKC) Realtors Private Limited	340,549,000	-	40,985,000	299,564,000	340,549,000
	(371,350,000)	(-)	(30,801,000)	(340,549,000)	(371,350,000)
Loans taken from KMP Significant Entity					
D B Hospitality Private Limited	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Neelkamal Realtors & Builders Private Limited	-	20,000,000	20,000,000	-	20,000,000
	(-)	(-)	(-)	(-)	(-)

D B REALTY LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Opening Balance as on 1st April 2012	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on March 31 , 2013
Investments in Equity Shares:				
DB Chandak Realtors Private Limited (related party till 31 March, 2011)	-	-	-	-
	(-)	(-)	(-)	(-)
D B Man Realty Limited	71,400,000	-	-	71,400,000
	(5,100,000)	(66,300,000)	(-)	(71,400,000)
Nine Paradise Erectors Private Limited	100,000	-	-	100,000
	(100,000)	(-)	(-)	(100,000)
Real Gem Buildtech Private Limited	1,500,085,000	-	-	1,500,085,000
	(85,000)	(1,500,000,000)	(-)	(1,500,085,000)
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)	(-)
Nine Paradise Erectors Private Limited	-	-	-	-
	(-)	(-)	(-)	(-)
DB (BKC) Realtors Private Limited	986,503,899	-	-	986,503,899
	(986,503,899)	(-)	(-)	(986,503,899)
D B Hospitality Private Limited	783,029,928	-	-	783,029,928
	(-)	(783,029,928)	(-)	(783,029,928)

Investments in Preference Shares	Opening Balance as on 1st April 2012	Investments purchased / made during the year	Investment sold / redeemed during the year	Closing Balance as on March 31 , 2013
Gokuldharm Real Estate Development Company Private Limited	-	-	-	-
	(-)	(-)	(-)	(-)
DB (BKC) Realtors Private Limited	1,480,109,405	-	-	1,480,109,405
	(1,255,099,210)	(225,010,195)	(-)	(1,480,109,405)
D B Hospitality Private Limited	8,282,704,804	940,000,000	-	9,222,704,804
	(-)	(8,282,704,804)	(-)	(8,282,704,804)

Investments in Partnership firm (JCE)	Opening Balance 1st April 2012	Contribution during the year	Repayment during the year	Closing Balance March 31 , 2013
Dynamix Realty	6,908,348,618	45,492,823	6,953,591,441	250,000
	(6,302,022,746)	(4,628,574,499)	(6,625,444,146)	(4,305,153,099)
Mira Salt Work	1,374,039,817	126,197,083	118,953,631	1,381,283,269
	(1,375,235,094)	(8,790,150)	(9,985,427)	(1,374,039,817)
D B Realty And Shreepati Infrastructure LLP	58,800	-	-	58,800
	(65,033,800)	(5,300,000)	(-)	(70,333,800)

Particulars	Opening Balance as on 1st April 2012	Given during the year	Returned during the year	Closing Balances on 31st March 2013
Current Liabilities				
D. B. S. Realty	297,944,782	134,378,260	30,544,908	194,111,430
	(165,244,782)	(27,302,237)	(160,002,237)	(297,944,782)
Nihar Construction Private Limited	3,500,000	3,500,000	89,791	(89,791)
	(37,500,000)	(37,500,625)	(3,500,625)	(3,500,000)
Eon Aviation Private Limited	-	11,967,665	11,967,665	-
	(-)	(7,500,000)	(7,500,000)	(-)
Majestic Infracon Private Limited	(534,131)	-	24,000	(510,131)
	(33,370,846)	(56,145,137)	(22,240,160)	(534,131)
Dynamix Realty (OCL)	-	486,467	169,737	316,730
	-	-	-	-
Pony Infrastructure & Contractor Ltd (OCL)	-	-	758,442	(758,442)
	-	-	-	-

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Real Gem Buildtech Pvt Ltd (OCL)	-	-	1,424,211	(1,424,211)
	-	-	-	-
Turf Estate JV (OCL)	-	-	395,963	(395,963)
	-	-	-	-
YJ Realty Pvt Ltd (OCL)	-	-	73,578	(73,578)
	-	-	-	-
Mira Salt Works (OCL)	-	-	796,731	(796,731)
	-	-	-	-
Gokuldham Real Estate Development Co Pvt Ltd (OCL)	-	-	1,425,216	(1,425,216)
	-	-	-	-
Neelkamal Realtor Suburban Pvt Ltd (OCL)	-	-	129,252	(129,252)
	-	-	-	-
Neelkamal Realtor Builder Pvt Ltd (OCL)	-	-	91,933	(91,933)
	-	-	-	-
Neelkamal Realtor Tower Pvt Ltd (OCL)	-	-	851,958	(851,958)
	-	-	-	-

Other Current Assets - Reimbursement of Expenses Recoverable	Opening Balance as on 1st April 2012	Given during the year	Reimbursed during the year	Closing Balance as on 31st March 2013
Spacecon Realty Private Limited	20,766,217	-	20,766,217	-
	(20,766,217)	(58,207)	(58,207)	(20,766,217)
Goan Hotels & Clubs Private Limited	-	-	-	-
	(-)	(557,520,000)	(557,520,000)	(-)

Interest free Security Deposit for Development of properties	Opening Balance as on 1st April 2012	Given during the year	Returned during the year	Closing Balance as on 31st March, 2013
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)
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
	(33,125,000)	(-)	(-)	(33,125,000)
Nihar Construction Private Limited	400,000,000	-	-	400,000,000
	(1,100,000,000)	(-)	(700,000,000)	(400,000,000)
Neelkamal Realtors Tower Private Limited	20,000,000	-	-	20,000,000
	(20,000,000)	(-)	(-)	(20,000,000)
Mobilisation Advance	Opening Balance as on 1st April 2012	Given during the year	Returned during the year	Closing Balance as on March 31st, 2013
Majestic Infracon Private Limited (pervious as DBI Infracon Private Limited)	113,159,717	4,143,368	4,143,368	113,159,717
	(116,710,866)	(-)	(3,551,149)	(113,159,717)

Share Application money	Opening Balance as on 1st April 2012	Given during the year	Returned during the year	Closing Balance as on March 31st, 2013
Heaven Star Realty Private Limited (now known as DB Hotels (India) Private Limited)	-	-	-	-
	(1,476,000,000)	(24,000,000)	(1,500,000,000)	(-)
D B Hospitality Private Limited	464,400,000	3,833,571,940	1,009,500,000	3,288,471,940
	(-)	(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)	(-)

D B REALTY LIMITED

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Payable for Purchase of Fixed Assets		
Particulars		Amount (Rs.)
Goan Hotels & Clubs Pvt Ltd		1,404,978
		-
Revenue from Operation (Sale of Project)		
		Amount (Rs.)
Dynamix Balwas Resorts Private Limited		430,000,000
		-

Interest Income		
		Amount (Rs.)
Royal Netra Construction Private Limited		9,274,521
		(37,200,000)
Neelkamal Realtor Sub Private Limited		25,714,930
		(33,930,900)
Neelkamal Realtor Tower Private Limited		8,239,031
		-
Real Gem Buildtech Private Limited		-
		(19,200,074)
Milan Theater Private Limited		49,287,047
		(49,922,653)
YJ Realty Private Limited		65,678,180
		(76,423,183)

Interest Expense		
		Amount (Rs.)
DB MIG Realtors and Builders Private Limited		6,159,022
		-
Gokuldham Real Estate Development Private Limited		60,422,790
		(12,521,885)
Particulars	Nature of expenditure	Amount (Rs.)
Eon Aviation Private Limited	Travelling expenses	10,048,565
		(5,625,300)
K G Enterprises	Rent Paid	21,789,726
		(7,069,104)
Majestic Infracon Private Limited	Construction expenses	18,169,321
		(25,687,118)
Equity Share Capital	Face Value of Shares as on 31-Mar-13	Face Value of Shares as on 31-Mar-12
Vinod Goenka **	247,697,180	357,537,180
NeelKamal Tower Construction Company LLP	1,045,648,380	1,045,648,380

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

** Shares held by Mr. Vinod Goenka includes no of shares held by him jointly with Mrs. Aseela Goenka Face value Rs. 1,000,000 (Previous year Rs. 1,000,000).and as Karta of Vinod Goenka HUF Face Value Rs.94,055,020 (Previous year Rs. 94,055,020).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

48. Financial Interest in joint venture

The Company is having investments in following joint ventures and all are in real estate business. The following amounts represent the Company's interest as per its holding in respective joint ventures.

Particulars	Turf	DB (BKC)	Lokhandwala Dynamix Balwas JV	Dynamix Realty	DBS Realty	Shreepati LLP	Warehousing LLPS
% of Holding	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
Shareholders' Funds	299,375,254	1,743,820,612	21,135,932	1,163,889,990	3,300,000	38,648,400	539,348
	245,207,735	1,752,469,298	-	2,152,710,742	3,300,000	38,327,475	236,897
Non-current Liabilities	4,685,182	2,291,964	-	21,917,913	8,362,259	208,084	-
	9,077,991	1,523,014	-	13,298,590	5,180,820	-	-
Current Liabilities	962,031,018	20,306,396	29,148	1,379,920,450	1,031,067,711	6,486	33,669,895
	981,410,719	12,996,414	-	377,677,213	743,835,237	52,073	31,947,340
TOTAL	1,266,091,454	1,766,418,972	21,165,080	2,565,728,353	1,042,729,970	38,862,970	34,209,243
	1,235,696,445	1,766,988,726	-	2,543,686,545	752,316,057	38,379,548	32,184,237
Tangible Assets	395,521	86,623	-	1,853,532	21,613	-	-
	(582,577)	(118,472)	-	(1,261,494)	(31,003)	-	-
Intangible Assets	-	4,102	-	16,718	-	-	-
	-	(6,837)	-	(13,932)	-	-	-
Capital Work-in-progress	61,465,563	-	-	-	-	-	-
	(58,691,163)	-	-	-	-	-	-
	-	-	-	-	-	-	-
Non-current Assets	360,944,062	262,542,020	-	4,320,420	274,156,047	35,526,462	-
	355,499,578	261,277,836	-	1,509,742	230,814,610	35,543,842	100,000
Current Assets	905,147,392	1,503,876,952	21,165,080	2,561,407,933	768,573,923	3,336,508	34,209,243
	880,196,867	1,505,710,890	-	2,542,176,803	521,501,447	2,835,706	32,084,237
TOTAL	1,266,091,454	1,766,418,972	21,165,080	2,565,728,353	1,042,729,970	38,862,970	34,209,243
	1,235,696,445	1,766,988,726	-	2,543,686,545	752,316,057	38,379,548	32,184,237

Particulars	Turf	DB (BKC)	Lokhandwala Dynamix Balwas JV	Dynamix Realty	DBS Realty	Shreepati LLP	Warehousing LLPS
I. INCOME							
Revenue from Operations	-	-	-	-28,928,869	-	-	-
	-	-	-	1,892,608,289	-	-	-
Share of Profit / (Loss) from Partnership Firms, net	(14,732)	-	-	-	-	-	-
	(6,305)	-	-	-	-	-	-
Other Income	-	44,150	-	14,825,238	35,931	-	-
	-	39,805	-	2,166,421	99,980	-	360
TOTAL	(14,732)	44,150	-	-14,103,631	35,931	-	-
	(6,305)	39,805	-	1,894,774,710	99,980	-	360
	-	-	-	-	-	-	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

II. EXPENDITURE							
Project Expenses	23,358,523	15,946,314	-	-	271,545,677	455,874	-
	21,212,808	20,990,013	-	1,298,373,801	118,468,497	564,180	-
(Increase)/Decrease in Inventories	(23,358,523)	(15,946,314)	-	-	(271,545,674)	(455,874)	-
	(21,212,808)	(20,990,014)	-	-	(118,468,497)	(564,180)	-
Employee Benefit Expenses	6,727,923	3,652,407	-	11,495,522	86,572	-	-
	5,687,541	3,425,404	-	2,277,148	75,548	-	-
Finance Costs	494,385	-	-	362,606	-	-	-
	-	-	-	8,674,150	-	-	-
Depreciation and Amortization Expenses	187,055	34,585	-	608,151	9,389	-	-
	296,351	53,333	-	471,292	14,761	-	-
Other Expenses	8,152,591	5,005,844	-	29,871,681	119,686	65,125	26,865
	10,022,325	4,754,679	-	6,099,499	105,394	344,843	63,463
Tax Expenses	-	-	-	1,485,164	(555)	-	-
	-	-	-	1,164,751	-	-	-
Total Expenses	15,561,954	8,692,836	-	43,823,124	215,095	65,125	26,865
	16,006,217	8,233,415	-	1,317,060,641	195,703	344,843	63,463
Profit (Loss) after Tax	(15,576,686)	(8,648,686)	-	(57,926,755)	(179,164)	(65,125)	(26,865)
	(16,012,522)	(8,193,610)	-	577,714,069	(95,723)	(344,843)	(63,103)
Contingent Liability	-	-	-	-	-	-	-

There are no capital commitments and other commitments related to Company's interest in the joint ventures.

