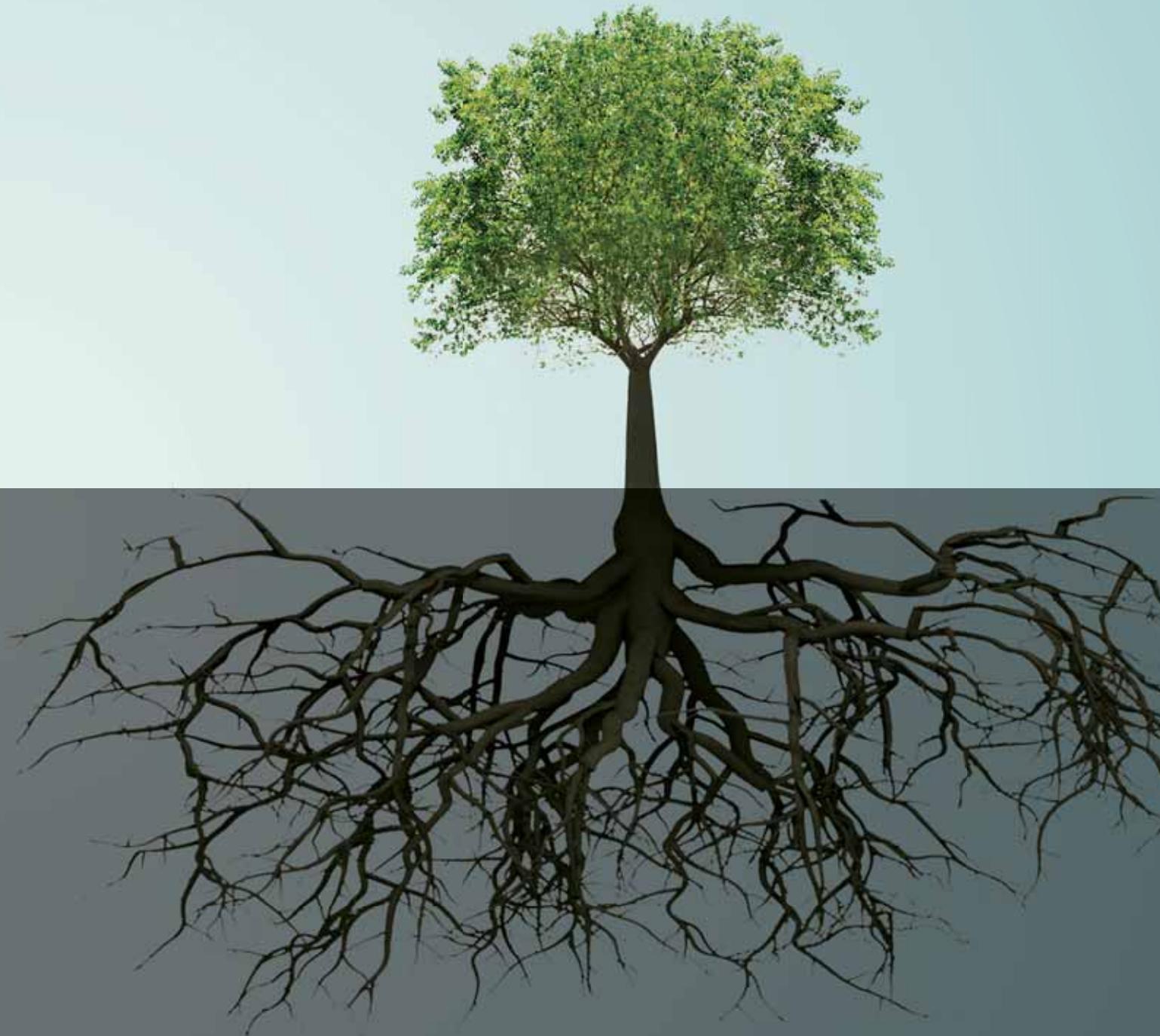


A strong foundation.
A strengthened commitment.



ANNUAL REPORT 2010-2011



D B REALTY LTD. ANNUAL REPORT 2010-2011

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A SUCCESS STORY THAT STEMS FROM A STRONG FOUNDATION

D B Realty Limited, founded in 2007, has in a short span of time covered enormous ground, thereby 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 promise to all of our stakeholders.

Our expanding portfolio consists of 70 million sq. ft. of prime property - carefully crafted by 15,000 experts and managed by over 500 internationally and nationally acclaimed executives – across 25 exclusive projects that have served over 4,500 satisfied customers till date. Most of the 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.

With notable and consistent track record of growth, customer satisfaction and innovation, DB Realty is known to execute challenging projects with efficiency, speed and confidence. And 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 being the key highlights of the year to come.



MISSION STATEMENT

To always be India's preferred, premier real estate developer in each market segment through globally benchmarked developments, thereby maximizing the value-benefit for our customers, shareholders, business partners, communities, and employees.



OUR GUIDING PRINCIPLES

- Commitment to Excellence - We strive to exceed the expectations of our customers and shareholders, and aim for the highest standards of excellence in all of our operations.
- Integrity and Fairness - Our relationships are built on trust and integrity to ensure fairness and transparency in all that we do.
- Innovation - We set new benchmarks in innovating and implementing beneficial solutions to challenges affecting our business and the environment.
- Sustainability - We strategically and competitively balance environmental concerns and economic objectives as we operate our business and invest in new opportunities.



THE GROWTH STORY

DB Realty owns over 70 million square feet of prime residential and commercial real estate space across key locations in the country. Most of these land parcels are concentrated in Mumbai – India's financial capital and one of the most expensive real estate destinations in the world.



OUR PROJECTS

With a holistic approach to design, DB Realty has reconceptualised urban living in Mumbai. Our core philosophy of designing spaces from the inside out underscores our desire to deliver perfect spaces to our customers.

DB Realty partners with leading contractors such as Larsen & Toubro and Man Infrastructure, as well as with the renowned master architect, Hafeez Contractor, and global giants such as SOM (Skidmore, Owings and Merrill LLP) to work on its projects.

We currently have 25 ongoing and forthcoming projects across both the residential and commercial sectors. Some of our key ongoing projects are Orchid Turf View, Orchid Heights, Orchid Crown, Orchid Woods, Orchid Suburbia, Orchid Ozone and Mahul Mass Housing Project.

Orchid Turf View
RACE COURSE ROAD, MUMBAI



December 2010



August 2011



Orchid Turf View

ORCHID HEIGHTS
MAHALAXMI, MUMBAI



December 2010



August 2011



Orchid Heights

Orchid Crown
PRABHADEVI, MUMBAI



December 2010



August 2011



Orchid Crown

COMMITTED TO DELIVER

ORCHID WOODS
GOREGAON, MUMBAI



December 2010



August 2011



Orchid Woods

ORCHID SUBURBIA
KANDIVALI, MUMBAI



December 2010



August 2011



Orchid Suburbia

ORCHID OZONE
MIRA-DAHISAR, MUMBAI



December 2010



August 2011



Orchid Ozone



CORPORATE SOCIAL RESPONSIBILITY

At DB Realty, we believe our growth is inextricably linked to the well-being of our society. Consequently, DB Realty has developed a program called 'Vision Mumbai' to tackle Mumbai's urbanisation challenges with a different perspective. Vision Mumbai is a three-point sustainability strategy, centred on our belief to build intelligently, respectfully and sustainably. Urban renewal, community engagement and philanthropy are the key action points we've adopted to help realise this vision.

As part of Vision Mumbai, we are in the process of handing over a 45.24 acre property in Mahul to the Government of Maharashtra, to provide shelter for those in need of homes. Across this piece of land are 17,205 houses, 173 balwadis, 2 buildings of welfare centres and 173 society offices. We are also currently developing a beautifully landscaped promenade along the Bandra - Worli Sea Link for all to enjoy. We understand we have a larger responsibility to achieve our vision of truly transforming Mumbai, and this is our way of assisting the ongoing government infrastructure.

In addition to these projects, DB Realty supports NGOs through philanthropic initiatives.



AWARDS & RECOGNITION

Orchid Crown, Prabhadevi, has been featured in the Merit Category at the British Safety Council Awards, 2010. The Award of Merit demonstrates our commitment to the health, safety and well-being of our workforce.

This inspirational achievement is a testimony to our endeavour to improve our Environment, Health and Safety (EHS) standards to an international level.

About British Safety Council:

The British Safety Council (BSC) is one of the world's leading professional bodies in Occupational Health, Safety & Environment (OHSE) and the awarded status is a prestigious one in the field of Environment, Health & Safety.

CORPORATE INFORMATION

Board of Directors

Mr. K. M. Goenka
(Chairman w.e.f. 17-5-2011)

Mr. Usman Balwa
(Non-Independent Director w.e.f. 21-4-2011)

Mr. Vinod Goenka
(Managing Director, Non-Independent Director)

Mr. Mahesh Gandhi
(Non-Independent Director, upto 30-10-2010; Independent Director w.e.f. 1-11-2010)

Mr. Jagat Killawala
(Independent Director w.e.f. 17-5-2011)

Mr. Janak Desai
(Independent Director w.e.f. 17-5-2011)

Mr. N.M Rafique
(Independent Director w.e.f. 17-5-2011)

Mr. Karunchandra Srivastava (IAS Retired)
(Chairman, Independent Director upto 16-5-2011)

Mr. Michael McCook
(Independent Director upto 20-4-2011)

Mr. Sundaram Rajagopal
(Non-Independent Director, upto 30-10-2010; Independent Director w.e.f. 1-11-2010 to 20-3-2011)

Mr. Chandan Bhattacharya
(Independent Director upto 17-2-2011)

Mr. Shahid Balwa
(Managing Director, Non-Independent Director upto 8-2-2011)

Mr. Shahzaad Dalal
(Non-Independent Director upto 30-10-2010; Independent Director w.e.f. 1-11-2010 to 31-1-2011)

Mr. Pravin Rathod
(Alternate Director to Mr. Mahesh Gandhi - Non-Independent Director, upto 30-10-2010)

Group Director (Strategy & Finance)

Mr. N. Shridhar

Company Secretary and Compliance Officer

Mr. S.A.K.Narayanan

Statutory Auditors

M/s. Deloitte Haskins & Sells,
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. Chandan Bhattacharya (till 17-2-2011)
Mr. Karunchandra Srivastava (till 16-5-2011)
Mr. Shahid Balwa (till 8-2-2011)
Mr. Vinod Goenka (w.e.f. 17-3-2011 till 16-5-2011)
Mr. Mahesh Gandhi (w.e.f. 17.3.2011)
Mr. Janak Desai (w.e.f. 17-5-2011)
Mr. N.M.Rafique (w.e.f. 17-5-2011)

Finance Committee:

Mr. Vinod Goenka (till 17-3-2011)
Mr. Shahid Balwa (till 8-2-2011)
Mr. Sundaram Rajagopal (till 17-3-2011)

Finance & Investment Committee:

Mr. Mahesh Gandhi (w.e.f. 17-3-2011)
Mr. Vinod Goenka (w.e.f. 17-3-2011)
Mr. Michael McCook (w.e.f. 17-3-2011 till 20-4-2011)
Mr. K.M. Goenka (w.e.f. 17-5-2011)
Mr. Usman Balwa (w.e.f. 17-5-2011)
Mr. N. Shridhar (w.e.f. 17-5-2011)

Bankers / Financial Institute

Oriental Bank of Commerce
Punjab National Bank
Kotak Mahindra Bank
Deutsche Bank
HDFC Limited

Remuneration Committee:

Mr. Karunchandra Srivastava (till 16.5.2011)
Mr. Chandan Bhattacharya (till 17-2-2011)
Mr. Shahzaad Dalal (till 31-1-2011)
Mr. Mahesh Gandhi (w.e.f. 17-3-2011)
Mr. K.M. Goenka (w.e.f. 17-5-2011)
Mr. Usman Balwa (w.e.f. 17-5-2011)
Mr. Jagat Killawala (w.e.f. 17-5-2011)

Share Transfer Committee & Shareholders/Investors

Grievances Committee:

Mr. Karunchandra Srivastava (till 16-5-2011)
Mr. Vinod Goenka (till 16-5-2011)
Mr. Chandan Bhattacharya (till 17-2-2011)
Mr. Mahesh Gandhi (w.e.f. 17-3-2011 till 16-5-2011)
Mr. K.M. Goenka (w.e.f. 17-5-2011)
Mr. Usman Balwa (w.e.f. 17-5-2011)
Mr. Jagat Killawala (w.e.f. 17-5-2011)
Mr. Janak Desai (w.e.f. 17-5-2011)

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 0320
Fax: + 91 22 2596 0329
Website: www.linkintime.co.in

NOTICE

NOTICE is hereby given that the 5th Annual General Meeting of the members of the Company will be held on Wednesday, the 21st September, 2011 at 3.00 p.m. at Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011, the Profit and Loss Account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vinod K Goenka, who retires by rotation and offers himself for re-appointment.
3. To appoint M/s. Haribhakti & Co, Chartered Accountants, Mumbai (Reg No.103523W) as Statutory Auditors, in place of M/s Deloitte Haskins & Sells, Chartered Accountants (Reg. No.: 117366W), the retiring auditors of the Company, who have not offered themselves for re-appointment, 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:

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

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

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

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

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

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

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

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

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

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

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

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

NOTES:

1. A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT 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 Note on Item No. 3 and the explanatory statement pursuant to section 173 of the Companies Act, 1956 in respect of the businesses under Item nos. 4 to 9 set out above are annexed hereto. Brief resume of all Directors including those proposed to be appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and membership/chairmanship of Board committees, shareholdings and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges are provided in the Corporate Governance Report forming part of the Annual Report.
3. In case of joint holders attending the meeting, only joint holder who is higher in the order of names will be entitled to vote.
4. Corporate members intending to send authorized representatives to attend the Meeting are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
5. Members desirous of having any information regarding Accounts are requested to address their queries to the Company at least seven days before the date of the Meeting, so that requisite information is made available at the Meeting.
6. Members who hold shares in electronic form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 16th September, 2011 to Wednesday, 21st September, 2011 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
8. Members are requested to intimate the Registrar and Share Transfer Agents of the Company- Link Intime India Pvt Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078, immediately their e mail IDs and of any change in their address and/or the Bank Mandate details in respect of Equity shares held in physical mode and to their Depository Participants (DPs) in respect of Equity shares held in dematerialized form.
9. All the Documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Office at DB House ,Gen A.K. Vaidya Marg , Goregoan (E), Mumbai -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.
12. For security reasons, No gadgets, mobile phones, cameras, article/baggage will be allowed at the venue of the Meeting. The Members/attendees are strictly requested not to bring any gadgets, mobile phones, cameras, article/baggage etc. to the venue of the Meeting.
13. Trading in the Company's shares through stock exchanges is permitted only in dematerialized/electronic form. The equity shares of the Company have been inducted in both NSDL as well as CDSL to enable shareholders to hold and trade the shares in dematerialized/electronic form. In view of the numerous advantages offered by the depository system, Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management.
14. Pursuant to the Initial Public offering of Equity shares, the Company had, in respect of certain shares allotted therein, in view of mismatch in particulars of those allottees, parked the same in a demat suspense account. The details of the unclaimed shares outstanding in the suspense account are as under:

Particulars	No of Shareholders	No of Shares
Outstanding Shares as on 1 st April, 2010	19	1,246
Investors who have approached the Company / Registrar and Share Transfer Agent for transfer of shares to their demat account	10	560
Investors to whom shares were transferred from the unclaimed account	10	560
Outstanding Shares in the unclaimed Suspense account as on 31 st March, 2011	9	686

15. 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, 2011 was Rs. 6,888/- The details are as under:

Particulars	No of unrealised refund orders	Amount (Rs.)
Outstanding Physical Warrants as on 1 st April, 2010	107	5,92,316
Investors who have approached the Company / Registrar and Share Transfer Agent for refunds	96	5,85,428
Investors to whom refunds were made from the unclaimed account	96	5,85,428
Outstanding amount in the unclaimed Refund account as on 31 st March, 2011	11	6,888

Out of the above, one refund claim was made in April, 2011 for Rs. 756/- and paid. The balance unrealised refund orders as on date are 10 for a total sum of Rs. 6,132/-

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

We request you to update your e-mail 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 400063

Place: Mumbai

Date: 24th August, 2011

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

ITEM NO. 3:

M/s. Deloitte Haskins & Sells, retiring Auditors of the Company have stated in a letter dated 22nd August, 2011, addressed to the Company that they are not offering themselves for re-appointment at the ensuing Annual General Meeting. It is therefore proposed to appoint M/s. Haribhakti & Co, Chartered Accountants, Mumbai in the ensuing Annual General Meeting, as Statutory Auditors, to hold office from the conclusion of the said Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors. M/s. Haribhakti & Co, Chartered Accountants, Mumbai have confirmed in writing to the company of their eligibility to be appointed as Statutory Auditors. Members are requested to pass necessary resolution in this regard.

ITEM NO. 4:

Mr. Mahesh Gandhi was appointed as an Additional Director (Independent and Non-executive Director) of the Company by the Board of Directors with effect from 1st November, 2010 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. Earlier he was a nominee of a Financial Investor upto 30th October, 2010. The Company has received Notice in writing from a shareholder of the company signifying the intention to propose Mr. Mahesh Gandhi as a candidate for the office of the Director.

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. He has more than 30 years of experience in investments, originating, structuring and advising, management of public and private Equity investments across all leading business segments & for the last few years focused around real estate, infrastructure transactions, hotels and hospitality, and Agri Projects. He has served on several Boards of large enterprises. He has 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. The details of directorship, chairmanship and membership of Mr. Mahesh Gandhi are appearing in the Corporate Governance Report.

Mr. Mahesh Gandhi is the Chairman of the Audit Committee and a member of the Finance & Investment Committee. The Board considers it desirable to continue to avail his services and accordingly recommend his appointment as a Director by the members of the Company.

Other than Mr. Mahesh Gandhi, none of the other Directors is in any way, concerned or interested in this resolution.