(Bold figures represent the current year's figures)

**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 date		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	
	Equity (No)	Extent of Holding (%)	Dealt with in the accounts of D B Realty Limited for the year ended 31 st March, 2013	Not Dealt with in the accounts of D B Realty Limited for the year ended 31 st March, 2013	Dealt with in the accounts of D B Realty Limited for the year ended 31 st March, 2012	Not Dealt with in the accounts of D B Realty Limited for the year ended 31 st March, 2012
Gokuldham Real Estate Development Company Private Limited	3,74,990	75	NIL	2,21,73,721	NIL	88,51,62,480
Neelkamal Realtors Suburban Private Limited	4,35,600	66	NIL	(7,44,41,992)	NIL	28,91,38,959
Neelkamal Shantinagar Properties Private Limited	16,000	100	NIL	(27,73,885)	NIL	(67,32,705)
Esteem Properties Private Limited	10,000	100	NIL	(53,90,824)	NIL	(3,83,73,383)
Real Gem Buildtech Private Limited	10,000	100	NIL	(12,97,79,857)	NIL	(16,43,06,493)
Saifee Bucket Factory Private Limited	248	100	NIL	(1,15,461)	NIL	(24,16,351)
Priya Constructions Private Limited	10,000	100	NIL	(1,34,73,010)	NIL	(62,82,990)
DB Man Realty Limited	71,40,000	51	NIL	(68,295)	NIL	(44,26,801)
Royal Netra Constructions Private Limited	75,600	50.4	NIL	2,03,113	NIL	(1,05,84,617)
N A Estates Private Limited	1,000	100	NIL	(82,739)	NIL	(1,73,546)
Nine Paradise Erectors Private Limited	10,000	100	NIL	(1,13,806)	NIL	(3,85,391)
D B MIG Realtors & Builders Private Limited	10,000	100	NIL	(1,37,14,451)	NIL	(2,41,77,555)
Spacecon Realty Private Limited (Formerly D B Spacecon Private Limited)	10,000	74	NIL	(71,90,994)	NIL	(6,45,61,144)
Vanita Infrastructure Private Limited	10,000	100	NIL	(2,82,486)	NIL	36,41,286
D B View Infracon Private Limited	10,000	100	NIL	26,82,40,246	NIL	4,36,92,968
D B Contractors & Builders Private Limited	10,000	100	NIL	(44,774)	NIL	(1,81,671)

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: 18th May, 2013

INDEPENDENT AUDITORS' REPORT**ON THE CONSOLIDATED FINANCIAL STATEMENTS OF DB REALTY LIMITED****To the Board of Directors of DB Realty Limited**

We have audited the accompanying consolidated financial statements of *DB Realty Limited* ("the Company") and its subsidiaries, associates and joint ventures (the Company, its subsidiaries, associates and joint ventures constitute "the Group") which comprise the consolidated balance sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements on the basis of separate financial statements and other financial information regarding components that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

With reference to Note No. 45 (a) of the financial statements, there are two partnership firms which have not been considered for consolidation. Impact of the same on current years consolidated financial statements cannot be quantified as financial statements of the said firms are not available.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

1. We draw attention to Note No. 37 of the financial statements regarding managerial Remuneration of Rs. 33,900,000 paid by the Company which has exceeded the limits specified under Schedule XIII read with Sec 349, 350 & 198 of the Companies Act, 1956, by Rs. 24,900,000. We are informed that the Company will recover the excess remuneration from the relevant Directors during FY 2013-14.
2. We draw attention to Note No. 19 of the financial statements regarding (i) 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 (ii) manner of accounting of brokerages paid on sale of premises in certain upcoming projects, have been relied upon by us, these being technical matters.
3. We draw attention to Note No. 44 of the financial statements regarding certain allegations made by the Central Bureau of Investigation of India against one of the Firms in which the Company has investments, relating to 2G spectrum case. This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
4. We draw attention to Note No. 33 (A) (i) of the financial statements regarding outstanding receivables which include dues aggregating Rs. 737,420,341 as at 31st March 2013, from companies in which directors of the Company are interested, considered good of recovery by the Company.

5. We draw attention to Note No. 30 of the financial statements regarding guarantees issued and securities provided aggregating Rs. 17,739,848,400 issued by the Company to banks and financial institutions on behalf of four non-group entities (in which some of the Directors and their relatives are interested), which are significant in relation to the net worth of the Group at the year end. In the opinion of the Company, these are not expected to result into any financial liability to the Company.
6. We draw attention to Note No. 31 & 32 of the financial statements regarding company's loans and advances of Rs. 555,772,388 and to Note No. 33 (b)(iv) & (v) of the financial statements regarding company's project cost carried in Inventory in two subsidiaries of Rs. 921,227,322 as on 31st March 2013 are under litigation and are sub-judice, based on Company's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of the said assets.
7. We draw attention to Note No. 33 (C)(iv) of the financial statements regarding the status of the projects and the opinion framed by the Company regarding realizable value of the cost incurred, being a technical matter, it has been relied upon by us.
8. We draw attention to Note No. 33(B)(iv),(v) and (xiii) of the financial statements. In one of the subsidiary, the Component auditor has expressed Emphasis on matter regarding the status of the balance development potential of the land and rehabilitation of the occupants of the units in the buildings constructed by one of the subsidiary.
9. We draw attention to Note No. 45 (b) of the financial statements. The financial results of a subsidiary and a jointly controlled entity, whose financial results reflect total assets of Rs. 1,833,263,681 total net sales / income from operations of Rs. NIL, loss after tax of Rs. 17,479,563 and net cash outflows amounting to Rs. 304,381 for the year ended 31st March 2013, as considered in the financial statements have neither been reviewed by us nor by any other auditors and we have relied on management approved unaudited financial statements of the said entities.

Our opinion is not qualified in respect of the above matters.

Other Matter

We did not audit the financial statements of certain subsidiaries and jointly controlled entities, whose financial statements reflect total assets (net) of Rs. 13,712,185,677 as at March 31, 2013, total revenues of Rs 2,977,898,109 and net cash outflows amounting to Rs. 23,168,681 for the year then ended. We also did not audit the financial statements of four associates, whose aggregate share of net profit amounting to Rs 4,790,892 are also included in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

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

Chetan Desai
Partner
Membership No. 017000

Place: Mumbai

Date: May 18, 2013

D B REALTY LIMITED

(ANNUAL REPORT 2012 - 13)

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

(AMOUNT IN ₹)

Particulars		Note No	As at March 31, 2013		As at March 31, 2012	
I	EQUITY AND LIABILITIES					
1	Shareholders' Funds					
	Share Capital	2	2,432,587,820		2,432,587,820	
	Reserve and Surplus	3	31,561,638,160	33,994,225,980	31,412,043,103	33,844,630,923
2	Minority Interest			465,694,880		946,498,579
3	Non-current Liabilities					
	Long-term Borrowings	4	3,312,133,749		1,514,840,267	
	Other Long Term Liabilities	5	284,745,477		437,705,429	
	Long-term Provisions	6	65,200,368	3,662,079,594	255,401,040	2,207,946,736
4	Current Liabilities					
	Short-term Borrowings	7	1,313,489,868		1,103,038,141	
	Trade Payables	8	1,147,564,643		1,334,230,584	
	Other Current Liabilities	9	11,328,164,684		11,430,929,798	
	Short-term Provisions	10	776,987,793	14,566,206,988	841,961,854	14,710,160,377
				52,688,207,442		51,709,236,615
II	ASSETS					
1	Non-current Assets					
	Fixed Assets	11				
	Tangible Assets		1,636,475,785		1,761,929,954	
	Intangible Assets		195,580,871		256,388,466	
	Capital Work-in-progress		84,959,459		226,518,891	
	Intangible Assets under development		225,134,008		205,340,729	
			2,142,150,123		2,450,178,040	
	Goodwill on Consolidation		2,657,051,108		2,445,055,167	
	Non-current Investments	12	11,563,132,550		10,052,340,168	
	Deferred Tax Assets (net)	42	144,903,698		57,948,426	
	Long-term Loans and Advances	13	12,673,940,820		7,829,308,711	
	Other Non-current Assets	14	613,701,145	29,794,879,444	534,553,478	23,369,383,990
2	Current Assets					
	Current Investments	15	10,095,169		1,000,000	
	Inventories	16	15,038,562,914		18,431,865,958	
	Trade Receivables	17	1,947,979,312		920,469,222	
	Cash and Bank Balances	18	277,249,309		310,912,342	
	Short-term Loans and Advances	19	3,713,071,065		6,555,094,149	
	Other Current Assets	20	1,906,370,229	22,893,327,998	2,120,510,954	28,339,852,625
				52,688,207,442		51,709,236,615
	Significant accounting policies	1				

The accompanying notes forms an integral part of the financial statements.

As per our report of even date

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**

Place : Mumbai

Dated : May 18, 2013

Place : Mumbai

Dated : May 18, 2013

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2013

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2013	For the year ended March 31, 2012
I Revenue from Operations	21	3,407,898,109	5,908,619,226
II Other Income	22	266,556,753	1,046,517,835
III Total Revenue		3,674,454,862	6,955,137,061
IV Expenses:			
Project Expenses	23	2,608,082,268	5,726,993,254
Changes in Inventories	24	183,335,158	(896,050,574)
Employee Benefits Expenses	25	169,108,873	212,033,778
Finance Costs	26	181,282,103	71,334,332
Depreciation and Amortization Expenses	11	139,792,371	77,647,589
Other Expenses	27	406,245,568	661,933,311
Total Expenses		3,687,846,341	5,853,891,690
V Profit before exceptional and extraordinary items and tax (III-IV)		(13,391,479)	1,101,245,371
VI Exceptional Items		146,328	526,163
VII Profit before extraordinary items and tax (V - VI)		(13,537,807)	1,100,719,208
VIII Prior Period Items		55,418,932	20,732,004
IX Extraordinary Items		-	-
X Profit before tax (VII - VIII - IX)		(68,956,739)	1,079,987,204
XI Tax expense:			
- Current tax		25,507,964	213,800,630
(Including ₹ 7,853,225 (Previous Year ₹ 6,500,632) for earlier years)			
- Deferred tax	42	(86,725,938)	(54,105,513)
XII Profit after tax and before Minority Interest and Share of Profit/ (Loss) in Associates (X-XI)		(7,738,765)	920,292,087
XIII Minority Interest		56,433,968	(58,740,220)
Share of Profit / (Loss) in Associates		(15,225,772)	2,047,590
XIV			
XV Profit for the period (XII + XIII + XIV)		33,469,432	863,599,457
XVI Earnings per equity share of face value of ₹ 10 each	43		
Basic		0.14	3.55
Diluted		0.14	3.55
Significant accounting policies	1		

The accompanying notes forms an integral part of the financial statements.

As per our report of even date

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

Place : Mumbai

Dated : May 18, 2013

Place : Mumbai

Dated : May 18, 2013

D B REALTY LIMITED

(ANNUAL REPORT 2012 - 13)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	For the year ended March 31, 2013		For the year ended March 31, 2012	
	₹	₹	₹	₹
Cash flows from operating activities:				
Net profit before taxation	(68,956,739)		1,079,987,204	
Adjustments for :				
Depreciation	139,792,371		77,647,589	
Unrealised exchange loss (net)	415,471		1,726,355	
Interest and finance charges	181,282,103		71,334,332	
Loss on sale of fixed assets	1,101,101		718,181	
Dividend income	(250,171)		(8,847,176)	
Profit on sale of current investments	(1,000,000)		(221,443,681)	
Profit on sale of long term investments	(3,315,667)		(443,779,233)	
Capital work in progress written off			16,196,490	
Project expenses written off			78,504,863	
Advances written off	10,031,626		200,000,000	
Provision against security deposit	11,983,866		-	
Excess provision written back	(24,434,063)		-	
Interest income	(198,885,283)		(21,135,968)	
Operating profit before working capital changes	47,764,615		830,908,956	
Adjustments for :				
Decrease in loans and advances	1,347,848,597		6,550,132,805	
Decrease in inventories	3,457,791,864		267,750,533	
Decrease / (Increase) in trade receivables	(1,027,510,090)		1,778,985,391	
Increase/ (Decrease) in current liabilities	(1,658,909,838)		1,143,876,391	
(Decrease) in provisions	(90,282,540)		(662,468,858)	
Decrease in deposit under lien (as per note 14 & 18)	96,543,832		24,337,852	
Cash generated from operations	2,173,246,440		9,933,523,070	
Direct taxes (paid)/refund	(228,955,585)		81,779,140	
Net cash from operating activities	A	1,944,290,855		10,015,302,210
Cash flows from investing activities:				
Purchase of fixed assets (including cwip)	(29,770,324)		(894,293,929)	
Sale of fixed assets	136,039,925		3,076,523	
Sale of investment properties	8,922,928		-	
Acquisition of subsidiaries / joint ventures	(612,248,672)		(1,352,140,839)	
Contribution to joint venture	(1,296,667)		(473,333)	
Sale / (purchase) of investment in associate	(153,992,825)		557,717,905	
Dividend received	250,171		8,847,176	
Purchase of long term investments	(1,284,327,298)		(9,064,439,613)	
Sale of current investments	2,000,000		1,333,843,351	
Sale of long term investments	-		5,994,481	
Purchase of current investments	(10,095,169)		-	
Advance for share purchase	(3,211,271,940)		600,000,000	
Interest received	141,014,804		49,851,418	
Net cash (used in) investing activities	B	(5,014,775,067)		(8,752,016,860)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

Particulars	For the year ended March 31, 2013		For the year ended March 31, 2012	
	₹	₹	₹	₹
Cash flows from financing activities:				
Issuance of preference shares by joint venture	(6,350,000)		(125,655)	
Proceeds from secured borrowings	3,529,746,991		-	
Repayment of secured borrowings	(218,528,997)		(1,431,197,868)	
Inter-corporate deposits (net)	-		(18,233,175)	
Proceeds from unsecured borrowings	480,000		76,751,979	
Repayment of unsecured borrowings	(189,379,339)		-	
Interest and finance charges	(68,113,740)		(68,784,008)	
Net cash from / (used in) financing activities	C	3,047,854,915		(1,441,588,727)
Net decrease in cash and cash equivalents	(A+B+C)	(22,629,297)		(178,303,377)
Add : cash and cash equivalents at the beginning of the year		230,120,606		408,423,983
Cash and cash equivalents at the closing of the year		<u>207,491,309</u>		<u>230,120,606</u>

Notes to cash flow:
1 Reconciliation of cash and cash equivalents:

Cash and Bank balances (as per note 14 & 18)	341,884,548	461,057,677
Less: Fixed deposits under lien	134,393,239	230,937,071
Cash and cash equivalents (closing)	<u>207,491,309</u>	<u>230,120,606</u>

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.

The accompanying notes forms an integral part of the financial statements.

As per our report of even date

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

Place : Mumbai

Dated : May 18, 2013

Place : Mumbai

Dated : May 18, 2013

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013**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 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, 2013.
- iii) These consolidated 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 consolidated financial statements in conformity with the generally accepted accounting principles which requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent liabilities on the date of the consolidated 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

d) 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. The cost of fixed assets comprises purchase price and any attributable cost of bring the asset to its working condition for its intended use.

B. Intangible Assets:

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

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. Sales office is being depreciated over the period of 4 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 cost of assets exceeds its recoverable value. Recoverable value is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal. 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.

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 risk and rewards to the buyer, outcome of the real estate project can be estimated reliably and stage of completion of the project reaches at reasonable level of development i.e. at least 25% of total project cost should be incurred at reporting date.

When the outcome of a real estate project can be estimated reliably and the conditions stipulated below are satisfied, project revenue and project costs associated with the real estate project should be recognised as revenue and expenses by reference to the stage of completion of the project activity at each reporting date. Stage of completion is arrived with reference to the entire project cost incurred versus total estimated project cost. Further, with regard to total estimated cost of each project is based upon the judgment of management and certified by Company's technical personnel.

The following specific recognition criteria must also be met before revenue is recognized:

- All critical approvals necessary for commencement of the project have been obtained.
- At least 25% of construction cost (excluding cost incurred in acquisition of land and its development rights) is incurred.
- At least 25% of the saleable project area is secured by contracts or agreements with buyers.
- And at least 10 % of the total revenue as per the agreements of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

- (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

Investments are classified as non-current or current, based on management's intension at the time of purchase. Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Trade investments are investments made for or to enhance the Company's business interest.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the consolidated financial statements.

Profit/loss on sale of investment is computed with reference to the average cost of the investment.

j) EMPLOYEE BENEFITS**i) Defined Contribution Plan:**

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

ii) Defined Benefit Plan and other long term benefit:

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

iii) Short term employee benefits:

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

k) OPERATING LEASE:

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

l) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year 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.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of Profit & Loss as Current Tax. The company recognizes MAT credit available as an Asset only to the extent there is convincing evidence that the company will pay normal Income Tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an Asset in accordance with the Guidance note on Accounting for credit available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said Asset is created by way of credit to the statement of Profit & loss & shown as "MAT Credit Entitlement". The company reviews the "MAT Credit Entitlement" asset at each reporting date & writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

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. A Contingent Liability is, a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of enterprise or a present obligation that arises from past events. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the consolidated financial statements.

p) EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events including a bonus issue, bonus element in right issue to existing shareholders, share split, and reverse share split. (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The period during which, number of dilutive potential equity shares change frequently, weighted average number of shares are computed based on a mean date in the quarter, as impact is immaterial on earning per share.

q) CASH FLOW STATEMENT

Cash Flow Statement is prepared under the 'Indirect Method' prescribed under 'Accounting Standard – 3 Cash Flow Statement' prescribed under the Companies (Accounting Standard) Rules, 2006.

r) CASH AND CASH EQUIVALENTS

Cash and cash equivalent for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Note 2 : Share Capital

Particulars	As at March 31, 2013		As at March 31, 2012	
	Number	₹	Number	₹
Authorised				
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
		3,000,000,000		3,000,000,000
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid up	243,258,782	2,432,587,820	243,258,782	2,432,587,820
Total	243,258,782	2,432,587,820	243,258,782	2,432,587,820

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

Particulars	As at March 31, 2013		As at March 31, 2012	
	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	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 March 31, 2013		As at March 31, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares :				
Neelkamal Tower Construction LLP	104,564,838	42.99	104,564,838	42.99
Walkinson Investment Limited	14,587,500	6.00	19,687,500	8.09
Vinod Goenka *	15,364,216	6.32	27,364,216	11.25

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

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

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)					
	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Equity Shares :						
Fully paid up by way of bonus shares	-	-	-	201,150,000	-	-

2.5 Shares held by holding/ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the Company, 104,564,838 shares (Previous year - 104,564,838 shares) are held by holding company i.e. Neelkamal Tower Constructions LLP.

Note 3 : Reserve & Surplus

Particulars	As at	As at
	March 31, 2013	March 31, 2012
	₹	₹
a. Capital redemption reserve (refer Note 33 B (i))		
Opening balance	400,000,000	400,000,000
Add : Current year transfer	-	-
Closing balance	400,000,000	400,000,000
b. Securities premium account		
Opening balance	23,856,790,192	23,843,290,192
Add : Received on amalgamation by one of the subsidiary	-	13,500,000
Closing balance	23,856,790,192	23,856,790,192
c. Surplus		
Opening balance	7,155,252,911	6,305,975,810
Add : Net profit for the current year	33,469,432	863,599,457
Add : Loss of amalgamated subsidiary taken over	-	(14,322,356)
Add : Adjustment of subsidiary converted to associate	116,125,625	-
Closing balance	7,304,847,968	7,155,252,911
Total	31,561,638,160	31,412,043,103

Note 4 : Long-term Borrowings

Particulars	As at	As at
	March 31, 2013	March 31, 2012
	₹	₹
I Secured		
Term loans		
a. From HDFC Limited	2,884,335,076	1,188,441,388
A) 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.		
B) (i) Exclusive mortgage over the right, title, interest, claims, benefits and entitlements of the Company under Development Agreement dated 31.07.2009 read with Supplemental Agreement dated 30.07.2010 executed between the Company and the Land Owner interse (including any other deed, document or instrument in relation thereto) and in the project called "DB Crown" (Construction both present and future) together with propertinate undivided share in the underlying land (owned by the Land Owner) being freehold and leasehold land admeasuring 24,809.76 sq. mtrs situate at Gokhale Road (South), Dadar, Mumbai-400 025 and bearing Final Plot No. 1043 of TPS IV, Mahim Division bearing C.S. no. 1123 with construction thereon present and future;		

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
(ii) Exclusive charge / security interest over the receivables/ book debts/ cash flows/ revenues/ rentals (including booking amounts, Escrow Account / Designated Account (or other accounts), insurance proceeds. Obligor Contracts etc. pertaining to the aforesaid property/ies in favour of HDFC in such form and manner as may be required by the Lender.		
(iii) Personal guarantee of Mr. Vinod Goneka		
C) (i) Mortgage of certain flats of the Project (specified flats) together with proportionate undivided share, right, title and interest in the common area and in the underlying land on which the Project is constructed.		
(ii) Exclusive charge on the Scheduled Receivables emanating from the Project.		
(iii) Mortgage of the land at Village Bapnala, Andheri (East), Mumbai, owned by Eversmile Construction Co. Pvt. Ltd, the development rights whereof being vested with ECC DB Joint Venture entered into by and between Eversmile Construction Co. Pvt. Ltd DB Realty Limited and Konark Developers.		
(iv) Personal guarantee of the Managing Director		
b. From LIC Housing Finance Limited	-	306,229,178
(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.)		
Period of default :		
Interest for the months of January & February 2013 have not been paid till 31st March 2013.		
Amount : ₹ 69,55,543/- (Previous Year ₹ 78,39,902/-)		
c. From STCI Finance Ltd	421,841,803	-
(The said loan was received for Genera Corporate purpose & it is Secured by Pledge of Shares of DB Realty Ltd and carries fixed interest rate of 9.75% p.a with monthly rest. The Tenure of the Loan is of 36 months. The Loan amount is repayable at the end of the Tenor of the loan and Interest cost is payable on a monthly basis. Redemption Premium is payable at the end of 36th month so as to yield a nominal IRR of 14.75% P.a. with monthly rests.) (Out of the Outstanding amount, Debt redemption premium of ₹ 1,841,803 is payable at the end of tenure)		
d. Vehicle Loan from Banks	2,969,185	11,312,016
(Secured by way of hypothecation of vehicles purchased		
Terms of Repayment :		
Payable in equated monthly installment as per the loan amortisation schedule.)		
Total	3,309,146,064	1,505,982,582
II Unsecured		
a. Preference shares issued by Subsidiary Company :		
635,000 (635,000) 0.001% Cumulative Redeemable Optionally Convertible Preference Shares of ₹ 10/- each fully paid up	-	6,350,000
(0.001% Cumulative redeemable optionally convertible preference Shares of ₹ 10/- each)		
During the financial year 2012-2013, 635,000 ROCCPS have been converted into equity shares having voting rights in the ratio of 1:1.		
b. Preference shares issued by Joint Venture :		
188,008 (200,570) Compulsory Convertible Preference Shares (CCPS) Series 'C' of ₹ 10 each fully paid	1,880,085	1,880,085
62,760 (62,760) Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) Series 'A' and Series 'B' of ₹ 10 each fully paid.	627,600	627,600
(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.		

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
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.)		
c. Loan from others	480,000	-
	2,987,685	8,857,685
	3,312,133,749	1,514,840,267

Note 5 : Other Long-term Liabilities

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
a. Trade payables (refere note below)	166,350,386	176,247,969
b. Others		
Deposit payable	1,206,305	274,055
Society dues payable	3,388,786	3,423,405
Advance received towards flat bookings	113,800,000	257,760,000
Total	284,745,477	437,705,429

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, 2013 ₹	As at March 31, 2012 ₹
a. Provision for Employee Benefits		
Gratuity (unfunded)	27,005,426	24,164,617
Leave encashment (unfunded)	38,194,942	36,562,759
b. Others		
For Income Tax	-	194,673,664
Total	65,200,368	255,401,040

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 7 : Short-term Borrowings

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
I Secured		
Loans repayable on demand		
From banks	-	210,186,166
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 38.47% 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		
All above charges have been released by bank on March 30, 2013		
From Reliance Capital Limited	610,017,232	-
(The said loan was received as Loan against Residential Property and carries floating interest rate of 20% p.a subject to BPLR being constant. The Tenure of the Loan is of 6 months. The Loan amount is repayable at the end of the Tenor of the loan and Interest cost is payable on a monthly basis. The Loan is guaranteed by personal guarantees of Mr. Shahid Balwa & Mr. Vinod Goenka. Further, Registered Mortgage has been created on plot 2 & 3(A+C) at Yerwada Pune.)		
Total I	610,017,232	210,186,166
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2013		
II Unsecured		
a. Loans repayable on demand		
From other parties	703,472,636	892,851,975
	703,472,636	892,851,975
Total (I + II)	1,313,489,868	1,103,038,141

Note 8 : Trade Payables

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
* Micro small and medium enterprise	-	439
Others	1,147,564,643	1,334,230,145
	1,147,564,643	1,334,230,584

* 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:

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013**Note 9 : Other Current Liabilities**

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Current maturities of long term borrowings	1,546,126,362	437,902,916
Advance received from customers	7,006,641,263	8,421,716,743
Advance towards sale of Land TDR	903,446,930	686,440,906
Due to partnership firms towards capital contribution	155,353,056	200,241,883
Advance received agst tenancy rights	30,389,966	45,916,498
Temporary overdrawn current account balance as per books of subsidiaries / jointly controlled entites	3,548,280	5,026,226
Amount refundable on cancellation of flats	165,040,347	218,424,886
Employee benefits payable	42,537,091	30,828,394
Statutory dues including PF and TDS	224,912,654	293,184,666
Interest accrued but not due on loans	107,214,726	26,732,030
Interest accrued and due	43,767,983	11,082,317
Compensation payable	48,946,922	32,936,205
Payable to project partner by one of the subsidiary	728,886,114	738,809,564
Other payables *	271,352,990	281,686,564
Advance received from shareholder	50,000,000	-
Total	11,328,164,684	11,430,929,798

* 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, 2013 ₹	As at March 31, 2012 ₹
a. Provision for employee benefits		
Gratuity (unfunded)	3,475,939	2,234,095
Leave encashment (unfunded)	9,261,364	8,093,043
b. Others		
Provision for tax	51,649,240	6,346,130
Provision for estimated land cost	712,149,610	824,062,560
Provision for expenses	451,640	1,226,026
Total	776,987,793	841,961,854

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Particulars	Gross Block						Accumulated Depreciation			Net Block			
	Balance as at April 1, 2012	Additions	Disposals	Adjustments for the year	Acquired through business combinations	Balance as at March 31, 2013	Balance as at April 1, 2012	Adjustment for the year	Depreciation charge for the year (refer note 1 below)	On disposals	Balance as at March 31, 2013	Balance as at March 31, 2012	
a													
Tangible Assets													
Sample Flat	174,907,887	173,874,938	-	(150,237,988)	-	198,545,427	159,281	(28,401,042)	94,529,757	-	66,287,996	132,257,431	174,748,606
Self-Pan Land (refer note no.33 (A) (iii))	1,321,407,120	-	-	52,303,966	-	1,373,710,486	-	-	-	-	-	1,373,710,486	1,321,407,120
Buildings													
- Temporary Structure	38,542	31,812,134	-	-	-	31,850,676	32,925	-	1,993,875	-	2,026,800	29,823,876	5,617
- Others	64,577,346	-	-	(52,303,966)	-	12,273,980	2,348,419	-	512,208	-	2,860,627	9,413,353	62,228,927
Computers	18,254,947	1,045,232	(54,000)	(337,852)	-	18,908,327	11,957,089	(213,140)	2,670,154	(39,702)	14,374,401	4,533,926	6,297,858
Furniture & Fixtures	50,340,139	91,616	-	(15,672)	-	50,415,883	23,620,344	(23,009)	4,857,727	-	28,455,062	21,960,821	26,719,795
Office Equipments	19,363,996	2,208,406	(106,098)	(743,660)	-	20,722,644	6,178,698	(205,729)	1,906,027	(56,518)	7,822,478	12,900,166	13,185,298
Plant & Machinery	97,039,252	298,649	(3,507,725)	(78,834,575)	-	14,995,601	6,824,039	(7,113,985)	7,740,277	(944,124)	6,506,807	8,488,794	90,215,213
Vehicles	109,189,139	2,350,000	(109,690)	(4,174,239)	-	107,255,210	50,989,992	-	15,603,619	(2,725,332)	63,868,279	43,386,932	58,199,147
Improvement on Leasehold Property	136,509,242	-	-	-	-	136,509,242	127,586,869	-	8,922,373	-	136,509,242	-	8,922,373
Total	1,991,627,610	211,680,975	(3,777,513)	(234,343,596)	-	1,965,187,476	229,697,656	(65,956,305)	138,736,017	(3,765,676)	328,711,692	1,636,475,785	1,761,929,954
b													
Intangible Assets													
Computer software	10,414,234	5,240,157	(573,287)	-	-	15,081,104	9,519,826	-	1,671,658	(70,709)	11,120,775	3,960,329	894,408
Goodwill on Amalgamation	319,367,573	-	-	-	-	319,367,573	63,873,515	-	63,873,516	-	127,747,031	191,620,542	255,494,058
Total	329,781,807	5,240,157	(573,287)	-	-	334,448,677	73,393,341	-	65,545,174	(70,709)	138,867,806	195,580,871	256,388,466
c													
Capital Work In Progress													
	226,518,891	26,879,313	(136,626,611)	(31,812,134)	-	84,959,459	-	-	-	-	84,959,459	226,518,891	226,518,891
Total	226,518,891	26,879,313	(136,626,611)	(31,812,134)	-	84,959,459	-	-	-	-	84,959,459	226,518,891	226,518,891
d													
Intangible assets under Development													
(refer note 2 below)	205,340,729	19,793,279	-	-	-	225,134,008	-	-	-	-	-	225,134,008	205,340,729
Total	205,340,729	19,793,279	-	-	-	225,134,008	-	-	-	-	-	225,134,008	205,340,729
Total (a+b+c+d)	2,753,269,037	263,593,724	(140,977,411)	(266,155,730)	-	2,609,729,620	303,090,997	(35,956,305)	204,281,191	(3,836,385)	467,579,498	2,142,150,123	2,450,178,040
Previous Year (Including CWIP)	1,800,366,887	883,081,297	(249,546,720)	-	319,367,573	2,753,269,037	198,788,266	-	141,567,016	(97,264,285)	303,090,997	2,450,178,040	1,601,578,621

Note :

- 1 Depreciation inventorised during the year ₹ 66,580,683 (Previous Year ₹ 68,829,110)
- 2 Intangible assets under development includes ₹ 179,610,193 incurred for the beautification of Bandra Worli Sea Link. As per the agreement, the revenue to be generated from film shooting and advertising activities for the group companies 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.