ITEM NO. 5:

Mr. K.M. Goenka was appointed as an Additional Director (Non-Independent and Non-executive Director) of the Company by the Board of Directors with effect from 21st April, 2011 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. Mr. K. M. Goenka has been in the Business of real estate development and construction since 1980 and has built large housing projects in Goregaon viz. Gokuldharm, Yashodham Thane (Vasant Vihar), Mahavir Nagar (Kandivali) and also in Mira Road. He has also established large manufacturing and processing facilities of Dairy Products in Baramati and also jewellery manufacturing and export facilities. In the recent years, he has been engaged in the social welfare activities of running several schools and also a medical centre established by the Charitable trusts which were created for these purposes simultaneously with his other business activities. Mr. K.M. Goenka has been appointed as the Chairman of the Board of Directors with effect from 17th May, 2011. He is also a member of the Investor Grievance and Share Transfer Committee and Finance & Investment Committee. The details of directorship, chairmanship and membership of Mr. K. M. Goenka are appearing in the Corporate Governance Report.

The Board considers it desirable to continue to avail his services and accordingly recommend his appointment as a Director by the members of the Company.

Other than Mr. Vinod Goenka and Mr. K.M. Goenka, none of the other Directors is in any way, concerned or interested in this resolution.

ITEM NO. 6:

Mr. Usman Balwa was appointed as an Additional Director (Non-Independent and Non-executive Director) of the Company by the Board of Directors with effect from 21st April, 2011 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. Mr. Balwa has over 35 years of experience in hospitality and construction industry. He forayed into the hospitality business in the late 1980s with the launch of his first hotel in Ahmedabad. Since then, there has been no turning back. His vision and foresight saw him take the hotel to new heights and venture into new markets by taking charge of construction and operation of the three-star Hotel Balwas International, Mumbai. He was instrumental in the group's expansion and growth and saw the group's foray into the construction of several landmark properties in the hospitality sector. Mr. Usman Balwa also played a key role in the

conceptualization of the upcoming five star deluxe Hyatt Hotel at Mumbai. He is also a member of the Investor Grievance and Share Transfer Committee and Finance & Investment Committee. The details of directorship, chairmanship and membership of Mr. Usman Balwa are appearing in the Corporate Governance Report.

The Board considers it desirable to continue to avail his services and accordingly recommend his appointment as a Director by the members of the Company.

Other than Mr. Usman Balwa none of the Directors is in any way, concerned or interested in this resolution.

ITEM NO. 7:

Mr. Janak Desai was appointed as an Additional Director (Independent and Non-executive Director) of the Company by the Board of Directors with effect from 17th May, 2011 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. He holds Bachelor of Business Administration degree in Finance and Management and Master of Business Administration degree with Major in Capital Market from University of Houston, Texas, USA. He has worked as Senior Associate in Bank of New York Mellon Corp and as Portfolio Manager in Cougar Investment Fund in USA and in India, with India Infoline and Edelweiss Capital Ltd in the Real Estate vertical. Mr. Janak Desai is also a member of the Audit Committee and the Investor Grievance and Share Transfer Committee. The details of directorship, chairmanship and membership of Mr. Janak Desai are appearing in the Corporate Governance Report.

The Board considers it desirable to continue to avail his services and accordingly recommend his appointment as a Director by the members of the Company.

Other than Mr. Janak Desai none of the Directors is in any way, concerned or interested in this resolution.

ITEM NO. 8:

Mr. Jagat Killawala was appointed as an Additional Director (Independent and Non-executive Director) of the Company by the Board of Directors with effect from 17th May, 2011 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. He is an industrialist and has been engaged in the business of manufacture of electrical switches, step lights for theatre applications and LED Products for lighting applications. Mr. Jagat Killawala is a member of the Investor Grievance and Share Transfer Committee. The details of directorship, chairmanship and membership of Mr. Jagat Killawala are appearing in the Corporate Governance Report.

The Board considers it desirable to continue to avail his services and accordingly recommend his appointment as a Director by the members of the Company.

Other than Mr. Jagat Killawala none of the Directors is in any way, concerned or interested in this resolution.

ITEM NO. 9:

Mr. Nasir M Rafique was appointed as an Additional Director (Independent and Non-executive Director) of the Company by the Board of Directors with effect from 17th May, 2011 and he holds office till the date of the ensuing Annual General Meeting, but is eligible for appointment. 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 5 years and prior to that has worked as Advisor to Dadabhai Group, Baharin (1998-2005), and as Principal of IHMA (1974-1998) Mr. Nasir M Rafique is a member of the Audit Committee. The details of directorship, chairmanship and membership of Mr. Nasir M Rafique are appearing elsewhere in this Report.

The Board considers it desirable to continue to avail his services and accordingly recommend his appointment as a Director by the members of the Company.

Other than Mr. Nasir M Rafique, none of the Directors is in any way, concerned or interested in this resolution.

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

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

Registered Office:

DB House,
Gen. A. K. Vaidya Marg,
Goregaon (E), Mumbai 400063

Place: Mumbai

Date: 24th August, 2011

DIRECTORS' REPORT

To
The Members
D B REALTY LIMITED

Your Directors have pleasure in presenting the 5th Annual Report on the business and operations of the Company along with the audited accounts for the financial year ended 31st March, 2011.

Financial Highlights

(Amount Rs.)

Particulars	Standalone		Consolidated	
	F.Y.2010-11	F.Y. 2009-10	F.Y.2010-11	F.Y.2009-10
Gross sales and other receipts	3,611,500,769	2,848,038,342	13,272,398,669	9,803,387,276
EBIDTA	3,032,247,319	2,691,099,639	4,130,373,400	3,946,597,276
Interest and Finance Charges	410,849,958	356,540,385	654,264,214	726,113,259
Depreciation and amortization	64,446,795	54,159,213	69,797,453	95,535,595
Operating Profit	2,556,950,566	2,280,400,041	3,406,311,733	3,124,948,422
Provision for Tax	-	(6,500,000)	385,377,346	(413,258,359)
Less: Minority Interest	-	-	30,357,527	191,856,961
Add: Share of Profit/(Loss) in Associates (Net)	-	-	(3,565,589)	(63,061)
Profit after taxation	2,556,950,566	2,273,900,041	2,987,011,271	2,519,770,041
Balance brought forward	4,694,251,485	2,420,351,444	3,718,964,539	1,199,194,498
Amount available for appropriation	7,251,202,051	4,694,251,485	6,705,975,810	3,718,964,539
Appropriation towards Capital Redemption Reserve	-	-	(400,000,000)	-
Balance carried to Balance Sheet	7,251,202,051	4,694,251,485	6,305,975,810	3,718,964,539
Net Worth	33,527,080,063	30,970,129,497	32,981,853,822	30,486,479,364

During the year under review, the consolidated total income of the Company increased to Rs.13,272 million from Rs. 9,803 million in the previous year, representing an increase of 35%. Profit before tax stood at Rs. 3,406 million for the year compared to Rs.3,125 million for the previous year representing an increase of 9%.

The Standalone total income for the year 2010-11 increased to Rs. 3,612 million from Rs. 2,848 million in the previous year representing an increase of 26.82%. Profit before tax stood at Rs. 2,557 million for the year compared to Rs. 2,280 million for the previous year representing an increase of 12.15%.

Business Initiatives

During the year, your Company through its Subsidiaries, Associates and Joint Ventures, wherein your Company holds substantial stake had launched projects in Mumbai, namely, high end residential project "Orchid Turf View" at Mahalakshmi and "Orchid Views" at Mumbai Central. The Company has its other major ongoing projects, viz. "Orchid Woods" at Goregaon (East), SRA project at Mahul, high end residential projects viz. "Orchid Crown" at Prabhadevi, "Orchid Heights" at Mahalakshmi, "Orchid Suburbia" at Kandivli and "Orchid Ozone" at Dahisar. The ongoing projects also include "Orchid Centre" a commercial venture and a residential project, "Orchid Golf View" in Yerwada, Pune. While the real estate industry started showing sign of slowing down from the second quarter of FY 2010-11, the customers' response has been very encouraging for all our projects and construction is also progressing satisfactorily.

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

The project which was proposed to be undertaken in Pimpri Chinchwad, Pune by one of the subsidiary Companies, viz. D B Man Realty Limited and which was pending for the execution of the development agreement with the Pimpri Chinchwad New Town Development Authority has been cancelled after a lapse of almost two years from the date of Letter of Allotment by the Pimpri Chinchwad New Township Development Authority although the SPV Company has complied with all the terms of the Letter of Allotment. The Company has sought appropriate legal redressal in the matter.

2G Spectrum case

With regard to the media reports alleging involvement of the Company with the ongoing 2G spectrum case, your Company, by various Press Releases, has already clarified that it is not connected with the same, though the matter involves one of the telecom companies wherein promoters of your Company hold stake. There are allegations against the two Managing Directors based on charge sheet filed by CBI. In addition, two Key Management Personnel of the Company have also been charged in the same matter. The matter is sub-judice and all the concerned are in the process of fighting the legal battle to establish their innocence. Your Company reiterates that it has no involvement in the same and has been extending the required co-operation and assistance to all the agencies in this regard. The Company's functioning has not been impacted by such reports and your Company continues to function under the able guidance

of the Chairman and senior directors with rich business experience in the industry and other able professionals under the guidance and supervision of the Board of Directors of the company.

Our comments on the observations of the Auditors:

The Auditors in their Report have drawn attention of the members to certain notes to the Financial Statements. While the said notes themselves are self explanatory, your Directors offer the following clarifications and further explanations relating to some of the significant observations, which in the Company's perspective are normal transactions commensurate with the size and nature of its business activities:

1. Para 3 (b) (i) of the Report: The firm Dynamix Realty in which your Company is a partner with 99% stake in profits with regard to TDRs generated by the said firm has advanced certain amounts to the other partner including Rs. 150 crores as Security Deposit for the Development Rights granted to the firm by the said other partner, and the balance drawn by the other partner as advance to be adjusted against the share of profit and Rs. 104.80 crores to another company in which your Company has also business interests. All these advances are fully recoverable and good for recovery.
2. Para 3 (b) (ii) of the Report: The matter relating to allegations in 2G Spectrum case has been dealt with elsewhere in this report.
3. Para 3 (c) of the Report: (Note 2 to the Accounts) The guarantees referred to amounting to Rs. 1469.17 crores were given by the Company for loans taken by two other entities in the group relating to the hospitality business while the Company was a private limited company and much before the company went public in February, 2010. These two companies are honouring the commitments in respect of servicing and/or repayments of their debt obligations. 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.
4. Para 3 (d) of the Report: (Note 8 to the Accounts): The Company has made investments in the shares / capital of the subsidiaries / associates / firms etc. and also advanced loans. These entities are having negative net worth, since they have not yet commenced the execution of the projects. The advances were given from time to time towards these projects for various activities including the seed capital by the Company towards these projects. Hence, your Directors are of the firm view that these projects, which are of medium to long term nature would fetch results, in the future, not only to justify the initial investments but also to yield reasonable and adequate return on these investments in line with the industry standards.

Dividend

Your Company is in a growth phase and it is imperative to conserve cash for investing in implementation of the current projects as well as in other investments, which have synergy to our business and the potential to significantly add to the shareholder value. 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 2010-11. However, your Directors would like to assure that reasonable dividends would be recommended by the Board at an appropriate time to reward the shareholders.

Subsidiaries

Your Company had the following subsidiaries as on 31st March, 2011:

Name of the Subsidiary of D B Realty Ltd.	Shareholding (%)
1. D B Properties Private Limited	100.00
2. Esteem Properties Private Limited	100.00
3. Gokuldharm Real Estate Development Company Private Limited	74.99
4. Neelkamal Realtors Tower Private Limited	50.72
5. Neelkamal Realtors Suburban Private Limited	66.00
6. Neelkamal Shantinagar Properties Private Limited	100.00
7. Real Gem Buildtech Private Limited	85.00
8. Saifee Bucket Factory Private Limited	100.00
9. D B Man Realty Limited	51.00
10. Priya Constructions Private Limited	100.00
11. D B Chandak Realtors Private Limited	70.00
12. Royal Netra Constructions Private Limited	50.40
13. A G Infraconstruction Private Limited (Through Royal Netra Constructions Private Limited)	
14. DB View Infracon Private Limited	100.00
15. DB Spacecon Private Limited	74.00
16. DB MIG Realtors & Builders Private Limited	100.00
17. Vanita Infrastructure Private Limited	100.00
18. N A Estates Private Limited	100.00
19. Nine Paradise Erectors Private Limited	100.00
20. D B Contractors & Builders Private Limited	100.00

D B REALTY LIMITED
(Annual Report 2010-11)

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

As on date of this Report, your Company has disposed of its holdings in D B Properties Pvt Ltd which was 100% subsidiary after transferring certain business and economic interests of the said subsidiary company in few partnership firms to another subsidiary, thus retaining its construction activities in another SPV viz. DB View Infracon Private Limited. The Company has also transferred its 70% shareholding in D B Chandak Realtors Private Limited to the other partner/shareholder, since this company has not been able to undertake the activity as envisaged earlier.

Royal Netra Constructions Pvt Ltd which was a step-down subsidiary through D B Man Realty Limited has become a direct subsidiary, during the year, with the transfer of shares by D B Man Realty Limited to your Company. A G Infraconstructions Private Limited has become a wholly owned subsidiary Company of Royal Netra Constructions Pvt Ltd and hence a step down subsidiary of your Company.

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, 2011 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.

Investment in the Hospitality Group:

Your Directors have taken a decision, in the overall interests of the stakeholders as well to enhance overall value of the entity to invest in the Shares of the Hospitality company of DB Group which has so far remained a separate vertical. D B Hospitality Pvt Limited already owns two operating hotels in Mumbai and Ahmedabad through its subsidiaries. A third hotel had recently done a soft launch in Goa through a third subsidiary. The fourth operating hotel in Mukundgarh is expected to go on stream in October 2011. All these hotels are rated international brands. This Company is also in the process of setting up star hotels in Mumbai and New Delhi, at strategic locations. Your Directors are of the firm view that these investments offer an opportunity to DB Realty shareholders to participate in the positive growth scenario of luxury segment of the growing hospitality business and enhance value to the Company and its shareholders.

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, 2011 is annexed hereto.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Vinod Goenka retires by rotation at the forthcoming Annual General Meeting. Mr. Vinod Goenka is also Managing Director of the Company, whose tenure will expire by the end of August, 2012.

Mr. Shahid Balwa, another promoter and Managing Director of the Company has opted to resign from the position of Managing Director and also as Director w.e.f. 9th February, 2011 after he was detained in the alleged telecom 2G licence matters.

During the year, Mr. Shahzaad Dalal, Mr. Mahesh Gandhi and Mr. Sundaram Rajagopal who were the nominees on the Board of the Company representing the Private Equity Investors, ceased to be nominee Directors. However w.e.f.1st November, 2010, all the three Directors were reappointed by the Board of Directors as Additional Directors. Mr. Shahzaad Dalal and Mr. Sundaram Rajagopal subsequently resigned as Directors w.e.f. 1st February, 2011 and 21st March, 2011 respectively. Mr. Chandan Bhattacharya, an Independent Director also resigned from the Board w.e.f.18th March, 2011. Mr. Michael McCook resigned as independent Director w.e.f. 21st April, 2011. Mr. Karunchandra Srivastava has resigned as independent Director w.e.f. 21st May, 2011.

Mr. K. M. Goenka and Mr. Usman Balwa have been appointed as Additional Directors in order to oversee and guide the business of the Company and to monitor the operations. They hail from the Promoter families and hence are non-independent Directors in terms of Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Jagat Killawala, Mr. Janak Desai and Mr. N. M. Rafique have been appointed as Independent additional Directors w.e.f. 17th May, 2011. Mr. K. M. Goenka has also been appointed as the Chairman of the Board of Directors. All these Additional Directors hold their respective offices up to the date of the ensuing Annual General Meeting of the Company and the Company has received Notices from the members proposing their appointments as Directors liable to retire by rotation.

The Board of Directors has also reconstituted various Committees in accordance with Clause 49 of the listing agreement.

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

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:

- in the preparation of the annual accounts for the year ended 31st March, 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- they had 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;
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- They had prepared the annual accounts on a going concern basis.

Corporate Governance and Management Discussion and Analysis Report

The Report on 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. Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of the Company, hold office up to the conclusion of the forthcoming Annual General Meeting. Members are requested to appoint Auditors for the current year at the Annual General Meeting.

Investors' Relation and Grievances

Investors' relations have been cordial during the year. There were no investors' grievances pending as on 31st March, 2011. 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. 29, 82,632 (Previous year Rs. 31,07,476)

Expenditure in Foreign Currency:

PARTICULARS	Stand alone Amounts	
	Fiscal 2011(Rs)	Fiscal 2010 (Rs.)
Professional Fees	9,38,242	92,77,917
Interest	-	16,33,25,375
Other Expenses	35,30,034	1,13,19,392

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.

Place : Mumbai
Date : 12th August, 2011

On behalf of the Board of Directors

K. M. Goenka
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Real Estate in India:

The importance of housing and real estate sector in India cannot be emphasised enough. Real estate construction industry is, in many ways, the driver of domestic growth and consumption. With linkages to 250 other industries like cement, brick and steel through backward and forward linkages, housing is the second largest employment generator in the country after agriculture. Due to additional investment in housing/construction, it is estimated that overall employment generation in the economy is eight times the direct employment. Further, for every rupee spent on the industry, an estimated 75-80% gets added directly to the GDP. Consequently, a unit increase in expenditure in this sector has a multiplier effect and the capacity to generate income is as high as five times.

The demand for quality real estate in India has seen an unprecedented growth, adding to the existing gap between the demand and supply across all segments of realty; providing tremendous opportunity for real estate development across India.

Drivers of Real Estate Growth:

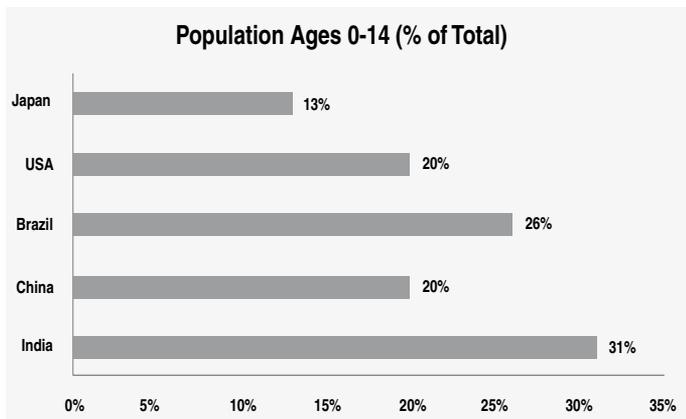
Indians prefer owning assets:

Traditionally, Indians prefer to own assets; owning rather than renting a house is a norm. Owning a house holds a special value in the hearts and minds of Indians and provides them a sense of security. Hence it is no surprise that as per 2001 census, around 95% owned houses in rural India, and around 67% owned houses in urban India, a 17% increase since 1970s.