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013**Note 12 : Non-current Investments (at cost, unless otherwise specified)**

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
a. Investment in Properties		
Investment in Flat	-	6,558,200
Accumulated Depreciation	-	(950,939)
b. Investment in Equity Instruments (Unquoted, Non-trade)		
The Kapol Co-operative Bank Limited [5,000 (Previous Year 5,000) Equity Shares of ₹ 10 each, fully paid up]	50,000	50,000
Saraf Chemicals limited [310,000 (Previous Year 310,000) Equity Shares of ₹ 10 each, fully paid up]	49,600,000	49,600,000
DB Hospitality Private Limited [3,838,382 (Previous Year 3,838,382) Equity Shares of ₹ 10 each, fully paid up]	783,029,928	783,029,928
In Equity Shares of Associate Companies, fully paid up Cost of Investment (Refer note below) [Including ₹ 886,241,641 (Previous Year ₹ 886,241,641) of Goodwill and net of ₹ 169,756,718 (Previous Year ₹ 1,725,827) of Capital Reserve arising on the acquisition of Associates]	1,042,847,375	897,563,702
c. Investment in Preference Shares (Unquoted, Non-trade)		
DB Hospitality Private Limited		
- 24,233,571 (Previous Year 24,233,571) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up	4,943,648,484	4,943,648,484
- 9,260,080 (Previous Year 9,260,080) 0.002% Compulsory Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up	1,889,056,320	1,889,056,320
- 2,390,000 (Previous Year 1,450,000) Cumulative Redeemable Preference Shares of ₹ 10 each, fully paid up	2,390,000,000	1,450,000,000
- 313,478 (Previous Year Nil) 0.001% Redeemable Compulsory Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up	172,163,649	-
- 313,478 (Previous Year Nil) 0.001% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up	172,163,649	-
Neelkamal Realtors Tower Private Limited		
- 660,918 (Previous Year 660,918) 0.002% Redeemable Optionally Convertible Cumulative Preference Shares of ₹ 10 each, fully paid up	109,609,005	-
d. Investment in Capital of Joint Venture (Unquoted, Non-trade)		
Lokhandwala Dynamix - Balwas Joint Venture *	-	24,117,000
e. Investments in Partnership Firms* (Unquoted, Non-trade)		
Investment made in Partnership Firm "Evergreen Industrial Estate" by one of the Joint Venture namely "Turf Estate JV".	5,554,240	4,257,573
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
	11,563,132,550	10,052,340,168

* During the current year Lokhandwala Dynamix Balwas Joint Venture has been considered for consolidation purpose, hence investment in this joint venture has been eliminated.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013
Notes :

The particulars of investment in associate companies as of March 31, 2013 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)	1,025,036	1,120,036
	Previous Year		(31.67%)	(95,000)	(-1,725,827)	(975,108)	(1,070,108)
	(formerly known as Dharadhar Developers Private Limited)						
2	DB Hi-Sky Private Limited	India	50%	50,000	12,481	(50,000)	-
	Previous Year		(50%)	(50,000)	(12,481)*	(-50,000)	(-)
3	Mahal Pictures Private Limited	India	33.33%	892,225,001	886,229,160	3,815,856	896,040,857
	Previous Year		(33.33%)	(892,225,001)	(886,229,160)	(4,268,593)	(896,493,594)
4	Neelkamal Realtors Tower Private Limited #	India	38.00%	165,703,146	(168,030,891)	(20,016,663)	145,686,483
	Previous Year			-	-	-	-
	Total			1,058,073,147	716,484,924	(15,225,772)	1,042,847,375
	Previous Year Total			(892,370,001)	(884,515,814)	(5,193,701)	(897,563,702)

(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.

Neelkamal Realtors Tower Private Limited become associate with effect from October 25, 2012.

Note 13 : Long-term Loans and Advances

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
a. Capital Advances	-	12,188,706
Unsecured, considered good		
b. Security Deposits	5,002,926,491	4,931,015,278
Unsecured, considered good		
c. Loans and Advances to Related Parties		
Unsecured, considered good		
Loans to associates (Interest free)	143,319,936	780,740,000
Project advance to associates	782,535,000	-
Due from members of partnership firms /joint ventures	1,557,057,219	295,076,982
Mobilisation advances	137,820,410	138,484,527
Advance against share purchase	3,675,671,940	464,400,000
d. Loans and Advances to Others		
Unsecured, considered good		
Loans to others	140,650,000	115,400,000
Advance against share purchase	400,000,000	400,000,000
Mobilisation advances	108,176,007	6,495,354
Advance payment of taxes	25,659,304	20,135,510
MAT credit entitlement	37,500,000	-
Advance recoverable in cash or in kind or for value to be received	662,624,513	665,372,354
Total	12,673,940,820	7,829,308,711

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

13.1 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 March 31, 2013 ₹	As at March 31, 2012 ₹
Private company in which director is a member	7,518,861,378	4,549,674,502

Note 14 : Other Non-current Assets

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Margin money deposits *	64,635,239	150,145,335
Prepaid expenses	16,727,867	16,727,867
Unbilled revenue	532,338,039	367,680,276
Deposits	-	-
Total	613,701,145	534,553,478

* 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, 2013 ₹	As at March 31, 2012 ₹
Unsecured debentures of The Estate Investment Company Private Limited [Nil (Previous Year 10,000) Interst free fully and compulsory convertible unsecured debentures of ₹ 100 each]	-	1,000,000
Investment in mutual funds	10,095,169	-
Total	10,095,169	1,000,000

Note 16 : Inventories

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Valued at cost or net realisable value whichever is lower		
a. Project work in progress (refer note no (ii) of 30)	14,344,104,926	17,575,658,866
b. Transferable development rights	694,457,988	856,207,092
Total (a+b)	15,038,562,914	18,431,865,958

Note 17 : Trade Receivables

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Unsecured, considered good		
Outstanding for a period exceeding six months	1,342,183,814	534,730,998
Other	605,795,498	385,738,224
Total	1,947,979,312	920,469,222

Note 18 : Cash and Bank Balances

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Cash and cash equivalents		
Cash on hand	1,312,571	1,431,226
Balances with banks in current accounts	199,274,405	210,196,993
Other bank balances		
Fixed deposits with banks *	76,662,333	99,284,123
Total	277,249,309	310,912,342

* Includes deposits under lien ₹ 69,758,000 (Previous year ₹ 80,791,736)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 19 : Short-term Loans and Advances

Particulars	As at March 31, 2013	As at March 31, 2012
	₹	₹
a. Loans and advances to related parties		
Unsecured, considered good		
Loans given	1,351,042,947	1,098,833,197
Mobilisation advances	118,632,785	1,071,597,535
Due from members of partnership firms /joint ventures	273,748,175	2,663,245,617
Deposit placed	612,000	612,000
Advances recoverable in cash or in kind or for value to be received	15,823,768	-
b. Others		
Unsecured, considered good		
Loan to others	179,807,417	26,550,967
Deposits placed	3,865,889	202,365,888
Trade advances	76,916,153	46,104,833
Mobilisation advances	287,737,163	451,838,105
Prepaid expenses *	18,139,482	103,876,919
Advance payment of taxes	21,420,511	10,596,572
Advance against share purchase	468,989,874	-
Mat credit	-	-
Advances recoverable in cash or in kind or for value to be received	896,334,901	879,472,516
Unsecured, considered doubtful		
Advances given	17,557,328	17,557,328
Provision for doubtful advances	(17,557,328)	(17,557,328)
Security deposits	11,983,866	-
Provision for doubtful security deposits	(11,983,866)	-
Total	3,713,071,065	6,555,094,149

*Certain upcoming projects are at a stage where their specifications / layout may require significant changes. As a result of this, there could be cancellation of bookings of such premises, consequently though there is no contractual arrangements the management expects that the brokerage 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 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 March 31, 2013	As at March 31, 2012
	₹	₹
Private company in which director is a member	953,299,764	570,980,970
Total	953,299,764	570,980,970

Note 20 : Other Current Assets

Particulars	As at March 31, 2013	As at March 31, 2012
	₹	₹
Interest accrued and due	140,352,865	89,450,953
Interest accrued but not due	17,047,578	10,079,011
Transferable development rights	96,671,483	34,381,702
Service tax receivale	48,979,299	16,712,860
Advance recoverable	658,976	260,300
Unbilled revenue	1,602,660,028	1,969,626,128
Total	1,906,370,229	2,120,510,954

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013**Note 21 : Revenue from Operations**

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
	₹	₹
Sale of properties	3,198,382,237	3,082,313,712
Sale of transferable development rights	209,515,872	992,882,755
Trading sales - transferable development rights	-	1,833,422,759
Total	3,407,898,109	5,908,619,226

Note 22 : Other Income

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
	₹	₹
Interest received on loans - others	175,408,382	339,297,879
Interest on bank fixed deposit	11,074,495	15,744,846
Interest received - other	12,402,406	6,148,434
Dividend income	250,171	8,847,176
Profit on sale of current investments	1,000,000	221,443,681
Profit on sale of long term investments	3,315,667	443,779,233
Amount forfeited on cancellation of allotment of property and assignment of development rights	27,177,975	4,279,688
Excess provision written back	24,434,063	-
Miscellaneous income	11,493,594	6,976,898
Total	266,556,753	1,046,517,835

Note 23 : Project Expenses

Particulars	For the year ended March 31, 2013	For the year ended March 31, 2012
	₹	₹
Land acquisition and purchase of tenancy rights	127,549,070	75,587,064
Purchase of transferable development rights (TDR)	-	-
Construction expenses	2,303,299,243	5,466,600,140
Project salaries, wages and bonus (including managerial remuneration)	175,039,368	183,053,910
Contribution to provident fund and others	2,194,587	1,752,140
Total	2,608,082,268	5,726,993,254

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013
Note 24 : Changes in Inventories

Particulars	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
Project work in progress:		
Opening balance	17,575,658,866	16,133,109,500
Taken over on acquisition		1,000,448,734
Land cost refund received	-	(500,000,000)
Transferred to profit and loss account / capitalised during the year	(2,755,510)	(538,724,741)
Transferred to advance recoverable in cash or kind	(52,781,630)	(16,727,867)
Prior period adjustment	(26,823,592)	-
Adjustment on account of disposal / sale of investment	(3,127,607,154)	(1,000,448,734)
Closing balance	(14,344,104,926)	(17,575,658,866)
(Increase)/Decrease in project work in progress	Total (a)	(2,498,001,974)
Transferable development rights		
Opening balance	856,207,092	2,581,092,424
Adjustment to opening stock	-	(89,027,332)
Transferred to current assets	-	(33,906,600)
Closing balance	(694,457,988)	(856,207,092)
Decrease in transferable development rights	Total (b)	1,601,951,400
	Total (a+b)	(896,050,574)

Note 25 : Employee Benefits Expenses

Particulars	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
Salaries, wages and bonus (including managerial remuneration)	145,728,053	181,200,448
Contribution to provident fund and others	3,773,827	5,727,688
Staff welfare and other amenities	19,606,993	25,105,642
	Total	212,033,778

Note 26 : Finance Cost

Particulars	For the year ended March 31, 2013 ₹	For the year ended March 31, 2012 ₹
Interest expense	151,312,985	66,747,133
Other borrowing costs	29,969,118	4,575,026
Applicable net gain/loss on foreign currency transactions	-	12,173
	Total	71,334,332

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Note 27 : Other Expenses

Particulars	For the year ended	For the year ended
	March 31, 2013	March 31, 2012
	₹	₹
Rent, rates and taxes (including lease rents - refer note 41)	80,451,242	51,303,169
Repairs and maintenance	6,660,104	4,082,482
Legal and professional charges	46,258,036	56,985,279
Auditors remuneration	12,116,176	13,086,318
Donations	880,986	1,145,339
Directors sitting fees	980,000	1,140,000
Advertisement and publicity	83,863,358	101,029,735
Books, periodicals, subscription and membership fees	1,484,112	1,423,004
Printing, stationery, postage, telegram and telephone charges	4,219,349	3,644,592
Travelling and conveyance expenses	18,729,416	40,562,994
Commission and brokerage	30,863,572	36,579,952
Compensation charges	24,000,000	24,000,000
Loss on sale of assets	1,101,101	718,181
Provision against security deposit	11,983,866	-
Exchange loss, net	415,471	1,726,355
Project expenses written off	-	78,504,863
Advances written off	10,031,626	200,000,000
Provision for doubtful advances	-	(150,000,000)
Earlier provision written off	-	150,000,000
Capital work in progress written off	-	16,196,490
Miscellaneous expenses	72,207,153	29,804,558
Total	406,245,568	661,933,311

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, 2013	Percentage of Ownership Interest as at March 31, 2012
Neelkamal Realtors Suburban Private Limited	India	66.00%	66.00%
Gokuldharm Real Estate Development Company Private Limited	India	75.00%	75.00%
Neelkamal Realtors Towers Private Limited (refer note i below)	India	-	50.72%
Neelkamal Shantinagar Properties Private Limited (refer note ii below)	India	100.00%	100.00%
Esteem Properties Private Limited.	India	100.00%	100.00%
Saifee Bucket Factory Private Limited	India	100.00%	100.00%
Real Gem Buildtech Private Limited	India	100.00%	100.00%
DB Man Realty Limited	India	51.00%	51.00%
Priya Constructions Private Limited (refer note iii below)	India	100.00%	100.00%
Royal Netra Construction Private Limited	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%

Name	Country of Incorporation	Percentage of Ownership Interest as at March 31, 2013	Percentage of Ownership Interest as at March 31, 2012
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 iv below)	India	100.00%	100.00%
DB Contractors and Builders Private Limited	India	100.00%	100.00%

- i) The subsidiary company had during the year converted its preference shares to equity shares which had impacted in reduction in percentage holding of equity shares by DB Realty Limited w.e.f. October 25, 2012 hence same has been treated as associate.
- ii) 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.
- iii) 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.
- iv) 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.
- 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, 2013	Percentage of ownership interest as at March 31, 2012
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, 2013	Percentage of Ownership Interest as at March 31, 2012
Turf Estate JV(refer note i below)	66.67%	66.67%
Dynamix Realty (Partnership Firm in construction TDR) (refer note ii below)	50.00%	50.00%
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%	50.00%
DB Realty and Shreepati Infrastructures LLP	60.00%	60.00%
Daund 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%
Solapur Warehousing Developers & Builders LLP	50.00%	50.00%
Latur Warehousing Developers & Builders LLP	50.00%	50.00%
Aurangabad Warehousing Developers & Builders LLP	50.00%	50.00%

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Name	Percentage of Ownership Interest as at March 31, 2013	Percentage of Ownership Interest as at March 31, 2012
DB Realtors & Builders LLP #	70.00%	70.00%
Baramati Warehousing Developers & Builders LLP #	50.00%	50.00%
Sawantwadi Warehousing Developers & Builders LLP *	-	50.00%
Ratnagiri Warehousing Developers & Builders LLP *	-	50.00%
Satara Warehousing Developers & Builders LLP *	-	50.00%
Kolhapur Warehousing Developers & Builders LLP *	-	50.00%
Parli Vajinath Warehousing Developers & Builders LLP *	-	50.00%
Osmanabad Warehousing Developers & Builders LLP *	-	50.00%
Nandurbar Warehousing Developers & Builders LLP *	-	50.00%
Jalgaon Warehousing Developers & Builders LLP *	-	50.00%
Jalna Warehousing Developers & Builders LLP *	-	50.00%
Parbhani Warehousing Developers & Builders LLP *	-	50.00%
Hingoli Warehousing Developers & Builders LLP *	-	50.00%
Umri Warehousing Developers & Builders LLP *	-	50.00%
Malkapur Warehousing Developers & Builders LLP *	-	50.00%
Badnera Warehousing Developers & Builders LLP *	-	50.00%
Washim Warehousing Developers & Builders LLP *	-	50.00%
Bhandara Warehousing Developers & Builders LLP *	-	50.00%
Chandrapur Warehousing Developers & Builders LLP *	-	50.00%
Wadsa Warehousing Developers & Builders LLP *	-	50.00%

- (i) The Joint Venture has investment of ₹ 8,241,829 in a partnership firm viz. M/S. Evergreen Industrial Estate towards 1% share in profit/ (loss) and is accounted under AS-13 in the books of said joint venture.
- (ii) The said partnership firm has a SRA project by which it is entitled for two components of TDR viz. Land Component 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) The same has been consolidated as Joint Venture in the current year; which was not consolidated in 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.
- * During the Financial Year 2012-13, the names of these LLPs have been struck off from the register of LLPs.

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

Name	Percentage of equity interest as at March 31, 2013	Percentage of equity interest as at March 31, 2012
Sangam City Township Private Limited	31.67%	31.67%
DB Hi-Sky Construction Private Limited	50.00%	50.00%
Mahal Pictures Private Limited	33.33%	33.33%
Neelkamal Realtors Tower Private Limited #	38.47%	NA

Considered as an associate with effect from 25th October, 2012 in the current year.

30. Contingent Liabilities and Commitments:

	As at March 31 2013 ₹	As at March 31 2012 ₹
A. 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 (i)	-	-
ii) Company under the same management Majestic Infracon Private Limited (earlier known as DBI Infracon Private Limited / Tiger Trustees Private Limited) (refer notes ii and iv below) Neelkamal Realtors and Builders Private Limited. (refer note iii below) D B Hospitality Limited, Mauritius (wholly owned subsidiary of DB Hospitality Private Limited) (Term Loan of USD 138 Million) & YJ Realty Ltd (Stand by Letter of Credit of USD 65 Million) (Overall Guarantee of the Company in USD 138 million) (refer note iv below)	8,530,000,000 4,125,000 7,505,723,400	8,530,000,000 4,125,000 7,059,597,000
Sub Total (ii)	16,039,848,400	15,593,722,000
iii) Others DB Hotels (India) Private Ltd (refer note v below)	1,700,000,000	-
Sub Total (iii)	1,700,000,000	-
Grand Total (i + ii + iii)	17,739,848,400	15,593,722,000
B. Arrears of dividend in respect of 0.001 % Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS)	113	478
C. Arrears of Dividend on 0.001 % compulsorily Convertible Cumulative Preference shares (CCPS)	297	276
D. 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
E. Claim against Company not acknowledged as debt for twenty four (previous year twenty nine) numbers of cases) petition filed against Company, in relation to the Orchid height and Orchid West View projects including one specific legal suit filed by Mr. Byram Rustom Jeejeebhoy against the M/s Jecce Corporation (Lessor) & the Company in relation land litigation.	Amount unascertainable	Amount unascertainable
F. 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
G. Provisional attachment of assets under Prevention of Money Laundering Act, 2002 for: DB Realty Limited (refer note no 44) Dynamix Realty (refer note no 33 (A) (ii))	Amount unascertainable	Amount unascertainable
H. The Company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.		

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Notes:

- (i) No amount has been utilized towards a total corporate guarantee provided of ₹ 750,000,000 (Previous year ₹ 750,000,000)
- (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 (forming part of inventory).
- (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) 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.

The outstanding balances as at March 31, 2013 in respect of aforesaid guarantees aggregate ₹ 16,035,723,400 (Previous Year ₹ 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. (iii) 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.
- 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) During the year, the Company has given Corporate Guarantee on behalf of DB Hotels (India) Private Limited which is not a part of DB consolidated group. The said facility is secured by (i) charge on Fixed Assets both present and future of the project other than project land (ii) charge on all current assets including receipt of all the receivables related to the project (iii) charge on all bank accounts, insurance contracts (iv) pledge of its entire shareholding of DB Hospitality Private Limited ('DBHPL') and Goan Hotels & Clubs Private Limited in DB Hotels (India) Private Limited. The Company is confident that this company would fulfill the obligations under the credit facilities and does not expect any outflow of resources.
31. During the previous years 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 ₹ 155,772,388 (Previous year ₹ 134,772,050) towards acquisition of development rights pertaining to a SRA redevelopment project, which is the subject matter of litigation. Based on legal advice and certain judicial precedents, the Company believes that it has a good chance of getting the project 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 ₹ 1,727,612,945 (Previous Year ₹ 1,672,235,959) (including dues aggregating ₹ 737,420,341 (Previous Year ₹ 697,844,175) from companies in which directors of the Holding Company are interested) as at March 31, 2013 as follows:
 - a. As at the balance sheet date, the other partner (being an entity in which a director of the Company is interested) viz. Eversmile Construction Company Private Limited (ECC) is having a debit balance of ₹ 492,920,341 (Previous Year ₹ 423,844,175). 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.

- b. The Firm has granted unsecured loans, with/without interest as applicable and 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 ₹ 374,547,577/- (Previous Year ₹ 387,925,377/-) is considered good for recovery.
- c. Trade receivables includes outstanding for more than one year of ₹ 860,145,027/- (Previous year ₹ 860,466,407/-), which are inclusive of debtors amounting to ₹ 838,154,114/- (Previous year ₹ 838,154,114/-) attached under the PML Act. In the opinion of the Partners of the Firm, 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 ₹ 209,25,00,000/-, (the said loans) as upto 31.03.2010. As of 31.03.2013, the outstanding balance due from Kusegaon is ₹ 9,15,01,379/- (Previous year ₹ 91,501,379/-), being part of interest charged. Central Bureau of Investigation Anti-corruption Branch, New Delhi (CBI) 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 (Kalaingar) through Kusegaon and M/s Cineyug Films Pvt. Ltd., in lieu of the undue favours by accused public servants to Swan Telecom Private Limited (SWAN) in 2G Spectrum Case. The CBI have alternatively alleged in the said chargesheet 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 CBI 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 ₹ 1,338,900,000/- (Previous Year ₹ 1,338,900,000/-) were provisionally attached, out of which, sundry debtors of ₹ 497,100,000/- (Previous year ₹ 497,100,000/-) 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 2010-11, 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:

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(Amount in ₹)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to 31.03.2013	Outstanding Amount of Provision as of 31.03.2013
Estimated construction cost referable to the saleable area to be provided by the entity free of cost to the respective party	476,132,353	345,661,052	130,471,301

Notes:

- a) Further, as per the terms of a Joint Venture Agreement, the entity has to pay compensation of ₹ 2,000,000/- per month if there is delay in completing and giving possession of the agreed Saleable Area. Accordingly, as upto 31.03.2013 the entity has booked ₹ 84,000,000/- (Previous year: ₹ 60,000,000) as compensation, against which unpaid amount is ₹ 42,500,000/- (Previous year: ₹ 18,500,000/-). As regards the amount payable effective April 2013 upto the date of settlement, the same shall be provided for on time proportion basis.
- b) Interest free performance refundable deposit paid by the entity on execution of above Joint Venture Agreements is ₹ 29,000,000 (Previous Year: ₹ 29,000,000)

The entity 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 entity is developing and constructing its Project. Accordingly, the cost of construction thereof represents land cost in the hands of the entity. 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 31.03.2013	Outstanding Amount of Provision as of 31.03.2013
Estimated construction cost referable to the residential complex	985,187,215	464,375,906	520,811,309

The entity, keeping in view the maximum potential of the land on which the Project is constructed, is required to purchase Transferrable Development Rights and accordingly, has provided for estimated cost in respect thereof of ₹ 6,08,67,000/-.

During the preceding financial year, the management of the entity had re-assessed the potentiality of the land on which the project is constructed and formed an opinion that no further land would be required to be purchased. Accordingly, provision of ₹ 104,132,500/- made for estimated cost of land was reversed and reduced from project expenses.

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 entity 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, 2013, the Management of two of its subsidiary companies had revised the estimated project cost from ₹ 16,434,870,800 to ₹ 17,383,825,215 which has the impact of reversal of the profits as upto 31st March 2012 of ₹ 709,720,737. On account of such revisions net profit of the respective years includes the impact of reversal of the profits recognised as upto March 31, 2011. Consequently the consolidated profits stands adjusted to this effect for the year ended March 31, 2013.
- iv) One of the subsidiary has been legally advised that the outcome of the petition before the High Court of Bombay against the Reversed Order and that of the Supreme Court of India against the Order of the Bombay High Court in PIL could be in its favour and accordingly, in the opinion of the Management of the subsidiary, the said land may be available to it for development. Further, the subsidiary is in physical possession of the land. Accordingly, the costs incurred in acquiring the land as well as other costs and expenses considered by the management incurred in relation to the development and construction of the said land have been allocated to Project Work in Progress and the value thereof as of 31st March, 2013 is ₹ 844,634,973 (Previous year ₹ 832,037,752)
- v) The Letter of Allotment (LOA) issued by Pimpri Chinchwad New Town Development Authority (PCNTDA) for development and construction of the Project was cancelled by them during the preceding financial year. Consequently, PCNTDA refunded the upfront fees of ₹ 500,000,000/- to the subsidiary in the said year. The subsidiary has filed writ petition before the Hon' High Court of Bombay against such cancellation. Pending outcome thereof, the Management of the subsidiary has continued to value the Project Work-in-Progress of ₹ 76,592,349 at cost.
- vi) As per the terms of the Development Agreement and Supplementary Agreement entered into by the subsidiary with Bhisma Realty Limited (Bhisma), a proportionate expenditure incurred towards the project by the subsidiary has to be recovered from Bhisma. Accordingly, the subsidiary has raised a total debit notes of ₹ 992,093,494/- towards Bhisma's share of project costs, mobilisation advance, etc., However Bhisma has raised certain objections to the extent of ₹ 58,204,492/- . The subsidiary is in negotiations with Bhisma Realty Limited for recovery / reaching a settlement of the same.

vii) 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 subsidiary. The subsidiary is making efforts to transfer the rights in it's favour.

viii) 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.

ix) One of the subsidiary 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 financial year 2010-11) are adjusted against the WIP. However, in the consolidated statement of profit and loss, the cost of ₹ Nil (previous year ₹ 2,279,223,182) and sale proceeds ₹ Nil (previous year ₹ 1,812,690,753) of TDR are shown as a part 'change in inventory' and 'revenue from operations' respectively. Such different accounting treatment in the consolidated statement has no impact on the consolidated profit for the year.

x) The subsidiary has provided for interest on delayed / non-payment of service tax of ₹ 2,024,756 /- during the year ended 31st March, 2012 and additional interest provision of ₹ 137,557/- for delayed payment of service tax during the year ended 31st March, 2013 but has decided not to pay for such interest in the current year, as in the opinion of the Management the same shall be recovered from the allottees. Necessary adjustment entries, including for non-recovery, if any, shall be passed on reaching finality in the matter.

xi) 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.

xii) During the year there was cash theft of ₹ 265,625 and the same has been accounted in books of subsidiaries.

xiii) One of the subsidiary has rights in the land situated at Lower Parel, Mumbai and has constructed a building know as "Turf Estate" on the said land. For the balance development potential on the said land, the subsidiary has entered into a Memorandum of Understanding [MOU] dated 5th August 2009 with DB Realty Limited [DBR], whereby it has agreed to grant rights for the balance development potential on the said land to DBR for ₹ 10,000,000/-, out of which ₹ 2,500,000/- has been paid on execution of MOU and the balance amount is due on execution of development agreement, which is not executed.