Population Growth:

India is the second largest populated country in the world, second only to China. As per United Nations, over the last decade, India's population growth rate has been higher than the world average whereas China's growth rate was lower than the world average. At this pace, India is set to surpass China in the coming decades. Population growth has a positive correlation with demand of housing units.

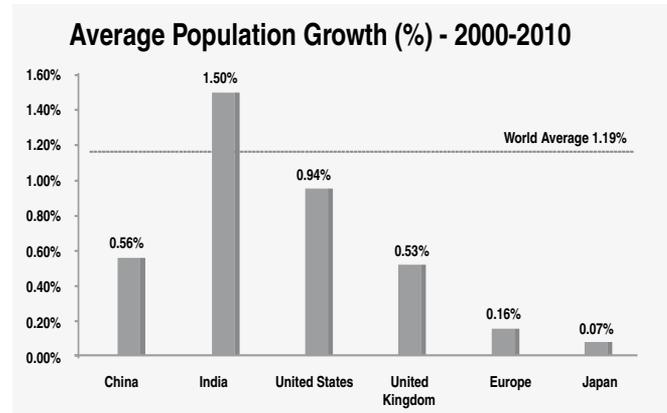
Favorable Demographics:



Source: Worldbank

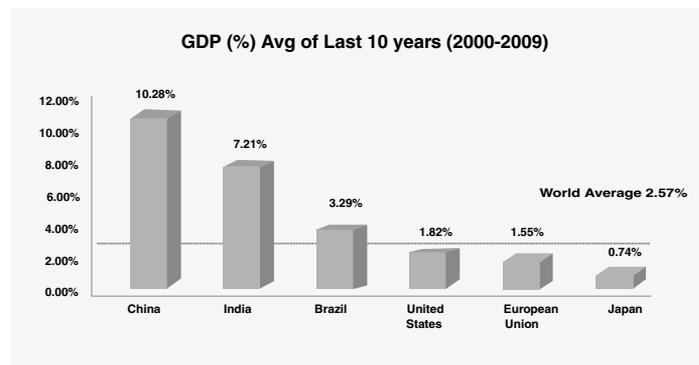
Economic Growth:

The Indian economy has made great strides in the years since liberalization in the early 1990s. Significant changes have taken place during this time. These include liberalized foreign investment and exchange regimes, significant reductions in tariffs and other trade barriers, reform and modernization of the financial sector and significant adjustments in the government's monetary and fiscal policies. These reforms have made India the second fastest growing economy in the world, resulting in an increase in income growth for average Indians, thereby effectively increasing their affordability to own a house and consequently resulting in higher demand for houses.



Source: United Nations

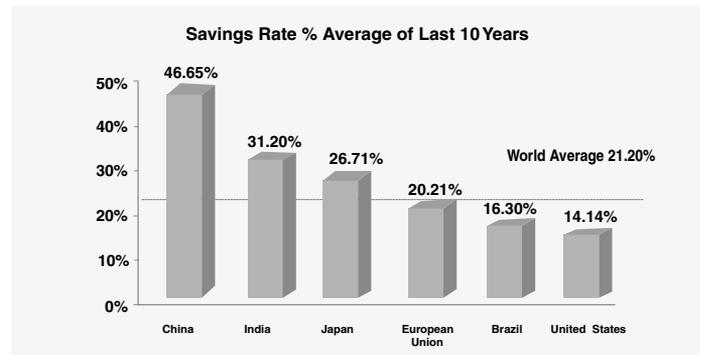
As per Worldbank, 31% of India's population is between the age of 0-14, highest as compared to China, USA and Europe. Also, about 90% of India's population is below 60 years of age. Given this trend, demand for houses in the coming years will continue to remain high.



Source: Worldbank

Low Household Leverage:

At the household level, India is a fairly deleveraged nation. As per the Worldbank, over the past decade, household savings rate in India stood at about 31%, much higher than the 14%-20% rate in US and Europe and higher than world average of 21%. This phenomenon combined with the low mortgage-to-GDP ratio in India, suggests significant demand will emerge once the average household starts leveraging up towards home ownership.



Mumbai Real Estate:

Maharashtra is India’s third largest state in area, and as per 2011 provisional data, second largest in population. Located on the west of Maharashtra is Mumbai, India’s largest city and also the financial capital of India.

Having the population of roughly 12 million people Mumbai is one of the most densely populated cities in the world. With major industrial powerhouses and financial corporations headquartered in Mumbai, it serves as an important economic hub, contributing 10% of all factory employment, 40% of all income tax collections, 60% of all customs duty collections, 20% of all central excise tax collections, 40% of India’s foreign trade and Rs. 40 billion (US\$ 800 million) in corporate taxes.

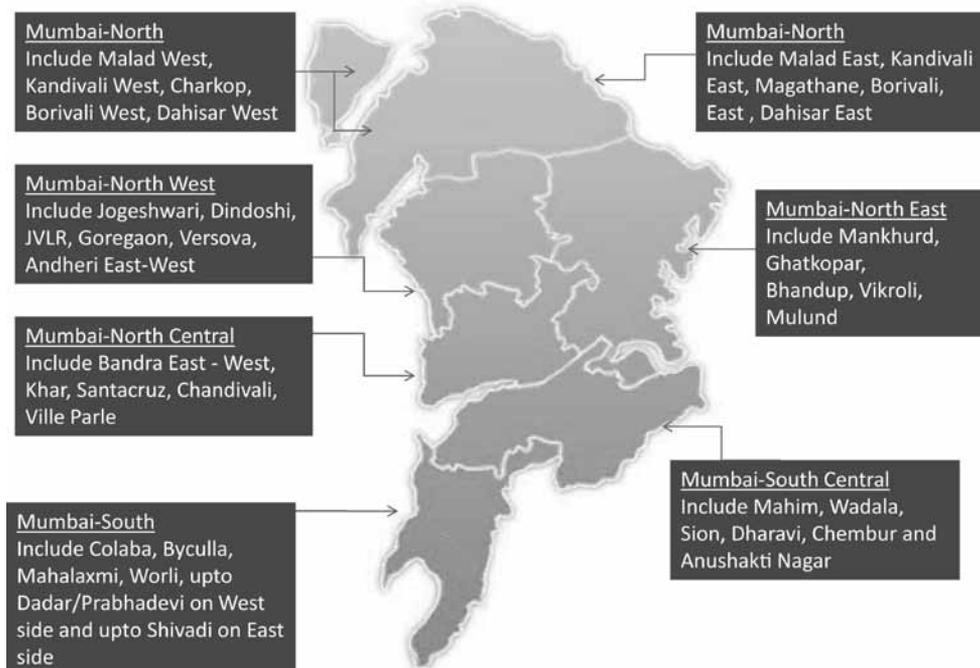
Along with the rest of India, Mumbai, its commercial capital, has witnessed an economic boom since the liberalization of 1991. The middle class in Mumbai is the segment most impacted by this boom and is the driver behind the consequent consumer boom. Upward mobility among Mumbaikars has led to a direct increase in consumer spending.

As per 2001 census, Maharashtra as a state attracts the highest number of migrants than any other state in India. Being the financial and economic capital of the country, Mumbai accounts for the majority of these migrant populations. This influx of population adds to the existing additional demand for houses and thereby widening the demand – supply gap of houses in Mumbai.

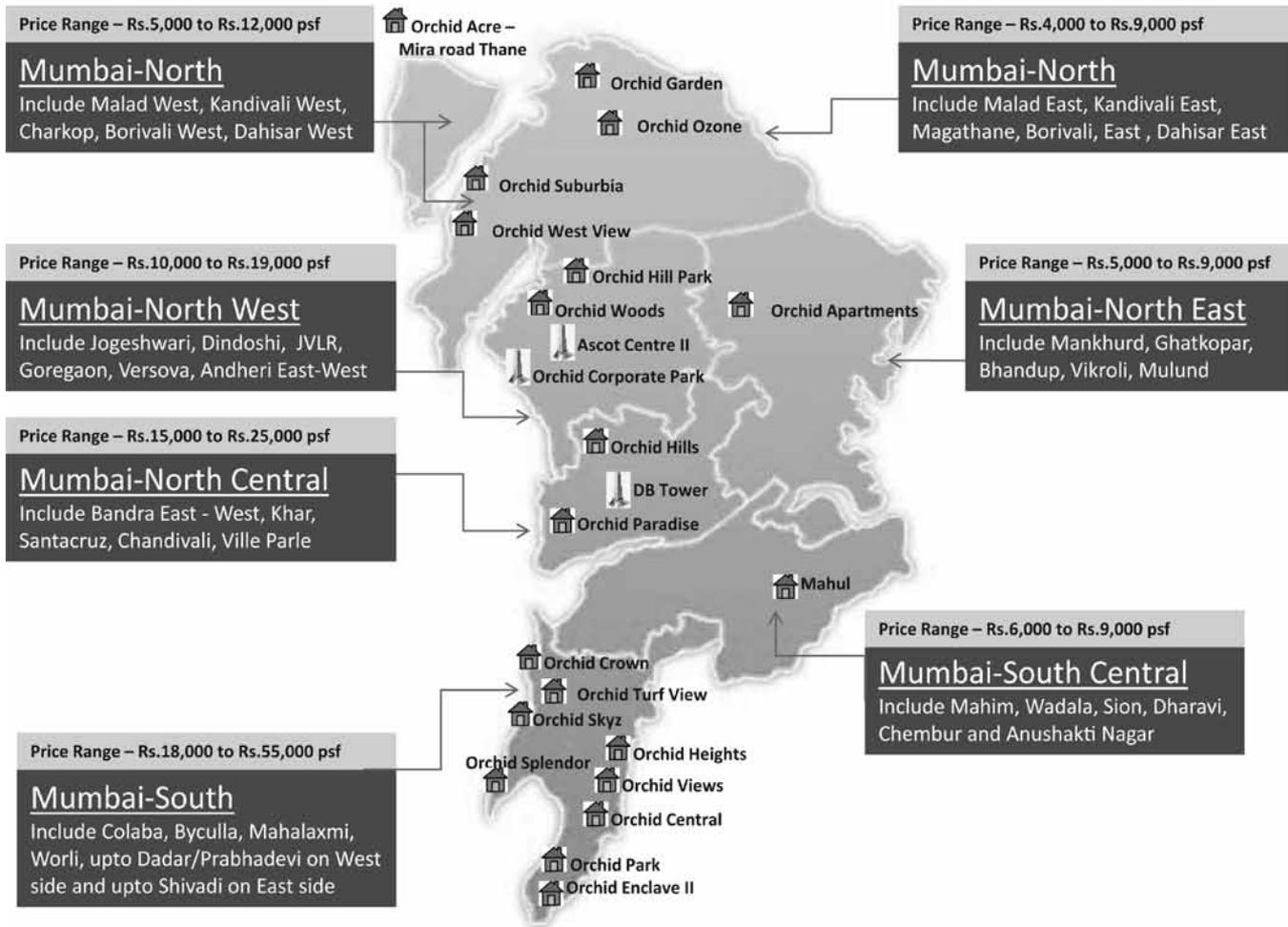
Mumbai & Its Micro- Markets:

Due to its large geographical area Mumbai is divided into six divisions: South Mumbai, South Central Mumbai, North Central Mumbai, North East Mumbai, North West Mumbai and North Mumbai. These are further divided into micro-markets whose unique characteristic determine the pricing for that particular micro-market. Various factors such as demand-supply, proximity to highways, railway station, airport & various business districts spread all cross Mumbai, presence of social infrastructure etc. determine the prices in a particular micro-market in Mumbai. Pricing in Mumbai’s micro-market is at times independent of each other or the city as whole.

Mumbai Map



DB's Presence in Mumbai



Development through Joint Venture Route:

Greater Mumbai constitutes only 0.14 % of the total area of the State of Maharashtra. The Mumbai City District is covered by area of only 67.79 sq km and the Mumbai Suburban District covers an area of 370 sq km. As per 2011 provisional Census data, Mumbai is one of the most densely populated city in the world with a human density of 20,925 people/sq km.

Naturally, this phenomenon has resulted in land being extremely expensive in Mumbai. In such a scenario, Joint Venture (JV) with the land owner is the most economically plausible scenario; wherein the developer enters into a joint development agreement with the land owner and undertakes to develop the property. The land owner provides land as his equity share in the project and for his part the developer bears the entire cost of construction. The saleable area is divided between the land owner and the developer on a pre agreed upon ratio. This kind of development is much more economically viable for the developer as no expenses occurs till the actual construction has begun and eliminates the initial cash outflow for land acquisition thereby improving the profitability of the project. DB Realty has undertaken Orchid Crown and Orchid Ozone under this format.

Orchid Ozone:

Orchid Ozone, spread over 17 acres between Mumbai & Thane region, is designed to provide affordable housing to the residents. Conceptualized by Hafeez contractor, Orchid Ozone offers its residents a view of urban life at one end & scenic hills of national park at the other. The residential complex is in near proximity to a shopping mall thereby making life easier for the residents. The project offers flats in the range of 1 BHK, 1 ½ BHK, & 2 BHK.



Structure:

28 buildings consisting of GR Floor, 2 Service Floor and (19/20) Residential floor

Amenities:

- Recreation Garden
- Pool
- Kids Play Area
- Senior Citizens Plaza
- Amphitheatre

Site Progress Photos:



December 2010



August 2011

Development through Slum Rehabilitation/ TDR Schemes:

Around 50% per cent of the total population in Greater Mumbai is staying in hutment or slum colonies. A huge opportunity lies in developing these slums through Slum Rehabilitation scheme and in lieu of such development additional FSI (FSI up to to 4)/ Transferable Development Rights (TDRs) are granted by the Government. These TDRs are highly liquid and can be sold in the market or can be used in other existing projects of the company to construct and sell more built up area.

Mahul Project:

D B Realty Ltd is having an ongoing TDR generating SRA project on a plain parcel of land in Mahul, Chembur. It is a mass housing project for the government to rehabilitate PAP (Project affected people). Mahul project will provide shelter to 17,205 families to live with dignity in a clean and hygienic environment with all necessary infrastructures.

Structure:

- The project consists of 69 Residential buildings (G+7/8) & 2 community centers

Amenities:

- Comfortable Living space for slum dwellers
- Power Lifts
- Play ground for children

Site Progress Photos:



December 2010



June 2011

Development through Urban Redevelopment Scheme:

There are 19,642 cessed buildings in Mumbai City district. Due to the Rent Control Act restrictions against raising the monthly rent, the landlord did not take the initiative to maintain the buildings for several years. This has resulted in the deterioration of these buildings. To encourage rehabilitation of such buildings, Government of Maharashtra allows additional Floor Space Index (FSI) area to developers who undertake the redevelopment of such dilapidated buildings. Under this arrangement, the developer redevelops the old structure and provides rehabilitation to the occupiers of such property free of cost and the developer gets to sell the extra area as part of compensation. Our Orchid Turf View is a project executed under such Urban Renewal Scheme.

Orchid Turf View:

Orchid Turf View is probably the most sought after destination of the rich and the famous. Standing tall at an imposing 70 storeys in south Mumbai's prime location of Mahalaxmi, this striking building offers its residents an uninterrupted view of the Race course & Arabian Sea.



Structure:

Basement, Ground Floor, Podium and 60+ floors

Amenities:

- Private Swimming pool
- Private Elevator, Concierge & Butler Service
- Landscape Gardens
- 8 level car park

Site Progress Photos:



December 2010



August 2011

FINANCIAL OVERVIEW FOR YEAR ENDED MARCH 31, 2011

Profit and Loss Account Review:

The following table gives our consolidated results of operations for the year ended March 31, 2011:

	Year Ended March 31, 2011 Rs. in Million	Year Ended March 31, 2010 Rs. in Million	Increase/ (Decrease)	% Change
Income	13,272	9,803	3,469	35
Expenditure	9,866	6,678	3,188	48
Profit after tax	3,406	3,125	281	9
Provision for tax	(385)	(413)	28	(7)
Minority Interest & share of loss in associates	(34)	(192)	158	(82)
Profit after tax and minority interest	2,987	2,520	467	19

Income Analysis:

The table gives a break-down of revenue recognized during the year ended March 31, 2011:

	Year Ended March 31, 2011 Rs. in Million	Year Ended March 31, 2010 Rs. in Million	Increase/ (Decrease)	% Change
Sale of Properties	5,545	4,145	1,400	34
Sale of TDR's	7,142	5,367	1,775	33
Other Income	585	291	294	101
TOTAL	13,272	9,803	3,469	35

The table below gives details of Project-wise revenues recognized during the year ended March 31, 2011:

	Year Ended March 31, 2011 Rs. in Million	Year Ended March 31, 2010 Rs. in Million	Increase/ (Decrease)	% Change
Orchid Ozone	1,647	2,571	(924)	(36)
Orchid Woods	2,898	1,574	1,324	84
Orchid Suburbia*	1,000	-	1,000	-
TOTAL	5,545	4,145	1,400	34

The pace of construction has increased across our Orchid Woods (Goregaon), Orchid Suburbia (Kandivali) as well as Orchid Ozone (Dahisar) projects, which had a positive impact on revenue recognition during the year. However in Orchid Ozone the negative growth in revenue recognition was on account of upward revision of originally envisaged Project cost, which increased from Rs. 6,250 Million to Rs. 8,170 Million. TDR sales on a consolidated basis rose 33 per cent from Rs. 5,367 Million to Rs. 7,142 Million on the back of higher demand from Real Estate players across the city.

*Orchid Suburbia reached revenue recognition threshold in the current financial year.

Other Income:

Other income increased from Rs. 291 Million to Rs. 585 Million in the current financial year, an increase of Rs. 294 Million. This was primarily on account of increase in dividend income from mutual funds by Rs. 138 Million, interest income by Rs. 128 Million and profit on sale of Current investments of Rs. 28 Million.