Further, DBR has formed a joint venture, know as Turf Estate, which is proposing to develop and construct real estate, which involves rehabilitation of the occupants of the units forming part of the building constructed by the subsidiary on the terms and conditions of the offer given by the said joint venture, which is subjudice. The inventories held by the subsidiary, represent units in the said building and accordingly, would form part of rehabilitation.

xiv) One of the subsidiary has entered into a Development Agreement with Middle Income Group Co-Operative Society Limited , Bandra East, Mumbai (MIG) to redevelop the property admeasuring 15,907.32 square meters or there about . The Society has 176 Members having Occupancy rights titles and Interest in their respective flats allotted to them . The Project was taken over from L & T Urban Infrastructures Limited (LTUIL) and Bombay Dyeing Manufacturing Company limited (BDMC)-(A Joint Venture) as on 13.09.2010 . Initial Security deposit plus Additional Security Deposits agreeegating to ₹ 71,500,000 is lying with the MIG Society, which will be refunded/adjusted as per the terms of Development Agreement.

C) Joint Ventures (consolidated as per AS-21)

i) During the year, one of the joint venture had admitted Konark Developers as a partner with effect from April 1, 2012.

ii) The joint venture has mortgaged its Land at Village Bapnala, Andheri (East), Mumbai, in favour of Housing Development Finance Corporation Limited for securing the term loan given to Gokuldharm Real Estate Development Company Private Limited, subsidiary company of DB Realty Limited. The outstanding balance in respect of the said loan as of 31.03.2013 is ₹ 981,109,345/-(Previous Year ₹ Nil/-).

iii) During the year there was cash theft of ₹ 59,283 and the same has been accounted in books of joint venture.

iv) One of the joint venture owns development rights of Land bearing Survey No. 92 of Village Mahajanwadi, Mira, District Thane (the Project), which at present is a forest land and consequently non – developable. The Enterprise has filed a Special Leave Petition before the Hon'ble Supreme Court of India wherein it has appealed, for giving directions to the relevant authority for considering the application for conversion of the said land into developable land and expects favorable decision in the matter.

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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 :

Includes ₹ 261,762,162 (Previous Year ₹ 260,730,654) paid advances to various parties including associates to facilitate the jointly controlled entity and for acquiring the occupancy rights of the occupant(s) in connection with the Project and as such, these parties are acting in fiduciary capacity for and on behalf of the associate. For the purpose, the associate has executed Memorandum of Understanding with each of the party. The Management of the associate has decided to appropriate the advances so paid to each of the party to the account of compensation in the year in which the occupancy rights shall get transferred to the associate. Further, the associate is in the process of quantifying the amount of stamp duty liability, if any, payable by each of the party in execution of 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 associate does not expect the same to arise having regard to the market value of the property 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 associate and accounting the same to the account of compensation in the year of transfer of such occupancy rights of the associate has no adverse impact in determination of loss for the year 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.

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

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
Total (A)	150,000	33,206	93,320	129,610	59,383	139,529	150,000

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	-
Total (B)	90,617	10,471	-
Grand Total (A+B)	150,000	150,000	150,000

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

Particulars	Amount in ₹	
	For the year ended March 31, 2013	For the year ended March 31, 2012
a) Salaries and Allowances	5,400,000	33,709,677
b) Perquisites	-	-
c) Directors' sitting fees	980,000	1,140,000
Total	6,380,000	34,849,677

a) The above remuneration for the current year is of two managing directors of the Company of ₹ 2,400,000 and one of the subsidiary company of ₹ 3,000,000.

b) The above remuneration excludes;

(i) contributions to provident and other funds as per declarations of non-deduction received from the respective directors;

(ii) provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them.

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

c) Managerial Remuneration paid of ₹ 33,900,000 (Previous Year ₹ 33,709,677) has exceeded the limit specified under Schedule XIII read with Section 349, 350, and 198 of the Companies Act, 1956, by ₹ 24,900,000 (Previous Year ₹ 8,350,386). However, the same has recovered from directors during the F.Y.2013-14.

38. Payment to Auditors of the Group * (Refer note 27 other expenses) :

Particulars	Amount in ₹	
	For the year ended March 31,2013	For the year ended March31,2012
As Auditors (Statutory Audits including limited reviews)	9,691,756	10,394,981
For Other Services (certification, IPO related work)	2,219,970	2,596,964
Reimbursement of Expenses	204,449	94,373
Total	12,116,176	13,086,318

* Excluding Service Tax

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 ₹	
	For the Year Ended	
	March 31,2013	March 31,2012
Employers contribution to Provident fund	2,199,006	5,455,082

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, 2013:

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

Particulars	Amount in ₹	
	March 31, 2013	March 31, 2012
Liability at the beginning of the year	23,856,047	21,241,082
Interest cost	2,017,804	1,649,125
Current Service cost	11,714,319	12,006,419
Liability transfer in	-	-
Actuarial (gain)/loss on obligations	(7,328,126)	(7,302,295)
Benefit Paid	(234,395)	(1,195,618)
Liability at the end of the period	30,025,648	26,398,713

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

Particulars	Amount in ₹	
	March 31, 2013	March 31, 2012
Liability at the end of the period	30,025,648	26,398,713
Fair value of Plan Assets at the end of the period	-	-
Difference	(30,025,648)	(26,398,713)
Amount Recognised in the Balance Sheet	30,025,648	26,398,713

c) Expense recognized during the period:

Particulars	Amount in ₹	
	March 31, 2013	March 31, 2012
Current service cost	11,714,319	12,006,419
Interest cost	2,017,804	1,649,125
Expected Return on Plan Assets	-	-
Actuarial (Gain) or Loss	(7,328,126)	(7,302,295)
Expense Recognised in Profit and loss account	43,76,320	6,353,249

d) Actuarial Assumptions:

Mortality Table	Amount in ₹	
	March 31, 2013	March 31, 2012
Discount rate (per annum)	7.9%	8.5%
Rate of escalation in salary (per annum)	15%	15%

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

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

The compensated absences charge for the year ended March 31, 2013, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting ₹ 25,643,920 (for Previous Year ₹ 18,204,496) has been recognized in the Profit and Loss Account.

40. Segment Reporting:

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

41. The Group has taken commercial premises on Non-Cancellable Operating Lease and lease rent of ₹ 54,777,968 (Previous Year ₹ 36,046,281) has been debited to Profit and Loss Account. The future minimum lease payments are as under:

Particulars	Amount in ₹	
	As at March 31, 2013	As at March 31, 2012
Not later than one year	50,738,666	4,456,475
Later than one year but not later than five year	154,127,881	706,332
Later than five year	-	-
Total	204,866,547	5,162,807

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, 2013 are as follows:

Particulars	Amount in ₹	
	March 31, 2013	March 31, 2012
A Deferred Tax Liabilities		
- Related to Depreciation	27,692,385	-
Total (A)	27,692,385	-
B Deferred Tax Assets		
- Deduction u/s 35D of the Act	-	-
- Disallowance under the Income Tax Act	25,091,568	17,636,263
- Related to Depreciation	31,381,157	33,635,960
- Unabsorbed Business Loss	60,738,588	6,676,203
Total (B)	117,211,313	57,948,426
Deferred Tax Assets / (Liability) (B-A)	144,903,698*	57,948,426

*In the previous year 2011-12 amount of ₹ 229,334 was not adjusted and the same has been adjusted during the current year 2012-13.

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, 2013	March 31, 2012
A Deferred Tax Liabilities		
- Related to Depreciation	41,030,789	1,239,611
Total (A)	41,030,789	1,239,611
B Deferred Tax Assets		
- Disallowance under the Income Tax Act	22,351,199	13,240,225
- Related to Depreciation	-	-
- Unabsorbed Business Loss	125,201,691	56,186,546
Total (B)	147,552,890	69,426,771
Deferred Tax Assets / (Liability) (B-A)	106,522,102	68,187,160

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

Particulars	March 31, 2013	March 31, 2012
A Net Profit after tax as per Profit and Loss Account (₹)		
Less: Preference Dividend in arrears	410	754
Net Profit after tax available to equity shareholders	33,469,022	863,598,703
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 Rs 10 each		
- for Basic EPS (₹)	0.14	3.55
- for Diluted EPS (₹)	0.14	3.55
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 ("Company") is a partner, had granted Loan to Kusegaon aggregating to ₹ 2,092,425,485, (the said loans) as upto 31st March 2010. As of 31st March, 2013, 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

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(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 Kalaigarn 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 a 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 dt. 30th August, 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 31st March, 2013 is ₹ 9,119,520). 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 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 20th September, 2011.

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

45. a) The Group has not considered its two joint ventures i.e. Sneh Developers and National Tiles and Industries for consolidation purpose as financial statements of these entities are not available as on the reporting date. In the opinion of management, Investments in these joint ventures are not significant and there is no material impact on consolidation.
- b) The Company has considered financial statements of a subsidiary and a jointly controlled entity, whose financial results reflect total assets of Rs. 1,833,263,681 total net sales/income from operations of Rs. NIL, loss after tax of Rs. 17,479,563 and net cash outflows amounting to Rs. 304,381 for the period ended 31st March 2013, are neither audited and reviewed by any auditors and the same are management approved unaudited financial statements of the said entities and considered for consolidation purpose.

46. Related Parties Disclosure

i) Disclosure required by the Accounting Standard 18(As-18)"Related Party Disclosure " are given below.

Sr. No.	Name of the Related Party
Associates:	
1	Sangam City Township Private Limited
2	D.B. Hi-Sky Constructions Private Limited
3	Neelkamal Realtors Tower Private Limited (w.e.f. 25 th October 2012)
4	Mahal Pictures Private Limited
Jointly Controlled Entities:	
5	Dynamix Realty (Partnership firm under joint control)
6	DBS Realty (Partnership firm)
7	Turf-Estate Joint Venture
8	Lokhandwala-Dynamix Balwas Joint Venture
9	DB (BKC) Realtors Private Limited (formerly known as MK Malls & Developers Private Limited)
10	DB Realty and Shreepati Infrastructure LLP
11	Daund Warehousing Developers & Builders LLP
12	Saswad Warehousing Developers & Builders LLP
13	Ahmednagar Warehousing Developers & Builders LLP
14	Solapur Warehousing Developers & Builders LLP
15	Latur Warehousing Developers & Builders LLP
16	Aurangabad Warehousing Developers & Builders LLP
Entity in respect of which the Holding Company is an Associate	
17	Neelkamal Tower Construction LLP (formerly known as Neelkamal Tower Construction Private limited)

Sr. No.	Name of the Related Party
Key Management Personnel (KMP)	
18	Mr. Shahid Balwa, Vice Chairman & Managing Director
19	Mr. Vinod Goenka, Chairman & Managing Director
Relatives of KMP	
20	Mr. Usman Balwa
21	Mrs Sakina U Balwa
22	Mrs. Shabana Balwa
23	Mr. Arshad S. Balwa
24	Ms. Aaliya S. Balwa
25	Mr. Salim Balwa
26	Mrs. Aseela V. Goenka
27	Mr. Krishna Murari Goenka
28	Mr. Jayvardhan V. Goenka
29	Ms. Sanjana Goenka
30	Mr. Pramod Goenka
31	Mrs. Sunita Goenka
32	Mrs. Shanita Jain
Enterprise where individuals i.e. KMP and their relatives have significant influence	
33	A G Mercantile Private Limited
34	Aniline Construction Company Private Limited
35	Aniline Real Estate Developers Private Limited
36	Ashtlakshmi Financial and Investment Services Private Limited

Sr. No.	Name of the Related Party
37	Associated Hotels Private Limited
38	Azure Tree Township LLP
39	Balwas Charitable Trust
40	Consort Hotels Private Limited
41	Conwood Agencies Private Limited
42	Conwood Associates
43	Conwood Construction & Developers Private Limited
44	Conwood Pre-fab Limited
45	Crystal Granite and Marbles Private Limited
46	DB Hospitality Private Limited
47	DB Tele Wimax Private Limited
48	Dynamix Contractors & Builders Private Limited (formerly known as DB Modern Buildtech Private Limited)
49	Dense wood Private Limited
50	Pony Infrastructure and Contractors Limited
51	Dynamix Developers Private Limited
52	Dynamix Balwas Resorts Private Limited
53	Dynamix Club and Resorts Private Limited
54	Dynamix Securities and Holdings Limited
55	Dynamix Man Pre-fab Limited
56	Earthen Agro & Infrastructure Private Limited
57	Topgrow Agro And Infrastructure Private Limited
58	Eversmile Properties Private Limited
59	Excon Developers Private Limited
60	Eversmile Construction Company Private Limited
61	Face Inn Hotels Private Limited
62	Goan Hotels & Clubs Private Limited
63	Goan Real Estate and Construction Private Limited
64	Goenka & Associates Educational Trust
65	Goenka & Associates Medical Research Centre
66	Goenka & Associates Social Welfare Trust
67	Heritage Mining Company Private Limited
68	Hillside Construction Company Private Limited
69	Hiracon Properties Private Limited
70	K G Enterprises
71	Khairun Developers Private Limited
72	Kalpataru Plaza Private Limited
73	Milan Theatres Private Limited
74	M. J. Estates Private Limited
75	Maldunge Farming and Agro Produce Private Limited
76	Maldunge Retreat & Farming Private Limited
77	Modren Hi-Tech Developers Private Limited
78	Neelkamal Central Apartment Private Limited /Neelkamal Central Apartment LLP
79	Neelkamal Realtors and Builders Private Limited
80	Neelkamal Realtors And Complex Private Limited
81	Nihar Construction Private Limited
82	Oceanmint Buildcon Private Limited (w.e.f March 9, 2013)
83	Pegasus Builders Private Limited

Sr. No.	Name of the Related Party
84	Neelkamal City Shopping Mall India Limited
85	Neelkamal Realtors and Erectors India Private Limited
86	P G Developers Private Limited
87	Panchsheel Developers
88	Pushpa Properties Private Limited
89	Sahapur Plantations & Orchard Private Limited
90	Schon Farms Private Limited
91	Siddhivinayak Realities Private Limited
92	Sigatu Chemicals Private Limited
93	Span Construction Company Private Limited
94	Sahyadri Cow Farms Limited (w.e.f March 31, 2013)
95	Indocon Agro And Allied Activities Private Limited
96	Schreiber Dynamix Dairies Limited
97	Perfect Spacecon Private Limited (w.e.f May 16, 2012)
98	The Crescent Iron & Steel Corporation Limited
99	Majestic Infracon Private Limited (formely known as Tiger Trustees Private Limited and DBI Infracon Private Limited)
100	Trident Estate Private Limited
101	V.S. Erectors & Builders Private Limited
102	Vinod Goenka-HUF
103	Chocklate Developers Private Limited
104	Y. J. Realty Private Limited
105	Eon Aviation Private Limited
106	BDP & Hotels (India)nPrivate Limited
107	Hotel Balwas Private Limited
108	Aasma Realtors Private Limited
109	Zenstar Hotel Private Limited
110	Basera Hotels Inn Private Limited
111	Bed Inn Hotels Private Limited
112	Close Hotels Private Limited
113	Fair Brother Securities Private Limited
114	Feel Good Hotels Private Limited (w.e.f July 28, 2012)
115	Glossy Inn Hotels Private Limited
116	Kalbadevi Hotels Private Limited
117	SB Fortune Realty Private Limited
118	Ship Hotels India Private Limited
119	Success Inn Hotels Private Limited
120	Sunday Inn Hotels Private Limited
121	Taloja Hotels Private Limited
122	Thanks Inn Hotels Private Limited
123	Three star dulex Private Limited
124	Yadgar Hotels Private Limited
125	Aim Properties & Investments Private Limited

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ii) Details of the transactions with 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
a) Loans given					
Opening Balance	780,740,000	-	-	184,962,032	1,363,934,816
	(791,032,492)	(-)	(-)	(155,248,697)	(5,032,447,331)
Given during the year /on acquisition	145,114,936	-	-	32,528,438	595,608,551
	(15,900,000)	(-)	(-)	(54,709,612)	(1,215,109,900)
Returned during the year	-	-	-	-	663,358,495
	(26,192,492)	(-)	(-)	(24,996,277)	(4,883,622,415)
Closing Balance	925,854,936	-	-	217,490,470	1,296,184,872
	(780,740,000)	(-)	(-)	(184,962,032)	(1,363,934,816)
	(refer note iii below)				
b) Deposits placed					
Opening Balance	-	-	-	-	4,416,769,934
	(-)	(-)	(-)	(-)	(5,852,381,934)
Placed during the year/Adjusted During the year	20,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Repaid / adjusted during the year	-	-	-	-	750,000,000
	(-)	(-)	(-)	(-)	(1,435,612,000)
Closing Balance	20,000,000	-	-	-	3,666,769,934
	(-)	(-)	(-)	(-)	(4,416,769,934)
	(refer note iii below)				
c) Inter-corporate deposits / Loans received/ repaid during the year					
Opening Balance	-	-	-	201,593,763	600,000
	(-)	(-)	(-)	(219,826,935)	(55,364,852)
Taken / adjusted during the year	-	-	-	-	-
	(-)	(-)	(-)	(33,330)	(16,825,842)
Repaid / adjusted during the year	-	-	-	16,723,233	600,000
	(-)	(-)	(-)	(18,266,502)	(71,590,694)
Closing Balance	-	-	-	184,870,530	-
	(-)	(-)	(-)	(201,593,763)	(600,000)
d) Advance received against sale of Land TDR					
Opening Balance	-	-	-	-	2,913,546
	(-)	(-)	(-)	(-)	(2,913,546)
Received during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	-
Repaid / adjusted during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	2,913,546
	(-)	(-)	(-)	(-)	(2,913,546)
e) Sundry Creditors					
Opening Balance	-	-	1,250,325	-	185,262,085
	(-)	(-)	(2,073,000)	(-)	(563,508,937)

Payable during the year	-	-	7,560,000	-	335,538,025
	(-)	(-)	(6,030,000)	(-)	(1,443,903,476)
Paid / adjusted during the year	-	-	8,395,725	-	390,466,142
	(-)	(-)	(6,852,675)	(-)	(1,822,150,328)
Closing Balance	-	-	414,600	-	130,333,967
	(-)	(-)	(1,250,325)	(-)	(185,262,085)
f) Other Current Liabilities					
Opening Balance	-	2,418,500	-	215,055,784	-
	(-)	(1,000,000)	(-)	(126,584,694)	(-)
Payable during the year	-	23,863,500	-	20,364,290	-
	(-)	(19,709,677)	(-)	(106,673,491)	(-)
Paid during the year	-	41,963,076	-	89,826,773	-
	(-)	(19,327,677)	(-)	(18,202,401)	(-)
Adjustments, net	-	-	-	-	-
	(-)	-	(-)	-	(-)
Closing Balance	-	(15,681,076)	-	145,593,301	-
	(-)	(1,382,000)	(-)	(215,055,784)	(-)
g) Sundry Debtors					
Opening Balance	-	-	-	-	129,168
	(-)	(-)	(663,986)	(-)	(255,753)
Receivable during the year	-	-	-	-	-
	(-)	(-)	-	(-)	(-)
Received / adjusted during the year	-	-	-	-	129,168
	(-)	(-)	-	(-)	(126,585)
Adjusted against transfer	-	-	-	-	-
	(-)	(-)	(663,986)	(-)	(-)
Closing Balance	-	-	-	-	-
	(-)	(-)	-	(-)	(129,168)
h) Advances Recoverable in cash or kind					
Opening Balance	-	-	-	-	1,210,082,062
	(-)	(-)	(-)	(-)	(1,574,364,112)
Recoverable during the year	-	-	-	-	5,965,659
	(-)	(-)	(-)	(-)	(3,426,510)
Recovered during the year	-	-	-	-	957,812,235
	(-)	(-)	(-)	(-)	(367,708,560)
Closing Balance	-	-	-	-	258,235,485
	(-)	(-)	(-)	(-)	(1,210,082,062)
i) Advance against purchase of shares					
Opening Balance	-	-	-	-	464,400,000
	(-)	(-)	(-)	(-)	(1,476,000,000)
Given during the year	-	-	-	-	3,833,571,940
	(-)	(-)	(-)	(-)	(7,011,417,912)
Adjusted during the year	-	-	-	-	1,009,500,000
	(-)	(-)	(-)	(-)	(8,023,017,912)
Closing Balance	-	-	-	-	3,288,471,940
	(-)	(-)	(-)	(-)	(464,400,000)
j) Advance for tenancy rights / flat / land					
Opening Balance	-	-	33,125,000	-	14,749,200
	(-)	(-)	(33,125,000)	(-)	(14,749,200)
Given during the year	-	-	-	-	3,479,424
	(-)	(-)	(-)	(-)	(-)

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Returned / Adjusted during the year	-	-	-	-	-
	(-)	(-)	-	(-)	-
Closing Balance	-	-	33,125,000	-	18,228,624
	(-)	(-)	(33,125,000)	(-)	(14,749,200)
k) Equity Share Capital	-	153,642,160	71,642,760	-	1,139,703,400
					(Refer Note (ii) below)
	(-)	(273,642,160)	(96,828,880)	(-)	(1,045,648,380)
l) Purchase of fixed assets	-	-	-	-	1,404,978
	(-)	(-)	(-)	(-)	(-)
m) Investment in Equity Shares	-	-	-	-	783,029,928
	(-)	(-)	(-)	(-)	(783,029,928)
n) Investment in Preference Shares	-	-	-	-	9,567,032,102
	(-)	(-)	(-)	(-)	(8,282,704,804)
o) Corporate Guarantee given by the Holding Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies	4,125,000	-	-	2,062,500	16,039,848,400
(Refer Note 30 (c) and footnote (iv) of the same note) (refer note (ii) below)	(-)	(-)	(-)	(2,062,500)	(15,589,597,000)
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 (Refer footnote (iv) to note 30)	-	(USD 138 million plus ₹ 10,530 million)	-	-	-
	(-)	(USD 138 million Plus ₹ 16,570 million)	(-)	(-)	(-)
q) Managerial Remuneration / Remuneration to relatives of KMP	-	5,400,000	3,000,000	-	-
	-	(33,709,677)	(5,700,000)	-	-
r) Interest paid on loans taken	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
s) Travelling expenses / Hire charges	-	-	-	-	12,856,819
	(-)	(-)	(-)	(-)	(35,943,151)
t) Rent paid	-	-	-	-	65,414,094
	(-)	(-)	(150,000)	(-)	(34,628,901)
u) Miscellaneous Expenses paid	-	-	-	-	1,766,234
	(-)	(-)	(-)	(-)	(2,508,506)
v) Contractor Charges	-	-	-	-	154,797,871
	(-)	(-)	(-)	(-)	(1,340,870,114)
w) Interest received on loans given	-	-	-	-	55,854,857
	(-)	(-)	(-)	(-)	(241,005,269)

(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) Equity share capital ₹ 1,045,648,380 (Previous Year ₹ 1,045,648,380) is held by an entity of which the Holding company is an associate.
- iii) Neelkamal Realtors Tower limited has been converted to associated from October 25, 2012.

iv) Disclosure in respect of material related party transaction:

(Amount in ₹)

Loans Given	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
DB Hi-Sky Construction Private Limited	326,740,000	1,795,000	-	328,535,000
	(323,350,000)	(3,390,000)	(-)	(326,740,000)
Sangam City Township Private Limited	454,000,000	-	-	454,000,000
	(446,500,000)	(7,500,000)	(-)	(454,000,000)
Dynamix Building Materials Private Limited	-	-	-	-
	(21,182,492)	(5,010,000)	(26,192,492)	(-)
Neelkamal Realtors Tower Pvt Ltd	-	143,319,936	-	143,319,936
(refer note iii above)	(-)	(-)	(-)	(-)
Goan Hotels & Clubs Private Limited	-	-	-	-
	(503,963,329)	(698,154,583)	(1,202,117,912)	(-)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	35,951,670	4,500,000	450,000	40,001,670
	(31,675,480)	(4,751,322)	(475,132)	(35,951,670)
Nihar Construction Private Limited	271,386,884	201,650,377	68,236,507	404,800,754
	(1,838,111,781)	(238,727,603)	(1,805,452,500)	(271,386,884)
Y. J. Realty Private Limited	479,815,541	67,610,362	131,815,541	415,610,362
	(504,806,326)	(76,415,541)	(101,406,326)	(479,815,541)
Eversmile Construction Company Private Limited	200,406,152	-	200,406,152	-
	(1,666,435,387)	(57,500,000)	(1,523,529,235)	(200,406,152)
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	68,542,707	9,923,375	722,338	77,743,744
	(125,033,836)	(18,343,190)	(74,834,319)	(68,542,707)
Milan Theatres Private Limited	307,831,862	56,528,342	6,331,862	358,028,342
	(312,414,201)	(71,217,661)	(75,800,000)	(307,831,862)
Dynamix Balwas Realty Ventures Pvt Ltd	-	-	-	-
	(50,000,000)	(50,000,000)	(100,000,000)	(-)
Turf Estate JV	156,211,877	32,288,438	-	188,500,315
	(103,658,800)	(52,553,078)	(-)	(156,211,877)
DB Realty & Shreepati Infrastructures LLP	28,274,750	240,000	-	28,514,750
	(26,154,750)	(2,120,000)	(-)	(28,274,750)

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

(Amount in ₹)

Advance received against sale of Land TDR	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
K.G.Enterprises	2,913,546	-	-	2,913,546
	(2,913,546)	(-)	(-)	(2,913,546)

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

(Amount in ₹)

Deposits Placed	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
Conwood Constructions and Developers Private Limited	16,769,934	-	-	16,769,934
	(17,381,934)	(-)	(612,000)	(16,769,934)
Eversmile Construction Company Private Limited	2,750,000,000	-	-	2,750,000,000
	(3,485,000,000)	(-)	(735,000,000)	(2,750,000,000)

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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
	(750,000,000)	(-)	(-)	(750,000,000)
Nihar Constructions Private Limited	400,000,000	-	-	400,000,000
	(1,100,000,000)	(-)	(700,000,000)	(400,000,000)
Neelkamal Realtors Tower Private limited (refer note iii above)	-	20,000,000	-	20,000,000
	(-)	(-)	(-)	(-)

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

(Amount in ₹)

Inter-corporate Deposits / Loans received/repaid during the year	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
Conwood Agencies Private Limited	-	-	-	-
	(54,764,852)	(16,825,842)	(71,590,694)	(-)
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	201,593,763	-	16,723,233	184,870,530
	(219,826,935)	(-)	(18,233,172)	(201,593,763)
Nihar Construction Pvt Ltd	600,000	-	600,000	-
	(600,000)	(-)	(-)	(600,000)

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

(Amount in ₹)

Sundry Creditors	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
Eon Aviation Private Limited	-	14,775,919	12,005,294	2,770,625
	(-)	(39,496,576)	(39,496,576)	(-)
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	92,274,773	80,427,283	132,519,830	40,182,226
	(436,901,456)	(1,110,231,002)	(1,454,857,685)	(92,274,773)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	64,440,378	138,169,246	162,192,586	40,417,038
	(65,467,062)	(238,361,513)	(239,388,197)	(64,440,378)
Conwood Construction and Developers Private Limited	20,010,315	1,319,034	9,325,101	12,004,248
	(15,494,638)	(5,949,307)	(1,433,630)	(20,010,315)
K.G.Enterprises	5,030,019	80,309,593	59,055,703	26,283,909
	(2,822,661)	(43,558,860)	(41,351,501)	(5,030,019)
Conwood Construction Company Private Limited	-	-	-	-
	(5,004,682)	(-)	(5,004,682)	(-)
Salim Balwa	1,088,325	7,200,000	7,873,725	414,600
	(2,073,000)	(5,700,000)	(6,684,675)	(1,088,325)
Vinod Goenka	1,727,500	22,663,500	37,737,500	(13,346,500)
	(2,037,000)	(34,000,000)	(34,309,500)	(1,727,500)
Shahid Balwa	691,000	1,200,000	4,225,576	(2,334,576)
	(-)	(3,709,677)	(3,018,677)	(691,000)