D B REALTY LIMITED
(Annual Report 2010-11)

Expenditure analysis:

	Year Ended March 31, 2011 Rs. in Million	Year Ended March 31, 2010 Rs. in Million	Increase/ (Decrease)	% Change
Proportionate Project Expenses booked during the year	7,988	5,470	2,518	46
Establishment Expenses	1,154	387	767	198
Interest and Finance charges	654	726	(72)	(10)
Depreciation	70	95	(25)	(26)
TOTAL	9,866	6,678	3,188	48

Project Expenses booked during the year:

	Year Ended March 31, 2011 Rs. in Million	Year Ended March 31, 2010 Rs. in Million	Increase/ (Decrease)	% Change
Land\Tenancy Acquisition	2,260	2,929	(669)	(23)
Construction Cost and TDR purchased	11,965	4,764	7,201	115
Personnel Cost	200	111	89	80
Less: Increase in Closing Stock	(6,437)	(2,334)	(4,103)	176
TOTAL	7,988	5,470	2,518	46

Land\Tenancy Acquisition:

The company has consciously slowed down new acquisition of land in order to conserve liquidity and to maintain and fund the ongoing projects, so as to enable completion as per schedule.

Construction Cost and TDR purchased:

Construction costs have been higher on account of increase in pace of the construction activity as well as rise in basic commodity prices like steel and cement. Further, proportionate expenditure to the tune of about Rs. 900 Million pertaining to our Orchid Suburbia project has been booked in the Profit and Loss Statement from the current financial year onwards, corresponding to revenue recognized in the current year. Further, we had purchased about 1.1 Million Sq. Feet of TDR for consumption in our Bandra Govt. Colony project. However, since actual consumption of the TDR's has been deferred due to delay in actual project implementation, the company has started to sell its stock in order to generate cash which has been useful in tiding over current tight liquidity conditions affecting the sector.

Personnel Costs:

Personnel costs have gone up primarily due to the increments in salary over the previous year and the steady ramp up of manpower on the projects. The induction of top professionals at leadership positions to strengthen the management teams across various functions like Business Strategy, Finance, Project Execution, Design and Architecture has also added to the personnel costs.

Establishment Expense:

The following table gives broad expense heads which form part of Establishment expenditure.

	Year Ended March 31, 2011 Rs. in Million	Year Ended March 31, 2010 Rs. in Million	Increase/ (Decrease)	% Change
Employee Costs	174	53	121	228
Marketing Costs	271	104	167	161
Aircraft Hire Charges	184	8	176	2200
Commision and Brokerage	88	36	52	144
Other Expenses	437	186	251	135
TOTAL	1,154	387	767	198

Employee Costs have risen on account of scaling up of our operations coupled with strengthening of top management team across functions. The number of employees has gone up from 417 to 615. The increase in Marketing cost was primarily to create higher visibility for Brand DB in all forms of media, viz. electronic, print, hoardings etc. The Aircraft Hire Charges represent travelling cost of Directors and Senior Management Personnel in India and abroad for meeting private equity investors, meeting technical personnel abroad which the company intends to recruit, meeting bankers for arranging funds, reviewing various types of innovative interior designing and architectural concepts abroad, inspecting alternative sources for finer quality inputs for our high-end luxury products etc. Other expenses have gone up primarily on account of provision of Rs. 150 Million for settlement of claim of tenants, and higher administrative expenses and legal and professional fee.

Interest Cost:

Interest Cost has gone down by 10% from Rs. 726 Million to Rs. 654 Million in the current financial year, since the company has taken steps to reduce debt and de-leverage itself. Our Secured Loans have gone down by Rs. 963 Million in the current financial year primarily due to prepayment of certain loans.

Depreciation:

There is a fall in depreciation charge by Rs. 25 Million as compared to previous year, mainly on account of lower depreciation provided on Buildings to the tune of Rs. 35 Million as compared to previous year. Depreciation on other assets, mainly Vehicles and Leasehold improvements was higher by about Rs. 10 million on account of additions to Gross Block.

Balance Sheet Review:

	As at March 31, 2011	As at March 31, 2010
SOURCES OF FUNDS	Rs. in Million	Rs. in Million
Share Capital	2,433	2,433
Reserves and Surplus	30,549	28,054
Minority Interest	786	745
Secured Loans	3,596	4,559
Unsecured Loans	1,059	1,389
TOTAL	38,423	37,180

APPLICATION OF FUNDS	Rs. in Million	Rs. in Million
Fixed Assets & Work-in Progress	681	219
Goodwill on Consolidation	992	-
Investments	2,213	8,941
Net Current Assets	34,537	28,020
TOTAL	38,423	37,180

Shareholder's Funds:

The Shareholder's funds represented by Share Capital and Reserves and Surplus increased by Rs. 2,495 Million from Rs. 30,487 to Rs. 32,982 in the current financial year. This was on account of Net profit of Rs. 2,987 Million in the current financial year. Capital Reserve on consolidation of Rs. 492 Million got converted into Goodwill on consolidation of Rs. 992 Million on account of additional investments made in our associate and subsidiary companies. Investments made by the company in the current financial year in its associates and subsidiaries are strategic in nature and will have yield significant benefits over the long term to our stakeholders.

Loan Funds:

Secured Loans have come down by Rs. 963 Million from Rs. 4,559 Million to Rs. 3,596 Million as part of our strategy to reduce leverage and rely on internal accruals and fund flows. The Debt-Equity Ratio on a consolidated basis stands at 0.11, making D B Realty one of the lowest levered companies in the Real Estate sector. Unsecured loans mainly comprising of ICD's and loans from shareholders of subsidiary companies, reduced by Rs. 330 Million from Rs. 1,389 Million to Rs. 1,059 Million.

Fixed Assets & Work-in Progress:

	As at March 31, 2011 Rs. in Million	As at March 31, 2010 Rs. in Million
Gross Block	453	310
Depreciation	(199)	(128)
Net Block	254	182
Work-in-Progress	427	37
TOTAL	681	219

Gross block increased by Rs. 143 Million mainly on account of additions to Building to the tune of Rs. 59 Million and to Vehicles to tune of Rs. 60 Million. Balance increase is on account of purchase of Computers, Furniture and Fixtures, Office Equipment, and Plant and Machinery. WIP increase by Rs. 390 Million in mainly on account of construction of Sales Pavilion at our project sites at Jacob Circle (Orchid Heights) and Prabhadevi (Orchid Crown) and setting up of new office space in Mumbai and Pune.

Investments:

	As at March 31, 2011 Rs. in Million	As at March 31, 2010 Rs. in Million
In Associate Companies	1,040	1
Current Investments	1,113	8,938
Other Investments	60	2
TOTAL	2,213	8,941

Investments in associate companies primarily represent strategic investment made in our associate companies Mahal Pictures Private Limited (MPPL) and DB Hotels (India) Pvt Ltd (DBHIPL). MPPL holds about 58 acres of land along the Jogeshwari-Vikhroli Link Road, which the company intends to develop over a period of next 5 to 7 years. DBHIPL is executing a 1044 key hotel property on a 7.7 Acre land parcel situated adjacent to Delhi International Airport.

During the course of current financial year, we have liquidated major part of current investments in mutual funds (to tune of Rs. 7,825 Million) and the same have been redeployed in execution of our projects.

Net Current Assets:

Net current assets have increased by 23% in the current financial year. Inventories rose 50% from Rs. 13,195 Million to Rs. 19,780 Million. Loans and advances rose 21% from Rs. 18,552 Million to Rs. 22,420 Million. Sundry Debtors increased by 51% from Rs. 3,058 Million to Rs. 4,605 Million. Together, this represented an increase of Rs. 12,000 Million which was funded by combination of internal accruals, liquidation of current investments in liquid mutual funds and advance from customers.

Advance from customers on sale of flats rose by Rs. 4,865 Million from Rs. 3,100 Million to Rs. 7,965 Million, a jump of 157%. This was on account of strong sales collections during the year.

INTERNAL CONTROL SYSTEMS:

Adequate internal control systems are in place to provide assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations.

The Company had appointed M/s. Aneja Associates to examine the adequacy of and compliance with policies, plans & statutory requirements. The internal audit function is also responsible for assessing & improving the effectiveness of the internal control function. The Audit Committee and the Board of Directors review the internal audit reports as well as action taken on the matters reported.

OUTLOOK GOING FORWARD:

Uncertainties surrounding the world economy and slowdown in Indian economy over the past few months have resulted in a negative bias for the real estate sector. High Inflationary conditions have forced RBI to increase the repo and reverse repo rate to tackle inflation. Since March 2010, RBI has raised interest rate 11 times resulting in higher EMI's for potential homeowners and thereby impacting sales.

In late 2010, RBI had lowered the Loan To Value (LTV) to 80% from 90%. This led to a 100% increase in margin requirement from an individual homeowner. This has discouraged many home buyers with limited savings from buying a property. Banks have also ended their dual rate schemes (part fixed and part floating); this has resulted in higher EMIs compared to just a year ago. These factors, coupled with higher prices, have adversely affected buyer's affordability and they are waiting on the sidelines with the anticipation of a major price correction.

We do not anticipate any sharp price correction in Mumbai. With many developers having bought land at sky high prices, reducing prices will severely dent their profit margins. Also, cost of steel, cement, bricks and labor, which nearly account for 40-50% of the total project cost, have increased significantly in the last 3-4 years and, therefore, restrain developers from reducing prices beyond a certain point. Higher regulatory oversight has resulted in delay in fresh approvals; this will lead to fewer new launches, low supply and consequently to no significant price correction.

In the past few years, most of the recent new launches have largely been in super-luxury/ultra-premium segments. Demand for mid-income and affordable housing was ignored. With the potential homeowners not able to afford the premium apartments anymore, in our opinion, we shall see a trend reversal towards mid-income segment and affordable housing to cash in on the pent-up demand in these segments. DB Realty has a distinct advantage over other players in these segments. Roughly, 75% of its residential supply is in affordable or mid-income segments, of this 56% of the supply in affordable segment and 19% in mid-income segment. So we believe we are rightly placed for the next phase of business cycle in the Mumbai real estate sector. Also, only around 25% of our upcoming residential supply is in super-luxury/ultra-premium segments, thereby reducing the risk of offloading these apartments at fire sale prices even if these segments do not rebound in near future.

Mumbai, due to its geography and dense population, has limited free land. But, the presence of cessed and dilapidated buildings, chawls and slums has indicated that Urban Redevelopment Scheme (URS) and Slum Rehabilitation Scheme (SRS) are future of Mumbai's real estate development. DB Realty has tapped this opportunity by already having its significant presence in Urban Redevelopment and making foray into Slum Rehabilitation. Pursuing development through Urban Rehabilitation Scheme & Slum Rehabilitation Scheme, along with tapping opportunistic micro-markets will be the key success factors in real estate going forward and we believe DB Realty is rightly placed to capitalize on the same.

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, and prognosis of your Directors and Management of DBR. 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 2010-2011 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, 2011:

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

During the Financial Year ended 31st March, 2011:

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. During the year under review, the strength of the Board of Directors was nine, out of which three were Independent Directors. The Chairman was a Non-Executive Director. The Composition of the Board and category of Directors were as follows:

No.	Name of the Director	Category
1	Mr. Karunchandra A. Srivastava, Chairman@	Non-Executive, Independent Director
2	Mr. Vinod K. Goenka, Managing Director	Executive Director (Promoter)
3	Mr. Shahid Balwa, Managing Director ^	Executive Director till 8.2.2011(Promoter)
4	Mr. Shahzaad S. Dalal, (Nominee Director of IIRF Holdings VI Limited)\$	Non-Executive, Non - Independent Director (upto 30.10.2010) Non Executive Independent Director (from 1.11.2010 till 31.1.2011)
5	Mr. Mahesh M. Gandhi, (Nominee Director of Trinity Capital (Eleven) Limited)#	Non-Executive, Non-Independent Director (upto 30.10.2010) Non-Executive Independent Director (from 1.11.2010 till date)
6	Mr. Pravin B. Rathod, (Alternate Director to Mr. Mahesh M. Gandhi) &	Non-Executive, Non-Independent Director (upto 30.10.2010)
7	Mr. Sundaram V. Rajagopal**, (Nominee of Bollywood Mauritius Holdings, Mauritius)	Non-Executive, Non-Independent Director (upto 30.10.2010) Non-Executive Independent Director (from 1.11.2010 till 20.3.2011)
8	Mr. Michael B. McCook***	Non-Executive, Independent Director
9	Mr. Chandan Bhattacharya^^	Non-Executive, Independent Director (till 17.2.2011)

@ Mr. Karunchandra A. Srivastava resigned as Director w.e.f. 17.5.2011.

^ Resigned as Managing Director and also as Director w.e.f. 9.2.2011.

\$ Ceased to be Nominee of IIRF Holdings VI Limited on 30.10.2010 and appointed as Additional Director w.e.f. 1.11.2010 and resigned as Director w.e.f. 1.2.2011.

Ceased to be Nominee Director of Trinity Capital (Eleven) Limited on 30.10.2010 and appointed as Additional Director w.e.f. 1.11.2010.

& Ceased to be Alternate Director w.e.f. 30.10.2010.

** Ceased to be Nominee of Bollywood Mauritius Holdings, Mauritius on 30.10.2010 and appointed as Additional Director

w.e.f. 1.11.2010 and resigned as Director w.e.f. 21.3.2011.

*** Resigned as Director w.e.f. 21.4.2011.

^^ Resigned as Director w.e.f. 18.2.2011.

Subsequent to the Financial Year ended 31st March, 2011:

The present composition of the Board of Directors of the Company, taking into account of the resignation and appointment during and subsequent to 31st March, 2011 and as on the date of this Report is as under :

No.	Name of the Director	Category
1.	Mr. Vinod K. Goenka	Managing Director (Promoter)
2.	Mr. Mahesh M. Gandhi	Non-Executive, Independent Director
3.	Mr. K. M. Goenka \$	Non-Executive and Non-independent Chairman(Promoter Group)
4.	Mr. Usman Balwa @	Non-Executive and Non-independent Director (Promoter Group)
5.	Mr. N.M. Rafique **	Non-Executive, Independent Director
6.	Mr. Janak Desai **	Non-Executive, Independent Director
7.	Mr. Jagat Killawala **	Non-Executive, Independent Director

\$ Appointed as Additional Director on 21.4.2011 and as Chairman w.e.f. 17.5.2011.

@ Appointed as an Additional Director w.e.f. 21.4.2011.

** Appointed as Additional Director w.e.f. 17.5.2011.

The Board of Directors of the Company met 8 times during the Financial Year 2010–2011, and the dates of the said meetings were viz. 12th May, 2010, 28th July, 2010, 29th September, 2010, 30th October, 2010, 06th December, 2010, 31st January, 2011, 10th February, 2011 and 17th March, 2011. The interval between any two meetings was not more than four calendar months.

The Composition, category of Directors, Attendance at Meetings, Directorships and Committee Memberships in other companies as on 31st March, 2011 is as under:

Name	Category	Attendance Particulars			No. of other Directorships and Committee Memberships / Chairmanships including DBRL		
		Number of Board Meetings		Last AGM	^^ Other Directorship	^^ Committee Chairmanship	^^ Committee Membership
		Held	Attended				
Mr. Karunchandra A. Srivastava@	NED & ID* Chairman	8	8	Yes	5	1	4
Mr. Vinod K. Goenka	ED** Managing Director	8	8	Yes	7	Nil	3
Mr. Shahid U. Balwa^	ED** Managing Director	6	6	Yes	4	Nil	1
Mr. Shahzaad S. Dalal+ @	NE & ID*	6	3	No	13	3	5
Mr. Mahesh M. Gandhi+	NE & ID*	8	8	Yes	3	1	3
Mr. Pravin B. Rathod\$	NE & NID*	8	0	No	1	Nil	Nil
Mr. Sundaram V. Rajagopal+ @	NE & ID*	8	3	No	1	0	0
Mr. Michael B. McCook@	NE & ID*	8	3	Yes	2	0	0
Mr. Chandan Bhattacharya@	NE & ID*	7	7	Yes	6	5	1

1] * Non-Executive & Independent Director

2] ** Executive Director

3] ^ Resigned as a Director and Managing Director w.e.f. 9.2.2011.

4] + Ceased as Nominee Directors (Non-Executive and Non-Independent) w.e.f. 30.10.2010 and appointed as Additional Directors (Non-Executive and Independent) w.e.f. 1.11.2010.

- 5] \$ Mr. Pravin Rathod, an Alternate Director to Mr. Mahesh Gandhi, both nominated by Trinity Capital (Eleven) Limited, ceased to be an Alternate Director on cessation of nomination of Directorship of Mr. Mahesh Gandhi on 30.10.2010.
- 6] @ Resigned as a Director - (During the year) : Mr. Shahzaad S. Dalal w.e.f. 1.2.2011, Mr. Chandan Bhattacharya w.e.f. 18.2.2011 and Mr. Sundaram V. Rajagopal w.e.f. 21.3.2011.
- 7] @ Resigned as a Director - (Subsequent to the year) : Mr. Michael B. McCook w.e.f. 21.4.2011 and Mr. Karunchandra Srivastava w.e.f. 17.5.2011.
- 8] ^ Information is provided as per earlier year disclosure for Directors resigned before 31.3.2011.

Notes:

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

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

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

B] Non-Executive Directors' Compensation Disclosures

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

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

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

C] Code of Conduct

The Company has laid down a Code of Conduct for all its board members and senior management personnel for avoidance of conflicts of interest and ensuring the highest standard of honesty, dedication and professionalism in carrying out their functional responsibilities. The Company's Code of Conduct is in consonance with the requirements of Clause 49 of the Listing Agreement. The Code of Conduct is posted on the Company's website www.dbrealty.co.in. 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, 2011 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

K.M. Goenka
Chairman

III. Audit Committee

Constitution of Audit Committee (During the Year 2010-11) :

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. Audit Committee comprised Mr. Chandan Bhattacharya, Chairman, Mr. Karunchandra A. Srivastava, Member and Mr. Shahid Balwa, Member. All except Mr. Shahid Balwa were Non Executive Directors of the Company. Mr. S.A.K. Narayanan, Company Secretary, acted as the Secretary to the Committee. Mr. Shahid Balwa resigned from the Board w.e.f. 9.2.2011. Mr. Chandan Bhattacharya resigned from the Board w.e.f.18.2.2011. Mr. Karunchandra Srivastava resigned subsequent to the close of the financial year w.e.f. 17.5.2011. The Audit Committee as on the date of this Report is consisting of Mr. Mahesh Gandhi, (Chairman), Mr. N. M. Rafique and Mr. Janak Desai. Mr. K. M. Goenka and Mr. Usman Balwa are the invitees.