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

(Amount in ₹)

Other Current Liabilities	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
DBS Realty (Partnership Firm)	198,639,786	20,364,290	89,589,986	129,414,090
	(110,168,696)	(106,673,491)	(18,202,401)	(198,639,786)

DB (BKC) Realtors Private Limited	16,415,998	-	236,787	16,179,211
(formerly known as M. K. Malls and Developers Private Limited)	(16,415,998)	(-)	(-)	(16,415,998)

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

(Amount in ₹)

Sundry Debtors	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
Salim Balwa	-	-	-	-
	(663,986)	(-)	(663,986)	(-)
Conwood Agencies Private Limited	129,168	-	129,168	-
	(255,753)	(-)	(126,585)	(129,168)

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

(Amount in ₹)

Advance recoverable in cash or kind	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
Pony Infrastructure Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	978,627,151	622,229	947,513,408	31,735,972
	(1,330,603,282)	(-)	(351,976,131)	(978,627,151)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	231,454,911	4,179,685	10,298,827	225,335,769
	(243,690,830)	(-)	(12,235,919)	(231,454,911)

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

(Amount in ₹)

Advance against share purchase	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
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)	(-)
DB Hospitality Private Limited	464,400,000	3,833,571,940	1,009,500,000	3,288,471,940
	(-)	(6,987,417,912)	(6,523,017,912)	(464,400,000)

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

(Amount in ₹)

Advance for development rights	Opening Balance as on April 1, 2012	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2013
Usman Balwa	33,125,000	-	-	33,125,000
	(33,125,000)	(-)	(-)	(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
	(3,549,600)	(-)	(-)	(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 brackets denote Previous Year's balances/transactions).

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Equity Share Capital	(Amount in ₹)
NeelKamal Tower Construction LLP (formerly known as NeelKamal Tower Construction Company Private Limited)	1,045,648,380
	(1,045,648,380)
Mr. Vinod Goenka	153,642,160
	(273,642,160)
Investment in Equity Shares	(Amount in ₹)
DB Hospitality Private Limited	783,029,928
	(783,029,928)
Investment in Preference Shares	(Amount in ₹)
DB Hospitality Private Limited	9,567,032,102
	(8,282,704,804)
Managerial Remuneration paid	(Amount in ₹)
Mr. Shahid Balwa	1,200,000
	(3,709,677)
Mr. Vinod Goenka	4,200,000
	(30,000,000)
Mr. Salim Balwa	3,000,000
	(5,700,000)
Travelling expenses / hire charges	(Amount in ₹)
Eon Aviation Private Limited	12,856,819
	(35,943,151)
Rent paid	(Amount in ₹)
K.G.Enterprises	64,616,598
	(34,104,440)
Expenses paid	(Amount in ₹)
K.G.Enterprises	1,766,234
	(2,410,987)
Contractor Charges	(Amount in ₹)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	150,159,108
	(231,939,985)
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	4,638,763
	(1,108,930,129)
Interest received on loans given	(Amount in ₹)
Y. J. Realty Private Limited	6,567,810
	(76,423,183)
Milan Theatres Private Limited	49,287,047
	(49,922,653)
Nihar Construction Private Limited	-
	(96,154,341)

47. FINANCIAL INFORMATION OF THE SUBSIDIARY COMPANIES AS ON 31.3.2013

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	1,209,781,600	3,923,285,673	3,923,285,673	1,243,400,000	1,224,226,482	54,794,137	25,229,176	29,564,961	-
2	Neelkamal Realtors Suburban Private Limited	111,600,000	325,298,435	3,871,164,475	3,871,164,475	-	731,133,352	(166,755,090)	(53,964,193)	(112,790,897)	-
3	Eastern Properties Private Limited	1,000,000	(43,764,207)	1,097,789,594	1,097,789,594	-	35,445	(5,263,244)	127,580	(5,390,824)	-
4	Neelkamal Shantinagar Properties Private Limited	160,000	(8,636,707)	405,287,333	405,287,333	404,130,426	-	(1,904,002)	-	(1,904,002)	-
5	Saifee Bucket Factory Private Limited	248,000	(2,454,410)	29,350	29,350	-	-	(85,659)	-	(85,659)	-
6	Real Gems Build Tech Private Limited	135,100,000	(294,086,351)	6,679,379,350	6,679,379,350	699,600,000	658,328	(129,779,857)	-	(129,779,857)	-
7	Priya Constructions Private Limited	100,000	(19,756,000)	212,120,296	212,120,296	165,918,969	-	(13,641,105)	(168,095)	(13,473,010)	-
9	D B Man Realty Ltd.	140,000,000	(8,813,914)	132,026,401	132,026,401	-	-	(133,912)	-	(133,912)	-
10	Royal Netra Constructions Private Limited	15,000,000	(7,098,221)	665,616,488	665,616,488	-	669,778	405,112	2,109	403,003	-
11	N. A. Estates Private Limited	100,000	(256,285)	153,334,292	153,334,292	-	-	(82,739)	-	(82,739)	-
12	Nine Paradise Erectors Private Limited	100,000	(499,197)	313,028,096	313,028,096	-	10,853	(113,806)	-	(113,806)	-
13	DB MIG Realtors & Builders Private Limited	19,034,000	1,836,573,994	2,133,868,884	2,133,868,884	-	6,159,022	(13,714,451)	-	(13,714,451)	-
14	Spacecon Realty Private Limited (Formerly DB Spacecon Private Limited)	135,140	(96,962,349)	575,571,705	575,571,705	-	-	(9,717,560)	-	(9,717,560)	-
15	Vanita Infrastructure Private Limited	100,000	3,358,800	52,025,342	52,025,342	-	-	(409,842)	(127,356)	(282,486)	-
16	DB View Infracon Private Limited	100,000	311,933,214	1,600,763,556	1,600,763,556	966,018,776	274,085,619	268,890,246	650,000	268,240,246	-
17	DB Contractors & Builders Private Limited	100,000	(226,445)	3,828	3,828	-	-	(44,774)	-	(44,774)	-

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48. Disclosure in respect of joint venture

The Group is having investments in following joint ventures and all are in real estate business. The following amounts represent the group's interest as per its holding in respective line item in the consolidated financial statement of the group. In the consolidated financial statement of the group, the investments made in joint ventures are consolidated as per accounting policy no 1 (b) (iv).

Particulars	Turf	DB (BKC)	Lokhandwala Dynamix Balwas JV	Dynamix Realty	DBS Realty	Shreepati LLP	Warehousing LLPS
% of Holding	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
	66.67%	40.80%	50.00%	50.00%	33.33%	60.00%	50.00%
Shareholders' Funds							
Share Capital	314,951,939	5,908,653	21,135,932	1,163,889,990	3,300,000	38,713,525	566,213
	261,220,258	5,908,653	-	2,152,710,742	3,300,000	38,672,318	300,000
Reserves and Surplus	-15,576,685	1,737,911,959	-	-	-	-65,125	-26,865
	-16,012,523	1,746,560,645	-	-	-	-344,843	-63,103
Non-current Liabilities							
Long-term Borrowings	-	-	-	41,790	-	-	-
	-	-	-	377,537	-	-	-
Other Long Term Liabilities	1,447,231	254,411	-	18,628,996	8,002,257	208,084	-
	7,783,137	254,892	-	10,424,159	5,086,668	-	-
Long-term Provisions	3,237,951	2,037,553	-	3,247,127	360,002	-	-
	1,294,854	1,268,122	-	2,496,894	94,152	-	-
Current Liabilities							
Short-term Borrowings	-	-	-	1,298,475,000	-	-	-
	-	-	-	6,250,000	-	-	-
Trade Payables	60,597,956	5,454,227	29,148	42,569,355	70,517,580	-	19,663
	73,456,212	4,861,773	-	168,602,274	54,836,884	48,702	26,854
Other Current Liabilities	901,171,159	14,547,260	-	37,894,877	960,515,756	6,486	33,650,232
	907,872,293	8,033,155	-	202,641,941	688,992,420	3,371	31,920,486
Short-term Provisions	261,903	304,909	-	981,218	34,375	-	-
	82,214	101,486	-	182,998	5,933	-	-
	-	-	-	-	-	-	-
TOTAL	1,266,091,454	1,766,418,972	21,165,080	2,565,728,353	1,042,729,970	38,862,970	34,209,243
	1,235,696,445	1,766,988,726	-	2,543,686,545	752,316,057	38,379,548	32,184,237
	-	-	-	-	-	-	-
Non Current Assets							
Fixed Assets	61,861,084	90,725	-	1,870,250	21,613	-	-
	59,273,739	125,310	-	1,275,426	31,003	0	-
Non-current Investments	5,494,553	-	-	-	-	5,400,000	-
	4,212,618	-	-	-	-	5,400,000	-
Long-term Loans and Advances	276,860,558	262,451,295	-	2,450,170	274,134,434	30,126,462	-
	275,285,354	261,152,526	-	234,316	230,783,607	30,143,842	100,000
Other Non-current Assets	16,727,867	-	-	-	-	-	-
	16,727,867	-	-	-	-	-	-
Current Assets							
Inventories	897,633,091	1,380,867,773	16,699,668	-	664,082,762	3,124,242	-
	874,321,606	1,364,921,458	-	-	395,091,470	2,668,368	-
Trade Receivables	-	-	-	918,852,584	-	-	-
	-	-	-	592,541,984	-	-	-
Cash and Cash Equivalents	1,671,043	575,155	4,465,412	6,781,186	40,881,648	15,301	208,734
	1,479,715	1,064,332	-	17,574,034	359,639	35,338	142,559
Short-term Loans and Advances	1,249,934	122,411,640	-	558,578,877	826,798	182,029	34,000,509
	4,270,410	139,705,292	-	653,959,449	125,558,768	132,000	31,941,678

Other Current Assets	4,593,324	22,384	-	1,077,195,286	62,782,715	14,936	-
	125,136	19,808	-	1,278,101,336	491,570	-	-
	-	-	-	-	-	-	-
TOTAL	1,266,091,454	1,766,418,972	21,165,080	2,565,728,353	1,042,729,970	38,862,970	34,209,243
	1,235,696,445	1,766,988,726	-	2,543,686,545	752,316,057	38,379,548	32,184,237

	Turf	DB (BKC)	Lokhandwala Dynamix Balwas JV	Dynamix Realty	DBS Realty	Shreepati LLP	Warehousing LLPS
I. INCOME							
Revenue from Operations	-	-	-	-28,928,869	-	-	-
	-	-	-	1,892,608,289	-	-	-
Share of Profit / (Loss) from Partnership Firms, net	-14,732	-	-	-	-	-	-
	-6,305	-	-	-	-	-	-
Other Income	-	44,150	-	14,825,238	35,931	-	-
	-	39,805	-	2,166,421	99,980	-	360
	-	-	-	-	-	-	-
TOTAL	-14,732	44,150	-	-14,103,631	35,931	-	-
	-6,305	39,805	-	1,894,774,710	99,980	-	360
II. EXPENDITURE							
Project Expenses	23,358,523	15,946,314	-	-	271,545,677	455,874	-
	21,212,808	20,990,013	-	1,298,373,801	118,468,497	564,180	-
(Increase)/Decrease in Inventories	-23,358,523	-15,946,314	-	-	-271,545,674	-455,874	-
	(21,212,808)	(20,990,014)	-	-	(118,468,497)	(564,180)	-
Employee Benefit Expenses	6,727,923	3,652,407	-	11,495,522	86,572	-	-
	5,687,541	3,425,404	-	2,277,148	75,548	-	-
Finance Costs	494,385	-	-	362,606	-	-	-
	-	-	-	8,674,150	-	-	-
Depreciation and Amortization Expenses	187,055	34,585	-	608,151	9,389	-	-
	296,351	53,333	-	471,292	14,761	-	-
Other Expenses	8,152,591	5,005,844	-	29,871,681	119,686	65,125	26,865
	10,022,325	4,754,679	-	6,099,499	105,394	344,843	63,463
Tax Expenses	-	-	-	1,485,164	-555	-	-
	-	-	-	1,164,751	-	-	-
	-	-	-	-	-	-	-
Total Expenses	15,561,954	8,692,836	-	43,823,124	215,095	65,125	26,865
	16,006,217	8,233,415	-	1,317,060,641	195,703	344,843	63,463
Profit (Loss) after Tax	-15,576,686	-8,648,686	-	-57,926,755	-179,164	-65,125	-26,865
	-16,012,522	-8,193,610	-	577,714,069	-95,723	-344,843	-63,103
Contingent Liability	-	-	-	-	-	-	-

There are no capital commitments and other commitments related to Company's interest in the joint ventures and no commitments of venture itself.

49. Figures of the previous year have been regrouped / reclassified wherever necessary to conform to the presentation of the current year.

Signatures to Notes 1 to 49

For and on behalf of the Board

Vinod Goenka
Chairman & Managing Director

Mahesh Gandhi
Director

N.M.Gattu
Chief Financial Officer

Mumbai Dated : May 18, 2013

Shahid Balwa
Vice Chairman & Managing Director

Asif Balwa
Group Director (Finance)

S A K Narayanan
Company Secretary

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 7th Annual General Meeting of the Company held on Saturday, the 28th day of September, 2013 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 7th Annual General Meeting of the Company to be held on the 28th day of September, 2013 and at any adjournment thereof.

Signed this _____ day of _____ 2013.

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.





Registered Office: DB House, General A.K. Vaidya Marg, Goregaon East, Mumbai 400 063

Phone: (+ 91 - 22) - 40778600 | **Email:** investors@dbg.co.in | **Website:** www.dbrealty.co.in