Mr. Chandan Bhattacharya, (Chairman of the Audit Committee, till 17th February, 2011) has over 37 years of experience with State Bank of India, where he worked in various capacities and retired as Managing Director. He has experience in matters

relating to banking operations – commercial and retail, capital markets, merchant banking, mutual funds and factoring apart from insurance business and securities market. Subsequently he was associated with SEBI Appellate Tribunal as member between 2005 and 2008. He has also been associated as member, managing committee of IBA from 2003 to 2005, member, executive committee of FICCI from 2003 to 2005 and chairman, banking and finance committee of ASSOCHAM from 2003 to 2005. Consequent to his resignation as a Director of the Company, Mr. Chandan Bhattacharya ceased to be Chairman and member of the Audit Committee w.e.f. 18.2.2011.

All the members of the Audit Committee are financially literate. Mr. Karunchandra A Srivastava holds Masters degree in Arts from Lucknow university and holds Diploma in Systems Management from Jamnalal Bajaj Institute of Management Studies, Mumbai and Diploma in Development Administration from Birmingham University, United Kingdom.

Mr. Karunchandra Srivastava (Member of the Audit Committee till 17th May, 2011) has over 38 years of experience in administrative services in various capacities including Municipal Commissioner, Municipal Corporation of Greater Mumbai, Chairman of Second Maharashtra Finance Commission, Additional Chief Secretary of Government of Maharashtra, Joint Development Commissioner of Small Scale Industries, Government of India, Land and Development Officer, Ministry of Works & Housing, Government of India. Mr. Karunchandra A Srivastava holds Masters degree in Arts from Lucknow university and holds Diploma in Systems Management from Jamnalal Bajaj Institute of Management Studies, Mumbai and Diploma in Development Administration from Birmingham University, United Kingdom. Consequent to his resignation as Director of the Company w.e.f. 17.5.2011, Mr. Karunchandra Srivastava has ceased to be member of the Audit Committee.

Mr. Shahid Balwa (M D and Member of the Audit Committee till 8th February, 2011) has more than a decade of experience in hospitality and construction industry. He led the family's business foray into hospitality by taking charge of construction, implementation and operation of the five star deluxe hotel, Le Royal Meridian, Mumbai. The hotel won several international awards including the Five Star Diamond Award from American Academy Hospitality Sciences in the year 2006 and 2007 and the Best Luxury Hotel of the year 2006 from Hospitality India. He has contributed to the group's expansion and growth in construction of several buildings and acquisition of properties. He contributed to the group's foray into the conceptualization of five star deluxe Hyatt Hotel at Marine Lines, Mumbai. He is also the Member of Young President Organization (YPO). Consequent to his resignation as Managing Director and also as Director of the Company w.e.f. 9.2.2011, Mr. Shahid Balwa ceased to be a member of the Audit Committee.

Constitution of the Audit Committee (w.e.f. 17.3.2011 and Subsequent to the Year 2010-11, as on the date of the Report):

The Audit Committee was reconstituted w.e.f. 17.3.2011 after the resignation of Mr. Chandan Bhattacharya as Director and *ipso facto* as Chairman of the Audit Committee. The reconstituted Committee comprised of Mr. Mahesh Gandhi, as Chairman, Mr. Karunchandra A Srivastava and Mr. Vinod Goenka. With the resignation of Mr. Karunchandra A Srivastava as Director and also as member of the Audit Committee and the appointment of additional Independent Directors w.e.f. 17.5.2011, the Audit Committee was again reconstituted on 17.5.2011, with Mr. Mahesh Gandhi continuing as Chairman of the Committee and the other independent members being Mr. Janak Desai and Mr. N. M. Rafique. Mr. Usman Balwa and Mr. K. M. Goenka are the invitees to the Meetings of the Audit Committee, Mr. S A K Narayanan, Company Secretary, acts as the Secretary to the Committee.

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

Mr. Janak Desai has over five 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.

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

Mr. K. M. Goenka has been in the real estate business since 1980 and built large housing projects in Gokuldham, Yashodham, in Goregaon and Vasant Vihar in Thane as also Shrushti in Mira Road besides many other smaller projects. He has also been associated with manufacturing of Dairy and Milk Products and also manufacture and export of jewellery. He has been the Chairman of dairy business run by Schreiber Dynamix Dairies Ltd. in Baramati which has been manufacturing branded milk products, juice etc for several well known companies and also marketing few products in their own name.

Mr. Usman Balwa has been engaged in the Hospitality business for several decades and also diversified into real estate in recent years.

All the members of the Audit Committee are financially literate. All the members of the Audit Committee are Non-executive Independent Directors.

Meetings of Audit Committee during 2010-2011

The Audit Committee met Four times during the Financial Year 2010-2011, i.e., on 12th May, 2010, 28th July, 2010, 30th October 2010 and 31st January, 2011. The Internal Auditors and 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. Chandan Bhattacharya	4	4
Mr. Karunchandra A. Srivastava	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.

Terms of Reference:

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

Review of Information by Audit Committee:

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

IV. Remuneration Committee

The Board had constituted a Remuneration Committee on 14th September, 2009 with three directors namely Mr. Karunchandra A. Srivastava, Mr. Shahzaad Dalal and Mr. Chandan Bhattacharya. The remuneration Committee has been constituted to recommend/review the remuneration and increments of Executive Directors of the Company based on their performance and defined assessment criteria. Consequent to the resignation of Mr. Shahzaad Dalal, Mr. Chandan Bhattacharya and Mr. Karunchandra A. Srivastava, from the Board of Directors, the Remuneration was re-constituted w.e.f. 17.5.2011 and the present members of the Remuneration Committee are Mr. Mahesh Gandhi, Mr. K.M.Goenka, Mr.Usman Balwa and Mr.Jagat Killawala

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 & Shareholders/Investors Grievances Committee (during 2010-2011):

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

Shareholders/Investors Grievances Committee comprised of Mr. Karunchandra A Srivastava, Mr. Vinod Goenka and Mr. Chandan Bhattacharya. The Committee is mainly responsible to look into the redressal of all shareholders and investors complaints. The

Committee has received the details of complaints in the nature of Non-receipt of Refund/shares etc received from the Registrar to the issue and Share Transfer Agents from the closure of the IPO till 31st March, 2011, which were replied by the Registrar and Share Transfer Agent.

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

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

The Committee met 3 times during the financial Year 2010 – 2011, viz., 11th August, 2010 30th October, 2010 and 31st January, 2011.

Name of Member	Share Transfer Committee and Shareholders/Investors Grievances Committee meetings	
	Held	Attended
Mr. Karunchandra A Srivastava	3	3
Mr. Vinod Goenka	3	3
Mr. Chandan Bhattacharya	3	3

Constitution of Share Transfer Committee and Shareholders/Investors Grievances Committee (Subsequent to the Year 2010-11, as on the date of the Report) :

The Share Transfer Committee and Shareholders/Investors Grievances Committee has been reconstituted on 17th March, 2011 and 17th May, 2011, subsequent to the resignation of the members of the Share Transfer Committee and Shareholders/Investors Grievances Committee. The present members of the Committee are as follows :

Name of Member	Date of Appointment
Mr K. M. Goenka (Chairman)	17.5.2011
Mr. Usman Balwa	17.5.2011
Mr. Jagat Killawala	17.5.2011
Mr. Janak Desai	17.5.2011

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	: 01
No. of requests/complaints received during the year	: 18
No. of requests/complaints resolved	: 19
No. of requests/complaints pending	: Nil

VI. Finance Committee:

The Finance Committee comprised of Mr. Sundaram Rajagopal, Mr. Vinod Goenka and Mr. Shahid Balwa. The Committee met 7 times during the financial Year 2010 – 2011, viz., 12th April, 2010, 22nd May, 2010, 16th July, 2010, 19th August, 2010, 04th September, 2010, 12th November, 2010 and 10th January, 2011. This Committee was renamed as Finance & Investment Committee and was reconstituted on 17th March, 2011 with Mr. Vinod Goenka, Mr. Mahesh Gandhi, Mr. Sundaram Rajagopal and Mr. Michael McCook as members. This Committee held a meeting on 26th March, 2011. The details of the Committee meetings are as under:

Name of Member	Finance/Investment Committee meetings	
	Held	Attended
Mr. Sundaram Rajagopal	7	7
Mr. Vinod Goenka	8	8
Mr. Shahid Balwa	7	7
Mr. Mahesh Gandhi	1	1
Mr. Michael McCook	1	0

Constitution of Finance & Investment Committee (Subsequent to the Year 2010-11, as on the date of the Report):

The Finance & Investment Committee has been reconstituted on 17th May, 2011 subsequent to the resignation of the members of the Finance Committee. The present members of the Finance & Investment Committee are as follows:

Name of Member	Date of Appointment
Mr. K. M. Goenka (Chairman)	17.5.2011
Mr. Mahesh Gandhi (Director)	17.3.2011
Mr. Usman Balwa (Director)	17.5.2011
Mr. N. Shridhar (Group Director - Strategy & Finance)	17.5.2011

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

Name of Director	Category	Sitting Fees (Rs.)	Remuneration paid during 2010-2011	
			Salary & perquisites (Rs.)	Total (Rs.)
Mr. Karunchandra A. Srivastava	NED & ID* Chairman	3,00,000	Nil	3,00,000
Mr. Vinod K. Goenka @	ED** Managing Director	Nil	2,37,45,726	2,37,45,726
Mr. Shahid U. Balwa	ED** Managing Director (upto 8.2.2011)	Nil	1,22,14,445	1,22,14,445
Mr. Shahzaad S. Dalal	NE& ID*(ID from 1.11. 2010)	60,000	Nil	60,000
Mr. Mahesh M. Gandhi	NE& ID*(ID from 1.11. 2010)	1,80,000	Nil	1,80,000
Mr. Pravin B. Rathod	NE & NID***	Nil	Nil	Nil
Mr. Sundaram V. Rajagopal	NE & ID*(ID from 1.11. 2010)	2,00,000	Nil	2,00,000
Mr. Michael B. McCook	NE & ID*	60,000	Nil	60,000
Mr. Chandan Bhattacharya	NE & ID*	2,80,000	Nil	2,80,000

* Non-Executive & Independent Director

** Executive Director

*** Non-Executive & Non Independent Director

@ includes Rs.90,00,000 paid by a subsidiary

Subsidiary Monitoring framework

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

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

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

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

VI. 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
2009-10	Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra East, Mumbai – 400 051	29 th September, 2010	03.00 P. M.
2008-09	DB House, Gen A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063	15 th September, 2009	11.00 A.M.
2007-08	DB House, Gen A. K. Vaidya Marg, Goregaon (East), Mumbai – 400 063	30 th September, 2008	11.00 A.M.

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

Year & Date	Type of Meeting	Brief particulars of the Special Resolutions passed	
2009-10 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, The 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.
2008-09 15-09-2009	3 rd Annual General Meeting	1.	Conversion of Existing Convertible Cumulative Preference Share Capital into Equity Shares pursuant to Section 95, 97, 81 (1A) of Companies Act, 1956.
		2.	Issue of 9,37,500 Equity Shares of Rs. 10/- each at premium of Rs. 5,590 per Equity Share to Walkinson Investments Limited on Conversion 9,37,500 Compulsorily Convertible Debentures of Rs. 5,600/- each pursuant to Section 81 (1A) of the Companies Act, 1956.
		3.	To offer / issue / allot Equity Shares of Face value of Rs. 10/- each for not exceeding Rs. 2500 Crores through Initial Public offer (IPO) pursuant to Section 81 (1A) and other applicable provisions of the Companies Act, 1956.
		4.	To make Investments, Loan, Guarantee and Security exceeding the limits prescribed under Section 372A of the Companies Act, 1956.
2007-08 30-09-2008	2 nd Annual General Meeting	1.	Appointment of Mr. Vinod Goenka as Executive Chairman pursuant to applicable provisions of the Companies Act, 1956.
		2.	Appointment of Mr. Shahid Balwa as Managing Director pursuant to the applicable provisions of the Companies Act, 1956.
		3.	Approval and confirmation of Mr. Asif Balwa as Whole-time Director pursuant to the applicable provisions of the Companies Act, 1956.
		4.	Approve Payment to Non-Executive Directors pursuant to Section 309(4) of the Companies Act, 1956.

Resolution passed through Postal Ballot:

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

VII. 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. Inadvertent non-compliance of procedures, if any, were acted upon and complied with. 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 the Annual Report.

VIII. 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..

IX. General Shareholders Information:

Details of Directors retiring by rotation

1. Mr. Vinod K. Goenka

Mr. Vinod K. Goenka, aged 52 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 23 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 3,61,78,218 shares of D B Realty Limited as on 31st March, 2011.

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

1. Mr. Mahesh Gandhi
2. Mr. Usman Balwa
3. Mr. K. M. Goenka
4. Mr. Jagat Killawala
5. Mr. Janak Desai
6. Mr. Nasir M. Rafique

1. Mr. Mahesh Gandhi:

Mr. Mahesh M. Gandhi, aged 58 years, is a Non-Executive Director of our Company. He has been on the Board of our Company since April 26, 2007. He was the nominee of a financial investor till 30.10.2010. On expiry of the Shareholders agreement with the Financial Investor, he was appointed as an Additional Director (Independent and Non-executive Director) w.e.f. 1.11.2010, to hold office upto the date of the ensuing Annual General Meeting. Mr. Mahesh Gandhi holds a Bachelors degree in Science from University of Gujarat, a Masters degree in Financial Management from Jammalal 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. Mahesh Gandhi has more than 30 years of experience in investments, originating, structuring and advising, management of public and private Equity investments across all leading business segments & for the last few years focused around real estate, infrastructure transactions, hotels and hospitality, and Agri Projects. He has been instrumental in advising Trikona Capital Advisors, managers to Trinity Capital, was responsible for deal sourcing, structuring and providing overall leadership to Trikona Capital. Under his leadership, Trikona Capital has invested in assets, creating a value in excess of \$5 billion across real estate, infrastructure, hospitality, retail and industrial developments. He has served on several Boards of large enterprises. He has 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. 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, 2011.

2. Mr. K. M. Goenka:

Mr. K. M. Goenka aged 74 years has been in the Business of real estate development and construction since 1980 and has built large housing projects in Goregaon viz. Gokuldharm, Yashodham Thane (Vasant Vihar), Mahavir Nagar (Kandivali) and also in Mira Road. He has also established large manufacturing and processing facilities of Dairy Products in Baramati and also jewellery manufacturing and export facilities. In the recent years, he has been engaged in the social welfare activities of running several schools and also a medical centre established by the Charitable trusts which were created for these purposes simultaneously with his other business activities. He has been appointed as Additional Director (Non Executive Non-independent Director) by the Board of Directors at the meeting held on 21st April, 2011 and also as Chairman of the Board of Directors w.e.f. 17.5.2011. As Additional Director, he holds office upto the date of the ensuing Annual Genertal Meeting. The details of directorship, chairmanship and membership of Mr. K. M. Goenka are appearing elsewhere in this Report. Mr. K. M. Goenka does not hold any share in D B Realty Limited as on 31st March, 2011.

3. Mr. Usman Balwa:

Mr. Usman Balwa, aged 57 years is an additional director (Non-Executive Non-independent Director) on the Board of D B Realty Limited, w.e.f. 21.4.2011. Mr. Usman Balwa has over 35 years of experience in hospitality and construction industry. He forayed into the hospitality business in the late 1980s with the launch of his first hotel in Ahmedabad. Since then, there has been no turning back. His vision and foresight saw him take the hotel to new heights and venture into new markets by taking charge of construction and operation of the three-star Hotel Balwas International, Mumbai. He was instrumental in the group's expansion and growth and saw the group's foray into the construction of several landmark properties in the hospitality sector.

Mr. Usman Balwa also played a key role in the conceptualization of the upcoming five star deluxe Hyatt Hotel at Mumbai.

As Additional Director, he holds office upto the date of the ensuing Annual General Meeting. The details of directorship, chairmanship and membership of Mr. Usman Balwa are appearing elsewhere in this Report. Mr. Usman Balwa holds 74.445 shares in D B Realty Limited as on 31st March, 2011.

4. Mr. Jagat Killawala:

Mr. Jagat Killawala, aged 50 years is a Non-Executive Independent Director of our Company and has been on the Board of our Company since 17th May, 2011. He was appointed as an Additional Director (Independent and Non-executive Director) w.e.f.17.5.2011, to hold office upto the date of the ensuing Annual General Meeting, He is an industrialist and has been engaged in the business of manufacture of electrical switches, step lights for theatre applications and LED Products for Lighting applications. He has been a Premium distributor for Vimar Spa of Italy, for Modular Switches and accessories, Ilti Luce, Italy and Advance Fibre Optics for Fiber Optic Lighting etc for Mundocolor Spain for Theatre Lighting. Has been a Government Contractor & Railway Contractor in Signal & Telecom Dept, The details of directorship, chairmanship and membership of Mr. Jagat Killawala are appearing elsewhere in this Report. Mr. Jagat Killawala does not hold any share in D B Realty Limited as on 31st March, 2011.

5. Mr. Janak Desai:

Mr. Janak Desai aged 29 years is a Non Executive Independent Director of our Company and has been on the Board since 17th May, 2011. He was appointed as an Additional Director (Independent and Non-executive Director) w.e.f. 17.5.2011, to hold office upto the date of the ensuing Annual General Meeting, He holds Bachelor of Business Administration degree in Finance and Management and Master of Business Administration degree with Major in Capital Market from University of Houston, Texas, USA. He has worked as Senior Associate in Bank of New York Mellon Corp and as Portfolio Manager in Cougar Investment Fund in USA and in India, with India Infoline and Edelweiss Capital Ltd in the Real Estate vertical. The details of directorship, chairmanship and membership of Mr. Janak Desai are appearing elsewhere in this Report. Mr. Janak Desai does not hold any share in D B Realty Limited as on 31st March, 2011.

6. Mr. Nasir M Rafique:

Mr. Nasir M Rafique aged 61 years is a Non-Executive Independent Director of our Company and has been on the Board since 17th May, 2011. He was appointed as an Additional Director (Independent and Non-executive Director) w.e.f.17.5.2011, to hold office upto the date of the ensuing Annual General Meeting. 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 5 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 D B Realty Limited as on 31st March, 2011.

Mr. Mahesh Gandhi	Mr. Vinod K. Goenka	Mr. Usman Balwa
<p>The details of directorship (other than in DBRL) of Mr. Mahesh Gandhi are as follows:</p> <ol style="list-style-type: none"> 1. Millennium Capital Management Private Limited - Director 2. Trikona Capital Services Private Limited - Director 3. Prama Consultancy Services Private Limited - Director 4. TCK Advisers Private Limited - Director 5. Duranta Energy Private Limited - Director 6. Apodis Hotel & Resorts Limited - Director <p>Mr. Mahesh Gandhi is the Chairman of the Audit Committee since 17th March, 2011 and does not hold position of chairmanship and membership of committees (other than in DBRL) of any Company.</p>	<p>The details of directorship (other than in DBRL) of Mr. Vinod K Goenka are as follows:</p> <ol style="list-style-type: none"> 1. D B Man Realty Ltd. 2. DB (BKC) Realtors Pvt. Ltd. 3. Gokuldharm Real Estate Development Company Pvt. Ltd. 4. Neelkamal Realtors Suburban Pvt. Ltd. 5. Sangam City Township Pvt. Ltd. 6. Siddhivinayak Realities Pvt. Ltd. 7. Dynamix-Man Prefab Limited 8. D B Hospitality Pvt. Ltd. 9. Aniline Construction Company Pvt. Ltd. 10. Crystal Granite & Marble Pvt. Ltd. 	<p>The details of directorship (other than in DBRL) of Mr. Usman E Balwa are as follows:</p> <ol style="list-style-type: none"> 1. DB Hospitality Pvt. Ltd. 2. Associated Hotels Pvt. Ltd. 3. Jalaram Hotels Pvt. Ltd. 4. Fair Brother Securities Pvt. Ltd. 5. Neelkamal City Shopping Mall India Limited <p>Mr. Usman Balwa is a member of Investor Grievance and Share Transfer Committee since 17th May, 2011 and does not hold position of chairmanship and membership of committees (other than in DBRL) of any Company.</p>

	<p>11. Crossway Realtors Pvt Ltd 12. Goan Real Estate And Construction Pvt Ltd 13. Allianz Infratech Pvt Ltd 14. Majestic Infracon Pvt Ltd 15. A G Mercantile Pvt Ltd 16. Conwood Prefab Pvt Ltd 17. Pony Infrastructure & Contractors Ltd 18. Neelkamal Realtors Tower Pvt Ltd 19. Siddharth Consultancy Pvt Ltd 20. Dynamix Developers Pvt Ltd 21. Eversmile Construction Company Pvt Ltd 22. Eversmile Properties Pvt Ltd 23. Etisalat DB Telecom Pvt Ltd</p>	
Mr. K. M. Goenka	Mr. Jagat Killawala	Mr. Janak Desai
<p>The details of directorship (other than in DBRL) of Mr. Krishna M Goenka are as follows:</p> <ol style="list-style-type: none"> Schreiber Dynamix Dairies Limited Densewood Private Limited Span Construction Company Pvt. Ltd. Conwood Chemical Industries Pvt. Ltd. Sahapur Plantations & Orchard Pvt. Ltd. <p>Mr. K. M. Goenka is the Chairman of the Board of Directors of Schreiber Dynamix Dairies Limited and also Chairman of its Audit Committee since 14th August, 2001. He is also the Chairman of the Investor Grievance and Share Transfer Committee of the Committee and does not hold position of chairmanship and membership of committees (other than in DBRL) of any Company, except as stated above.</p>	<p>The details of directorship (other than in DBRL) of Mr. Jagat Killawala are as follows:</p> <p>Shrikrishnashray (India) Pvt. Ltd. (Managing Director)</p> <p>Mr. Jagat Killawala is a member of Investor Grievance and Share Transfer Committee of the Company and does not hold position of chairmanship and membership of committees (other than in DBRL) of any Company.</p>	<p>The details of directorship (other than in DBRL) of Mr. Janak Desai: NIL:</p> <p>Mr. Janak Desai is a member of Audit Committee and also of the Investor Grievance and Share Transfer Committee and does not hold position of Chairmanship or membership of committees (other than DBRL) of any other Company.</p>
Mr. Nasir M. Rafique		
<p>The details of directorship (other than in DBRL) of Mr. Nasir M Rafique: NIL</p> <p>Mr. Nasir M Rafique is a member of Audit Committee and does not hold position of Chairmanship or membership of committees (other than DBRL) of any other Company</p>		

Other details for shareholders:

AGM Date, Time and Venue	21 st September, 2011. 3.00 P.M. at Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Gr. Floor, BKC, Bandra (East), Mumbai - 400 051
Financial Year	1 st April – 31 st March
Book Closure	16 th September, 2011 to 21 st September, 2011
Listing on Stock Exchanges	The Bombay Stock Exchange Limited and National Stock Exchange of India Limited Listing Fees for 2011-2012 have been paid.
Stock Code at BSE	533160
Stock Symbol at NSE	DBREALTY
ISIN of the Company	INE879I01012
Corporate Identification No. (CIN)	U70200MH2007PLC166818

Market Price Data - April 2010 to March 2011

Month	Stock Exchanges					
	BSE			NSE		
	Share Price		Sensex	Share Price		Nifty
	High (Rs.)	Low (Rs.)	Close	High (Rs.)	Low (Rs.)	Close
April, 2010	473.00	430.00	17558.71	474.50	429.00	5278.00
May, 2010	445.50	385.00	16944.63	445.00	385.00	5086.30
June, 2010	422.00	368.50	17700.90	424.00	367.00	5312.50
July, 2010	430.00	355.00	17868.29	430.00	355.00	5367.60
August, 2010	471.50	383.00	17971.12	469.00	391.20	5402.40
September, 2010	474.90	402.50	20069.12	475.00	401.25	6029.95
October, 2010	457.00	406.50	20032.34	455.10	355.55	6017.70
November, 2010	439.20	190.55	19521.25	439.00	188.75	5862.70
December, 2010	251.50	184.00	20509.09	251.85	183.10	6134.50
January, 2011	207.20	143.50	18327.76	207.05	144.20	5505.90
February, 2011	159.50	103.25	17823.40	159.50	100.00	5333.25
March, 2011	130.00	81.40	19445.22	130.00	80.00	5833.75

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 0320
Website: www.linkintime.co.in

Share Transfer System

The Registrar and Share Transfer Agent register the share transfers in physical form within 15 days from the receipt of the completed documents. Invalid Share transfers are returned within 15 days of receipt. All requests for de-materialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. The Company also offers transfer cum demat facility. Since 99.99% of the shares except 1 share are held in demat form for most part of the year and the rest of the shares, which were not held earlier in demat form, but were subsequently dematerialized, but were under lock in till 16th February, 2011, pursuant to the I P O 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.

D B REALTY LIMITED
(Annual Report 2010-11)

Distribution schedule as on 31st March, 2011

Equity Shares held	Shareholders	Percent of Shareholders	Equity Shares	Percent of Shareholding
1 – 500	15,183	91.0743	14,26,118	0.5863
501 – 1000	602	3.6111	4,85,016	0.1994
1001 – 2000	346	2.0755	5,36,495	0.2205
2001 – 3000	120	0.7198	3,10,035	0.1275
3001 – 4000	67	0.4019	2,38,264	0.0979
4001 – 5000	44	0.2639	2,09,097	0.0860
5001 – 10000	117	0.7018	8,68,779	0.3571
10001 and above	192	1.1517	23,91,84,978	98.3253
Total	16,671	100.00	24,32,58,782	100.00

Shareholding Pattern as on 31st March, 2011.

Category		Number of Equity Shares	Percentage of Holding
A	Promoter's Holding		
1	Indian Promoter	15,27,00,410	62.77
	Sub Total (A)	15,27,00,410	62.77
B	Non Promoter's Holding		
	Institutional Investors		
1	Mutual Funds/UTI	21,18,968	0.87
2	Financial Institution/Banks	15,27,172	0.63
3	Venture Capital Funds	14,90,538	0.61
4	Foreign Institutional Investors	1,32,80,365	5.46
	Non Institutional Investors		
1	Bodies Corporate	1,18,87,804	4.89
2	Individuals	56,05,218	2.3
3	Non-resident Individuals	2,94,278	0.12
4	Trusts	1,57,500	0.06
5	Foreign Company	5,22,16,862	21.47
6	Clearing Members	19,79,667	0.82
	Sub Total (B)	9,05,58,372	37.23
	Grand Total (A+B)	24,32,58,782	100

Dematerialization of Equity Shares and liquidity

As at 31st March, 2011, 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, 2011, 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: 12th August, 2011

K.M. Goenka
Chairman

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 31st March, 2011, 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 respect 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: 12th August, 2011
Place: Mumbai

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

AUDITORS' REPORT

TO THE MEMBERS OF DB REALTY LIMITED

1. We have audited the attached Balance Sheet of DB Realty Limited (the "Company") as at March 31, 2011 and the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We draw your attention to the following matters more fully described in notes to Schedule 15 (B) to the financial statements:
 - a) Share of profit (net) from investment in partnership firms (the 'firms'), as is stated in the Profit & Loss account and aggregating Rs. 2,812,282,633, which represents the Company's share of profit (net) from its investments in three firms; and investments in these firms aggregating Rs. 7,339,689,382 (Refer Schedule 6); are based on financial statements of the firms as audited by other auditors whose reports have been furnished to us. (Refer Note 3)
 - b) The audited financial statements of one of the firms viz. Dynamix Realty ('Dynamix') include disclosures in respect of :
 - (i) outstanding receivables which include dues aggregating Rs. 4,476,974,912 as at March 31, 2011 from companies in which directors of the Company are interested. (Refer Note 3 (a) (i-ii))

These amounts constitute a significant portion of deployment of Dynamix's funds and are considered as good and recoverable as stated in the said note. Consequently, the Company's investment in Dynamix as at March 31, 2011 aggregating Rs. 6,302,022,746 is considered good of recovery.
 - (ii) allegations made by the Central Bureau of Investigation of India ('CBI') relating to the 2G Spectrum Case (Refer Note 3 (c)).

This matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage.
 - c) Note 2 regarding guarantees aggregating Rs. 14,691,700,000, issued by the Company to banks and financial institutions on behalf of two entities (in which some of the directors of the Company are interested), which are significant in relation to the net worth of the Company as at the year end. In the opinion of the Company, these are not expected to result into any financial liability to the Company.
 - d) Note 8 regarding the Company's investments aggregating Rs. 148,933,200 in and loans and advances aggregating Rs. 5,843,995,961, to certain subsidiaries, jointly 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 stages of real estate development and in the opinion of the Company, have current market values of certain property significantly in excess of carrying values and are expected to achieve adequate profitability on substantial completion of their projects. Accordingly, the said investments and loans and advances are considered good and recoverable by the Company.
 - e) Notes 4 to 6 regarding matters under litigation. As these matters are sub-judice, based on the Company's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of balances as at March 31, 2011 for loans and advances aggregating Rs. 1,875,757,604 and investments of Rs. 312,018,720.
4. Further to the matters referred to in paragraph 3 above, as required by the Companies (Auditors' Report) Order, 2003 (CARO) issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
5. Further to the matters referred to in paragraph 3 above and the Annexure referred to in paragraph 4 above, we report as follows:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books;
 - c. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

DB REALTY LIMITED

(Annual Report 2010-11)

- d. in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
 - e. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by The Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date.
6. On the basis of the written representations received from the Directors as on 31st March, 2011 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

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

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

Mumbai, June 8, 2011.

ANNEXURE TO THE AUDITORS' REPORT

Re: DB Realty Limited

(Referred to in Paragraph 4 of our report of even date)

- i) Having regard to the nature of the Company's business/activities/result, clauses (vi), (viii), (x), (xii), (xiii), (xviii), (xix), of CARO are not applicable during the year.
- ii)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- iii)
 - (a) As explained to us, Inventories comprising of expenditure incurred on acquisition of plots of land and development thereof were physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, keeping in view the nature of inventory, the procedures of physical verification followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the adequate inventory records have been kept maintained by the Company, except for records in respect of payments to tenants where documentation needs to be considerably strengthened by the Company. As explained to us, no material discrepancies were noticed on physical verification of inventory by the management.
- iv) In respect of the loans, secured or unsecured, granted or taken by the Company to or from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us;
 - (a) The Company has granted loans aggregating Rs. 6,250,937,964 to fifteen parties during the year. At the year end, the outstanding balances of such loans aggregated Rs. 6,375,512,810 to fifteen parties and the maximum amount involved during the year was Rs. 9,894,078,513.
 - (b) The aforesaid loans are interest free except for loans of Rs. 2,214,484,397. Based on explanations received from the management none of the other terms and conditions is prima facie, prejudicial to the interest of the Company. Attention is invited to Para 3(d) of Auditors' Report of even date.
 - (c) The said loans (including interest thereon) are repayable on demand and there are no repayment schedules except in case of one loan (including interest) of Rs. 503,963,329 for which there is no balance overdue as at year end. Accordingly, the question of overdue amount does not arise in other cases.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

 - (d) The Company has taken loans from five parties during the year. As at the year end, the outstanding balance of such loans taken aggregated Rs. 541,643,424 from two parties and the maximum amount involved during the year was Rs. 1,347,024,400.
 - (e) According to the information and explanations given to us, the loans are interest free except one loan of Rs. 170,293,424 as at year end and other terms and conditions are not, prima facie, prejudicial to the interest of the Company.
 - (f) Since the said loans (including interest thereon) are repayable on demand and there are no repayment schedules, the question of repayment being regular does not arise.
- v) 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. 55,476,200 are in accordance with general industry practice; adequate internal control systems exist for sale of apartments and for purchase of fixed assets. As regards project inventory, the Company needs to strengthen internal controls for (a) tenancy payments/ compensation (as stated in iii (c) above) and (b) project contracting (including proper documentation for comparative quotations and machinery/mobilisation advances) to be commensurate with the size of the Company and the nature of its business. There were no transactions of sale of services during the year. During the course of our audit, we have not observed continuing failure to correct major weakness.

- vi) In respect of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- i) The particulars of transactions referred to in Section 301 that needed to be entered into the register maintained under such section have been so entered, however, although the said register has been signed, it has not been authenticated by all directors present and required to authenticate.
 - ii) Where each such transaction is in excess of rupees five lakhs in respect of each party, the transactions have been made at prices which are prima facie reasonable having regard to (1) the prevailing market prices at the relevant time except for certain transactions in respect of aircraft charges of Rs. 65,114,950 and (2) civil contract entered of Rs. 977,384,310 (referred to in v 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.
- vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and the nature of its business.
- viii) According to information and explanations given to us, in respect of statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Custom duty, Excise duty, Cess and any other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2011 for a period of more than six months from the date they became payable.
 - (c) There are no dues of sales tax/income tax/customs duty/ wealth tax/ excise duty/service tax and cess, which have not been deposited as on March 31, 2011 on account of any dispute, except in respect of service tax as under:

Name of statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	Amount unascertained (Refer note 1) E to Schedule 15 (B))	1st July 2010 to 31st March 2011	High Court, Mumbai*

* We are informed that the Company has applied for the membership of Maharashtra Chamber of Housing Industry ('MCHI') and will be a party to the said dispute along with MCHI, in respect of the said liability.

- ix) 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 banks. The Company has not issued any debentures during the year.
- x) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The company has invested surplus funds in mutual funds, in respect of which proper records of the transactions and contracts have been maintained and timely entries have been made therein. All shares, securities and other investments have been held by the Company in its own name except in respect of investments in a partnership firm as disclosed in Note 5 to Schedule 6 "Investments".
- xi) The Company had given guarantees (as referred at Para 3 (ii) of our Report of even date) in the earlier years on behalf of two entities and the balance of Rs.14,691,700,000 (Previous year Rs. 15,183,445,000) is subsisting as at the year end. As informed to us, the Board of Directors have approved the same in past considering the long term business interests of the Company and the same were consented to in writing by the non-promoter group shareholders in those years. Further, during the year, the Company has given guarantees of Rs. 1,300,000,000 on behalf of a subsidiary (other than wholly owned). Based on approvals / written consents /control relationship, the terms and conditions of such guarantees have been regarded as, prima facie, not prejudicial to the interest of the Company.
- xii) In our opinion and according to the information and explanations given to us, an amount of Rs. 251,100,000 (Previous year Rs. 1,248,000,000) out of a term loan was not applied for the purpose for which the loan was obtained. After repayments made during the year, the outstanding balance of loan as at the year-end is Rs. 306,229,178.
- xiii) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- xiv) The Management has disclosed the end use of money raised by public issue at note 18 of Schedule 15 (B). We have verified the same to the extent of utilization by the Company. With respect to utilisation by certain subsidiaries and a jointly controlled entity of a subsidiary, we have relied upon the certificates from the auditors of those entities for the end utilization of the IPO proceeds.

We are informed that the monitoring agency (Punjab National Bank Capital Market Services branch, Mumbai) is to yet to review the utilization of IPO proceeds for the period October 2010 – March 2011, although the report for the half year ended September 2010 submitted by the monitoring agency has been considered by the Board of Directors.

- xv) No material fraud on or by the Company was noticed or reported during the year. However, we are informed that the CBI in its chargesheet filed in connection with irregularities in the allotment of 2G telecom license, has accused the Managing Director and the erstwhile Managing Director 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 chargesheeted in their capacity as directors of another company (Refer Note 3 (c) to Schedule 15 (B)) 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 **Deloitte Haskins & Sells**

Chartered Accountants
(Registration No. 117366W)

R. D. Kamat

Partner

(Membership No. 36822)

Mumbai, June 8, 2011.

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule No.	As at March 31, 2011		As at March 31, 2010	
		Rs.	Rs.	Rs.	Rs.
Sources of Funds :					
Shareholders' Funds					
Share Capital	1		2,432,587,820		2,432,587,820
Reserves and Surplus	2		31,094,492,243		28,537,541,677
Loan Funds					
Secured Loans	3		906,744,918		23,928,929
Unsecured Loans	4		847,624,793		3,166,890,000
TOTAL			<u>35,281,449,774</u>		<u>34,160,948,426</u>
Application of Funds :					
Fixed Assets (At Cost)					
Gross Block	5		321,711,879		242,374,285
Less: Depreciation			148,630,704		84,205,446
Net Block			173,081,175		158,168,839
Capital Work in Progress			90,310,607		7,266,510
Investments	6		12,905,479,854		17,734,772,300
Current Assets, Loans & Advances					
Inventories	7		1,993,459,926		973,706,391
Cash and Bank Balances	8		152,223,543		431,772,222
Other Current Assets (interest accrued but not due)			4,165,329		1,597,929
Loans and Advances	9		20,462,413,449		15,716,765,230
			22,612,262,247		17,123,841,772
Less : Current Liabilities and Provisions					
Current Liabilities	10		469,564,666		847,615,083
Provisions			30,119,443		15,485,912
			499,684,109		863,100,995
Net Current Assets			22,112,578,138		16,260,740,777
TOTAL			<u>35,281,449,774</u>		<u>34,160,948,426</u>
Significant accounting policies and notes to accounts	15				

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. D. Kamat
Partner

K.M.Goenka
Chairman

Mahesh Gandhi
Director

N.Shridhar
Group Director (Strategy & Finance)

For and on behalf of Board

Vinod Goenka
Managing Director
Place: Delhi

Janak Desai
Director

K.N.Gupta
Joint Chief Financial Officer

Usman Balwa
Director

N M Rafique
Director

S A K Narayanan
Company Secretary

Mumbai Dated : June 8, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Schedule No.	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
I. INCOME			
Share of Profit from investment in Partnership Firm, (net)		2,812,282,633	2,266,117,928
Other Income	11	799,218,136	581,920,414
TOTAL		3,611,500,769	2,848,038,342
II. EXPENDITURE			
Project expenses incurred during the year	12	1,086,972,945	319,817,619
(Increase)/Decrease in inventories	13	(1,091,896,207)	(328,183,170)
Establishment Expenses	14	584,176,712	165,304,253
Interest and finance charges		410,849,958	356,540,385
Depreciation / amortisation		64,446,795	54,159,214
TOTAL		1,054,550,203	567,638,301
Profit Before Tax		2,556,950,566	2,280,400,041
Less: Provision For Taxation (Refer Note 7 of Schedule 15 (B))			
- Current Tax		-	(6,500,000)
- Deferred Tax		-	-
Profit after tax		2,556,950,566	2,273,900,041
Surplus brought forward from earlier year		4,694,251,485	2,420,351,444
Balance Carried Forward to Balance Sheet		7,251,202,051	4,694,251,485
Earnings per share (Face value of Rs. 10 each)			
Basic earning per share (Rs.)		10.51	10.61
Diluted earning per share (Rs.)		10.51	10.59
(Refer Note 13 of Schedule 15 (B))			
Significant accounting policies and notes to accounts	15		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. D. Kamat
Partner

K.M.Goenka
Chairman

Mahesh Gandhi
Director

N.Shridhar
Group Director (Strategy & Finance)

For and on behalf of Board

Vinod Goenka
Managing Director
Place: Delhi

Janak Desai
Director

K.N.Gupta
Joint Chief Financial Officer

Usman Balwa
Director

N M Rafique
Director

S A K Narayanan
Company Secretary

Mumbai Dated : June 8, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
A Cash flows from operating activities:				
Net Profit before taxation	2,556,950,566		2,280,400,041	
Adjusted for:				
Depreciation	64,446,795		54,159,214	
Interest and finance charges	410,849,958		356,540,385	
Profit on sale of current investments	(2,409,346)		-	
Exchange loss/(gain) (net)	118,720		(131,582)	
Dividend Income	(177,928,025)		(40,113,031)	
Share of (profit)/ loss in partnership firms, net	(2,812,282,633)		(2,266,117,928)	
Loss on sale of fixed assets	26,263		-	
Loss on redemption of preference shares	750,000		-	
Interest Income	(7,736,201)		(4,538,239)	
Operating Profit/ (Loss) before Working Capital changes	<u>32,786,097</u>		<u>380,198,859</u>	
Adjustments for :				
Loans and advances	(2,275,763,368)		(6,185,426,083)	
Inventories	(1,019,753,534)		(328,183,169)	
Current liabilities	(383,705,921)		433,370,961	
Provisions	14,633,531		4,514,072	
Changes in deposits under lien	(1,000,000)		(10,700,000)	
Cash used in operations	<u>(3,632,803,195)</u>		<u>(5,706,225,359)</u>	
Direct Taxes Paid	(13,884,851)		(5,008,807)	
Net cash used in operating activities		A (3,646,688,046)		(5,711,234,166)
B Cash flows from investing activities:				
Purchase of Fixed Assets (including CWIP)	(156,897,707)		(59,687,710)	
Proceeds from sale of fixed asset	5,000		-	
Purchase of Long Term Investments in				
-subsidiaries	(57,682,000)		(86,454,999)	
-joint ventures/Associates	(2,313,430,294)		(439,024,000)	
Sale of Long Term Investments				
Subsidiaries companies/Associate companies/ Partnership firms /Joint Ventures	300,070,000		56,700,000	
Repayment of capital contribution by firm (Refer note 3 below)	1,558,445,519		-	
Return of Capital Contribution by Joint Venture	282,336,600		315,272,794	
Dividend received	110,658,025		1,517,546	
Purchase of Current Investments	(6,557,175,263)		(40,407,685,306)	
Sale of Current Investments	14,497,939,862		31,507,925,537	
Advance for share purchase	(2,456,000,000)		(20,000,000)	
Interest received	5,168,801		2,940,310	
Net cash from/ (used in) investing activities		B 5,213,438,543		(9,128,495,828)
C Cash flows from financing activities:				
Repayment of secured Loans	-		(1,830,842,439)	
Proceeds from loans from subsidiary	170,000,000		-	
Inter-corporate deposits, net	(915,540,000)		(1,349,692,590)	
Proceeds from Debenture Application Money	-		1,975,000,000	

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011 (Contd....)

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
Proceeds from Initial Public Issue of equity shares	-		14,999,999,976	
Proceeds from secured loans	876,791,314		-	
Proceeds from unsecured loans	-		1,880,000,000	
Repayment of unsecured loans	(1,573,725,207)		-	
Interest paid on loans and debenture deposits	(404,825,283)		(372,284,309)	
Share issue expenses	-		(530,140,427)	
Net cash (used in)/from financing activities	C	<u>(1,847,299,176)</u>		<u>14,772,040,211</u>
Net Increase / (Decrease) in Cash and Cash Equivalents	(A + B + C)	<u>(280,548,679)</u>		<u>(67,689,783)</u>
Add : Cash and Cash Equivalents (Opening)		<u>388,572,222</u>		<u>456,262,005</u>
Cash and Cash Equivalents (Closing)		<u><u>108,023,543</u></u>		<u><u>388,572,222</u></u>
Notes to Cash Flow:				
1	Reconciliation of cash and cash equivalent:			
	Cash and Bank Balance (as per Schedule 8)	152,223,543		431,772,222
	Less: Fixed deposits under lien/margin money	<u>44,200,000</u>		<u>43,200,000</u>
	Cash and Cash Equivalents (Closing)	<u><u>108,023,543</u></u>		<u><u>388,572,222</u></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	In respect of investing activities:			
	Share of profit from partnership firm, net (non-cash item) for the year	2,812,282,633		
	Less:- Cash received during the year	-		
	Balance receivable at year end	<u>2,812,282,633</u>		
4	Corresponding figures of previous year have been regrouped wherever necessary.			

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. D. Kamat
Partner

K.M.Goenka
Chairman

Mahesh Gandhi
Director

N.Shridhar
Group Director (Strategy & Finance)

For and on behalf of Board

Vinod Goenka
Managing Director
Place: Delhi

Janak Desai
Director

K.N.Gupta
Joint Chief Financial Officer

Usman Balwa
Director

N M Rafique
Director

S A K Narayanan
Company Secretary

Mumbai Dated : June 8, 2011

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

	As at March 31, 2011		As at March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 1 :				
SHARE CAPITAL :				
AUTHORIZED :				
298,500,000 Equity Shares of Rs.10/- each (Previous year 298,500,000 Equity Shares of Rs 10/- Each)		2,985,000,000		2,985,000,000
15,00,000 Preference Shares of Rs. 10/- each (Previous year 15,00,000 Preference Shares of Rs. 10/- each)		15,000,000		15,000,000
TOTAL		<u>3,000,000,000</u>		<u>3,000,000,000</u>
ISSUED, SUBSCRIBED & PAID UP :				
Equity Shares				
243,258,782 (Previous year 243,258,782) Equity Shares of Rs. 10/- each fully paid up		2,432,587,820		2,432,587,820
Of the above:				
201,150,000 (Previous year : 201,150,000) equity shares issued as bonus				
810,000 (Previous year : 810,000) equity shares issued on conversion of preference shares				
937,500 (Previous year : 937,500) equity shares issued on conversion of debentures				
TOTAL		<u>2,432,587,820</u>		<u>2,432,587,820</u>
SCHEDULE 2 :				
RESERVES & SURPLUS :				
Securities Premium Account				
As per last Balance Sheet		23,843,290,192		6,588,200,879
Add: Received on Conversion of Debentures		-		5,240,625,000
Add: Received on Issue of Equity Shares		-		14,679,487,156
Less: Adjusted for issue of Bonus shares		-		(2,011,500,000)
Less: Adjusted for Share Issue Expenses		-		(653,522,843)
Closing Balance		23,843,290,192		23,843,290,192
Profit & Loss Account				
		7,251,202,051		4,694,251,485
TOTAL		<u>31,094,492,243</u>		<u>28,537,541,677</u>

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As at March 31, 2011		As at March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
SCHEDULE 3 :				
SECURED LOANS :				
From Banks:				
- Vehicle Loan (Refer Note (i) below)		25,765,858		23,928,929
- Short term Cash Credit (Refer Note (ii) below)		655,979,060		-
(includes interest accrued and due Rs. 5,979,060 Previous year Rs. Nil)				
From Financial Institutions: - Short term				
- JM Financial Services Private Limited (Refer Note (ii) below)		225,000,000		-
TOTAL		906,744,918		23,928,929

Notes:

- (i) Vehicle Loans are secured by way of hypothecation of vehicles purchased
- (ii) Cash Credit and JM Financial Services Private Limited loan is fully secured by way of hypothecation of investment in Mutual Fund of DWS Fixed Term Fund Series 67-Growth Plan.

SCHEDULE 4 :

UNSECURED LOANS :

Loan from Subsidiary Company	170,045,615	-
Others:		
From LIC Housing Finance Limited (Refer Note 18 of Schedule 15(B))	306,229,178	1,880,000,000
Intercorporate Deposit (Interest Free) - Short term	371,350,000	1,286,890,000
TOTAL	847,624,793	3,166,890,000

SCHEDULE 5 : FIXED ASSETS

(In Rs.)

Particulars	Gross Block (At Cost)				Depreciation/Amortisation				Net Block	
	As on 01.04.2010	Additions for the year	Deductions for the year	As on 31-03-2011	As on 01.04.2010	For the year #	On Deductions	As on 31-03-2011	As on 31-03-2011	As on 31-03-2010
TANGIBLE ASSETS:										
Computers	6,775,495	4,902,206	52,800	11,624,901	2,881,940	2,159,822	21,537	5,020,225	6,604,676	3,893,555
Furniture & Fixtures	40,227,242	7,389,001	-	47,616,243	9,846,070	6,508,903	-	16,354,973	31,261,270	30,381,172
Office Equipments	6,023,097	6,384,413	-	12,407,510	895,715	1,433,409	-	2,329,124	10,078,386	5,127,382
Plant and Machinery - Air Conditioners	9,755,985	2,080,451	-	11,836,436	1,814,592	1,271,071	-	3,085,663	8,750,773	7,941,393
Vehicles	42,255,230	58,136,773	-	100,392,003	11,726,399	14,298,613	-	26,025,012	74,366,991	30,528,831
Improvement on Leasehold Property	118,149,011	-	-	118,149,011	51,157,824	35,343,871	-	86,501,695	31,647,316	66,991,187
Buildings-Flats	10,765,400	-	-	10,765,400	404,071	518,066	-	922,137	9,843,263	10,361,329
INTANGIBLE ASSETS :										
Software	8,422,825	497,550	-	8,920,375	5,478,835	2,913,040	-	8,391,875	528,500	2,943,990
Sub-total	242,374,285	79,390,394	52,800	321,711,879	84,205,446	64,446,795	21,537	148,630,704	173,081,175	158,168,839
Previous Year	175,642,862	66,731,423	-	242,374,285	30,046,233	54,159,213	-	84,205,446		
Capital Work in Progress (including advance of Rs 4,500,000 (Previous Year Rs. 6,710,503))									90,310,607	7,266,510
Total Fixed Assets									263,391,782	165,435,349

Depreciation inventorised during the year Rs. 4,923,265 (Previous year Rs. 8,365,551).

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As on March 31, 2011 Rs.	As on March 31, 2010 Rs.
SCHEDULE 6		
INVESTMENTS		
I] Long Term Investments (At Cost) (Unquoted) (Non Trade) (Refer Note No 4,5 and 8 of Schedule 15 (B))		
a) In Equity Shares of Subsidiary Companies ,fully paid up		
Esteem Properties Private Limited (10,000 Equity Shares of Rs. 100/- each, fully paid) (Previous Year 10,000 Equity shares of Rs. 100/- each fully paid)	312,018,720	312,018,720
Gokuldham Real Estate Development Company Private Limited. (374,990 Equity Shares of Rs 100/- each fully paid) (Previous Year 3,74,990 Equity Shares of Rs 100/- each fully paid)	37,592,755	37,592,755
NeelKamal Realtors Suburban Private Limited (435,600 Equity Shares of 10/- each fully paid) (Previous Year 435,600 Equity Shares of 10/- each fully paid)	4,366,892	4,366,892
NeelKamal Shantinagar Properties Private Limited. (16,000 Equity Shares of Rs 10/- each fully paid) (Previous Year 15,900 Equity Shares of Rs 10/- each fully paid)	160,401	159,401
NeelKamal Realtors Tower Private Limited. (1,010,807 Equity Shares of Rs 10/- each fully paid) (Refer Note 1 below) (Previous Year 10,10,807 Equity Shares of Rs 10/- each fully paid)	165,703,146	165,703,146
D B Man Realty Limited (510,000 Equity Shares of Rs 10/- each fully paid) (Previous Year 510,000 Equity Shares of Rs 10/- each fully paid)	5,100,000	5,100,000
Real Gem Buildtech Private Limited (8,500 Equity Shares of Rs 10/- each fully paid) (Previous Year 8,500 Equity Shares of Rs 10/- each fully paid)	85,000	85,000
Saifee Bucket Factory Private Limited (248 Equity Shares of Rs 1000/- each fully paid) (Previous Year 248 Equity Shares of Rs 10/- each fully paid)	70,174,999	70,174,999
Priya Constructions Private Limited (10,000 Equity Shares of Rs 10/- each fully paid) (Previous Year 10,000 Equity Shares of Rs 10/- each fully paid)	100,000	100,000
D B Chandak Realtors Private Limited (Nil) (Previous Year 700 Equity Shares of Rs 100/- each fully paid)	-	70,000
N.A. Estate Private Limited (1000 Equity Shares of Rs 100/- each fully paid) (Previous Year Nil)	100,000	-
Royal Netra Constructions Private Limited (75,600 Equity Shares of Rs 100/- each fully paid) (Previous Year Nil)	7,560,000	-
Nine Paradise Erectors Private Limited (formerly known as Nine Paradise Hotels Private Limited) (Refer Note 2 below) (10,000 Equity Shares of Rs 10/- each fully paid) (Previous Year Nil)	100,000	-
DB MIG Realtors & Builders Private Limited (Formerly known as L & T Bombay Developers Private Limited) (10,000 Equity shares of Rs. 10/- each fully paid) (Previous Year Nil)	49,554,000	-

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As on March 31, 2011 Rs.	As on March 31, 2010 Rs.
DB Spacecon Private Limited (10,000 Equity shares of Rs. 10/- each fully paid) (Previous Year Nil)	100,000	-
Vanita Infrastructure Private Limited (10,000 Equity shares of Rs. 10/- each fully paid) (Previous Year Nil)	100,000	-
DB Contractors & Builders Private Limited (10,000 Equity shares of Rs. 10/- each fully paid) (Previous Year Nil)	100,000	-
DB View Infracon Private Limited (10,000 Equity Shares of Rs 10/- each fully paid) (Previous Year Nil)	100,000	-
Total (A)	653,015,913	595,370,917
b) In Preference Shares of Subsidiary Companies, fully paid up		
Gokuldham Real Estate Development Company Private Limited Nil (Previous Year 3,000,000) 0.1% Redeemable Cumulative Preference Shares of Rs 100/- each fully paid)	-	300,750,000
NeelKamal Realtors Suburban Private Limited (1,050,000 (Previous Year 1,050,000)10.50% Redeemable Cumulative Preference Shares of Rs 100/- each fully paid)	105,262,502	105,262,502
NeelKamal Realtors Tower Private Limited (Refer Note 1 below) (660,918 (Previous Year 660,918)0.002% Redeemable Optionally Convertible Cumulative Preference Shares, Series B of Rs 10/- each fully paid)	109,609,005	109,609,005
Total (B)	214,871,507	515,621,507
c) In Equity Shares of Associates Companies, fully paid up		
Sangam City Town Ship Private Limited (9,500 Equity Shares of Rs. 10/- each, fully paid) (Previous Year 9,500 Equity share of Rs.10/- each fully paid)	95,000	95,000
Dynamix Building Materials Private Limited (1,000 Equity Shares of Rs 100/- each fully paid) (Previous Year 1,000 Equity Shares of Rs 100/- each fully paid)	100,000	100,000
D B Hi-Sky Construction Private Limited (5000 Equity Shares of Rs 10/- each fully paid) (Previous Year 5000 Equity Shares of Rs 10/- each fully paid)	50,000	50,000
Crossway Realtors Private Limited (2,800 Equity Shares of Rs 10/- each fully paid) (Previous Year 2,800 Equity Shares of Rs 10/- each fully paid)	28,000	28,000
Heaven Star Realty Private Limited (2,42,400 Equity Shares of Rs 10/- each fully paid) (Previous Year 2,400 Equity Shares of Rs 10/- each fully paid)	120,026,410	24,000
Mahal Pictures Private Limited (3,600 Equity Shares of Rs 10/- each fully paid) (Previous Year Nil)	892,225,001	-
Nine Paradise Erectors Private Limited (formerly known as Nine Paradise Hotels Private Limited) (Refer Note 2 below) (Previous Year 3,300 Equity Shares of Rs 10/- each fully paid)	-	33,000
Total (C)	1,012,524,411	330,000

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As on March 31, 2011 Rs.	As on March 31, 2010 Rs.
d) In Equity and Preference Shares of company under Joint Control, fully paid up (Refer Note 3 below)		
DB (BKC) Realtors Private Limited (formerly known as M.K. Malls & Developers Private Limited)		
- Equity Shares - 187,015 Equity Shares of Rs. 10/- each, fully paid (Previous Year Equity Shares - 166,054 of Rs. 10/- each, fully paid)	986,503,899	856,825,785
- Preference Shares - 3,045,180 0.001% Redeemable Optionally Convertible Cumulative Preference Shares of Rs. 10/- each, fully paid (Previous Year Preference Shares - 166,054 0.00 1% Redeemable Optionally Convertible Cumulative Preference Shares of Rs. 10/- each, fully paid)	991,626,849	135,000,241
- Preference Shares CCPS Series - 39,856 0.001% Compulsory Convertible Preference Shares of Rs. 10/- each, fully paid.(Previous Year - Nil)	263,472,361	-
Total (D)	2,241,603,109	991,826,026
e) In Capital of Joint Ventures		
(i) which are considered as subsidiaries:		
Conwood - DB Joint Venture	155,779,732	237,879,732
ECC-DB Joint Venture	166,700,000	359,346,600
(ii) which are under joint control:		
Turf Estate Joint Venture	2,500,000	2,500,000
Lokhandwala Dynamix-Balwas Joint Venture (Refer Note 4 below)	-	7,590,000
(iii) which are considered as associates:		
Lokhandwala Dynamix-Balwas Joint Venture (Refer Note 4 below)	24,117,000	-
Total (E)	349,096,732	607,316,332
f) Investment in the capital of Partnership firms (Refer Note 3 to Schedule 15(B))		
M/s Dynamix Realty (entity under Joint control)	6,302,022,746	5,042,201,343
M/s D B S Realty (entity under Joint control)	1,589,742	2,717,618
M/s Mira Salt Works Company (Refer Note 5 below)	1,036,076,894	1,040,933,307
Total (F)	7,339,689,382	6,085,852,268
g) Investment in Limited Liability Partnership		
DB Realty and Shreepati Infrastructures Limited Liability Partnership	58,800	-
Ahmednagar Warehousing Deve. & Builders Limited Liability Partnership	50,000	-
Aurangabad Warehousing Dev. & Builders Limited Liability Partnership	50,000	-
Badnera Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Baramati Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Bhandara Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Chandrapur Warehousing Dev. & Builders Limited Liability Partnership	50,000	-
Daund Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Hingoli Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Jalgaon Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Jalna Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Kolhapur Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Latur Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Malkapur Warehousing Dev. & Builders Limited Liability Partnership	50,000	-
Nandurbar Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Osmanabad Warehousing Developers & Builders Limited Liability Partnership	50,000	-

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As on March 31, 2011 Rs.	As on March 31, 2010 Rs.
Parbhani Warehousing Developer & Builders Limited Liability Partnership	50,000	-
Parli Vajjnath Warehousing Dev & Builders Limited Liability Partnership	50,000	-
Ratnagiri Warehousing Deve. & Builders Limited Liability Partnership	50,000	-
Saswad Warehousing Deveopers & Builders Limited Liability Partnership	50,000	-
Satara Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Sawantwadi Warehousing Developers and Builders Limited Liability Partnership	50,000	-
Solapur Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Umri Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Wadsa Warehousing Developers & Builders Limited Liability Partnership	50,000	-
Washim Warehousing Developers & Builders Limited Liability Partnership	50,000	-
DB Realtors & Builders Limited Liability Partnership	-	-
Total (G)	1,308,800	-
h) Investment in Debentures		
i) Investment in Secured Debentures		
N A Estate Private Limited (70,000 Interest free fully and compulsory convertible secured debentures of Rs. 100 each) (Previous Year Nil)	25,000,000	-
ii) Investment in Unsecured Debentures		
The Estate Investment Company Pvt. Ltd. (10,000 Interest free fully and compulsory convertible unsecured debentures of Rs. 100 each) (Previous Year Nil)	1,000,000	-
Total (H)	26,000,000	-
Total (A + B + C + D + E + F + G + H)	11,838,209,854	8,796,417,046
II] Current Investments, (At lower of cost or fair value) (Unquoted) (Non Trade)		
a) D B Properties Private Limited (10,000 Equity Shares of Rs 10/- each fully paid) (Previous Year 10,000 Equity Shares of Rs 10/- each fully paid)	100,000	100,000
b) Investments in Mutual Fund (Refer Note 6 below)		
Nil (Previous Year 50,008,840) units of Birla Sun Life Floating Rate Fund-Retail Plan -Monthly Dividend of Rs. 10 each	-	501,169,512
Nil (Previous Year 29,988,858) units of Birla Sun Life Savings Fund of Rs. 10 each	-	300,092,506
Nil (Previous Year 70,515,178) units of Birla Sun Life Short Term Fund of Rs. 10 each	-	705,539,610
Nil (Previous Year 25,000,000) units of Canara Robeco Interval Series 2-Quarterly Plan 2 - Institutional Dividend Fund of Rs. 10 each	-	250,000,000
Nil (Previous Year 96,541)units of Canara Robeco Treasury Advantage Super Institutional Daily Dividend Reinvestment Fund of Rs. 10 each	-	1,197,797
100,000,000 (Previous Year 1000,000,000) units of DWS Fixed Term Fund Series 67-Growth Fund of Rs. 10 each (NAV : Rs.1073,790,000) (Refer Note 7 below)	1,067,270,000	1,000,000,000
Nil (Previous Year 25,097,132) units of DWS Ultra Short Term Fund of Rs. 10 each Investments in Mutual Fund (contd.)	-	251,420,561
Nil (Previous Year 25,008,176)units of ICICI Prudential Banking & PSU Debt Fund of Rs. 10 each	-	250,600,084
Nil (Previous Year 497,654) units of ICICI Prudential Flexible Income Plan Premium Daily Dividend of Rs. 10 each	-	52,619,500

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As on March 31, 2011 Rs.	As on March 31, 2010 Rs.
Nil (Previous Year 59,933,172) units of ICICI Prudential Ultra Short Term Plan Super Premium Daily Dividend of Rs. 10 each	-	600,590,318
Nil (Previous Year 25,002,271) units of IDFC Fixed Maturity Plan -Quarterly Series 55 - Plan A- Dividend of Rs. 10 each	-	250,022,710
Nil (Previous Year 20,000,000) units of JPMorgan India Short Term Income Fund of Rs. 10 each	-	200,000,000
Nil (Previous Year 25,002,165) units of Kotak Quarterly Interval Plan Series 8-Dividend of Rs. 10 each	-	250,021,651
Nil (Previous Year Rs. 75,151,155) units of LIC Mutual Fund Saving Plus Fund of Rs. 10 each	-	751,511,548
Nil (Previous Year 14,971,510) units of L & T Select Income Fund- Flexi Debt Institutional -Dividend of Rs. 10 each	-	150,198,687
Nil (Previous Year 9,982,512) units of Principal Money Manager Fund -Institutional Dividend Reinvestment Daily - Dec-07 of Rs. 10 each	-	100,071,686
Nil (Previous Year 49,981,506) units of Reliance Monthly Interval Fund Series -II Institutional Dividend Plan of Rs. 10 each	-	500,000,000
Nil (Previous Year 24,992,002) units of Reliance Quarterly Interval Plan of Rs. 10 each	-	250,000,000
Nil (Previous Year 85,969,001) units of Reliance Medium Term Fund - Daily Dividend Plan of Rs. 10 each	-	1,469,683,061
Nil (Previous Year 49,985,004) units of Reliance Monthly Interval Fund Series I Institutional Dividend Plan of Rs. 10 each	-	500,000,000
Nil (Previous Year 25,024,053) units of Religare Credit Opportunities Fund-Institutional Monthly of Rs. 10 each	-	251,113,871
Nil (Previous Year 25,220,577) units of SBI-SHF-Ultra Short Term Fund-Institutional Plan Daily Dividend of Rs. 10 each	-	252,357,096
Nil (Previous Year 100,010) units of Taurus Ultra Short Term Bond Fund of Rs. 1000 each	-	100,145,056
Total of Current Investments Total II = (I)*	1,067,370,000	8,938,455,254
Total Investments (I + II)	12,905,479,854	17,734,772,300

*Investments include Rs. 1,000,000,000 (Previous year 8,938,355,254) being balance of unutilised monies out of issue of shares. (Refer Note 14 of Schedule 15 (B))

Aggregate amount of Company's quoted investment	-	-
Market value thereof	-	-
Aggregate amount of Company's unquoted investment	12,905,479,854	17,734,772,300

Notes :

1. The company has pledged 51% of its total investments in equity and preference shares of Neelkamal Realtors Tower Private Limited, subsidiary company, in favour of banks which provided term loans of Rs. 200 crores, to the said subsidiary.
2. Nine Paradise Erectors Private Limited (formerly known as Nine Paradise Hotels Private Limited) was associate company till April 7, 2010.
3. The Company has pledged 100% of its total investments in equity and preference shares of DB (BKC) Realtors Private Limited (Formerly known as M K Malls & Developers Private Limited)jointly controlled entity, in favour of banks which provided term loans of Rs. 244.8 crores, to the said jointly controlled entity.
4. Lokhandwala Dynamix Balwas JV has been considered as an associate instead of Jointly Controlled Entity.
5. The share in the partnership firm also includes share of two directors of the Company who act as nominees of the Company.
6. The movement in investment purchase and sale during the year has been disclosed in note 23 of Schedule 15 (B).
7. The Company has pledged 100% of investment in DWS Fixed Term Fund Series 67-Growth Fundmutual fund in favour of bank / financial institution.

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	AS ON March 31, 2011 Rs.	AS ON March 31, 2010 Rs.
SCHEDULE 7 :		
INVENTORIES :		
Project Work in Progress* #		
Opening Balance	973,706,391	645,523,221
Add: Construction cost incurred during the year	1,086,972,943	319,817,619
Add:- Depreciation during the year	4,923,265	8,365,551
Less : Charged off during the year	41,119,456	-
Less : Transferred to subsidiary company	20,766,217	-
Less : Transferred to Advance recoverable in cash or in kind	10,257,000	-
Total	1,993,459,926	973,706,391
* includes Rs. 21,072,000 (Previous Year Rs. 21,072,000) paid for leasehold land pending execution		
# Refer footnote (ii) to Note 1 of Schedule 15 (B)		
SCHEDULE 8 :		
CASH AND BANK BALANCES :		
Cash on hand (includes cheques on hand Nil Previous Year Rs.32,00,000)	248,460	3,362,012
Balance with Scheduled Banks - (Refer Note 14 of Schedule 15 (B))		
In Current Accounts	46,845,495	385,210,210
In Fixed Deposit Account (Refer note below)	105,129,588	43,200,000
Note:		
Includes as margin money deposit Rs. 31,200,000 (Previous year Rs 31,200,000) and under lien for Rs 13,000,000 (Previous year Rs. 12,000,000)		
Total	152,223,543	431,772,222
SCHEDULE 9 :		
LOANS & ADVANCES :		
(Unsecured unless stated otherwise)		
(Refer Note 4, 5 and 8 of Schedule 15 (B))		
Loan to subsidiaries	9,191,285,347	6,205,562,542
Loans to associates (Interest free)	791,032,492	737,646,389
Loan to others (Refer Note below this schedule)	1,799,395,645	1,132,819,885
Loans to partnership firms/joint venture under joint control (Interest free)	426,852,794	6,636,057,866
Advance against Share Purchase	2,476,000,000	20,000,000
Advances recoverable in cash or in kind or for value to be received	2,350,186,525	602,115,869
Security Deposits	3,464,474,186	303,261,070
Other Interest free deposits	108,385,713	88,385,713
Tax Deducted at Source	22,058,075	8,173,224
Advance Tax	300,000	300,000
	20,629,970,777	15,734,322,558
Less:- Provision for doubtful advances	167,557,328	17,557,328
Total	20,462,413,449	15,716,765,230
Loans and Advances		
Considered Good	20,462,413,449	15,716,765,230
Considered Doubtful	167,557,328	17,557,328
Total	20,629,970,777	15,734,322,558

SCHEDULES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

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

Name of the party	Balance as on March 31, 2011	Balance as on March 31, 2010	Maximum Outstanding Balance during the Year 2010-11
Goan Hotels & Clubs Private Limited	503,963,329	Nil	503,963,329

	AS ON March 31, 2011 Rs.	AS ON March 31, 2010 Rs.
SCHEDULE 10 :		
CURRENT LIABILITIES AND PROVISIONS:		
CURRENT LIABILITIES*		
Total Outstanding dues of micro enterprises and small enterprises @	439	110,871
Total Outstanding dues of Creditors other than micro enterprises and small enterprises	161,473,300	308,056,686
Interest Accrued but not due on loans	158,769	145,783
Other Current Liabilities	252,455,958	474,301,743
Advances from customers	55,476,200	65,000,000
Sub Total (A)	469,564,666	847,615,083
PROVISIONS		
For Income Tax	6,500,000	6,500,000
For Fringe Benefit Tax Payable (net of taxes paid)	-	205,912
For Gratuity	10,465,061	3,768,438
For Compensated absences	13,154,382	5,011,562
Sub Total (B)	30,119,443	15,485,912
Total (A)+(B)	499,684,109	863,100,995

* No amounts are due and outstanding as at the Balance Sheet date to be credited to Investor Education and Protection Fund.

@ 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 on March 31, 2010 Rs.	As on March 31, 2011 Rs.
a) Principal amount remaining unpaid as at year end	439	110,871
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.	-	-

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	For the Year ended March 31, 2011 Rs.	For the Year ended March 31, 2010 Rs.
SCHEDULE 11 :		
OTHER INCOME :		
Dividend on Mutual Fund Investment- current	177,928,025	40,113,031
Interest on Loan to others (Tax Deducted at source Rs. 13,429,737) (Previous Year Rs. 4,221,840)	611,032,301	537,137,562
Interest on bank Fixed Deposit (Tax Deducted at source Rs. 1,361,938) (Previous Year Rs. 482,029)	7,736,201	4,538,239
Profit on Sale of Current Investment (net)	2,409,346	-
Exchange Gain (Net)	-	131,582
Miscellaneous income	112,263	-
TOTAL	799,218,136	581,920,414
SCHEDULE 12:		
PROJECT EXPENSES INCURRED :		
Land acquisition and purchase of tenancy rights	819,849,890	221,545,472
Project Salaries, Wages and Bonus (including Managerial Remuneration)	67,334,589	61,127,099
Contribution to Provident fund & others	435,320	243,930
Other construction expenses	199,353,146	36,901,118
TOTAL	1,086,972,945	319,817,619
SCHEDULE 13:		
(INCREASE)/DECREASE IN INVENTORIES :		
Opening Inventory - Project Work in progress	973,706,391	645,523,221
Less : Transferred to Advances recoverable in cash or kind	(10,257,000)	-
Less : Charged during the year	(41,119,456)	-
Less : Transferred to subsidiary company	(20,766,217)	-
Closing Inventory - Project Work in progress	(1,993,459,925)	(973,706,391)
TOTAL	(1,091,896,207)	(328,183,170)

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Condt....)

	For the Year ended March 31, 2011 Rs.	For the Year ended March 31, 2010 Rs.
SCHEDULE 14 :		
ESTABLISHMENT EXPENSES :		
Payment to and Provision for employees:		
a) Salaries, wages and bonus (including managerial remuneration)	87,339,264	15,893,707
b) Contribution to provident fund and others	1,096,706	424,166
c) Staff Welfare and other amenities	23,327,185	8,363,920
Rent (Refer Note 12 of Schedule 15 (B))	19,497,766	8,993,935
Repairs and Maintenance - others	11,034,307	2,990,236
Legal and Professional charges	77,777,385	49,579,022
Donations	6,465,302	3,967,102
Advertisement and Publicity	74,492,032	51,815,000
Books, Periodicals, Subscription & Membership Fees	3,083,698	3,850,476
Directors Sitting Fees	1,080,000	800,000
Printing and Stationery and Telephone Charges	4,614,340	1,835,292
Travelling and Conveyance Expenses (including aircraft / helicopter hire charges of Rs.64,388,442 (Previous year- 1,250,000))	70,590,596	4,473,588
Provision for doubtful advances	150,000,000	-
Loss on Sale of Asset	26,263	-
Loss on Redemption of Preference Shares	750,000	-
Exchange loss (Net)	118,720	-
Provision for Diminution in Investment	-	240,231
Miscellaneous Expenses	52,883,148	12,077,578
TOTAL	584,176,712	165,304,253

SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS :

A) SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

2. USE OF ESTIMATES

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

3. FIXED ASSETS

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

4. DEPRECIATION/AMORTISATION

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

5. IMPAIRMENT OF ASSETS

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

6. INVENTORIES

Inventories are valued at lower of cost and net realizable value. Project work in progress cost includes 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.

7. REVENUE RECOGNITION

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

8. INVESTMENTS

- a) Current Investments are carried at lower of cost and fair value, computed script wise. Long term Investments including interests in subsidiaries, associates and jointly controlled entities are carried stated at cost, less provision, if any for Provision any diminution in the value of Long term investments is made only if decline is other than temporary in their value.
- b) As regards investments in partnership firms, the Company's share of Profit / Loss from investment in partnership firms is accounted for in respect of the year ended as on the balance sheet date, on the basis of the audited accounts of such partnership firms in accordance with Schedule VI (Part II (xii)(a)) of the Companies Act 1956.

9. EMPLOYEE BENEFITS

- a) Defined Contribution Plan:

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

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 Profit and Loss account in the period of occurrence of such gains and losses. Past service cost is recognised immediately to the extent of benefits are vested, otherwise it is amortised on straight-line basis over the remaining average period until the benefits become vested.

c) Short term employee benefits:

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

10. OPERATING LEASE:

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

11. FOREIGN CURRENCY TRANSACTIONS

Transactions 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 end period is recognized in the profit and loss account. as income or expense, as the case may be.

12. 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 cost are charged to revenue.

13. TAXES ON INCOME

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

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

14. PROVISIONS AND CONTINGENT LIABILITY

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

B) NOTES TO THE ACCOUNTS:

1) Contingent Liabilities and commitments:

	As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
A. Estimated amount of contracts remaining to be executed on the capital account (net of advances) and not provided for	-	4,270,666
B. The Company and DB Hospitality Private Limited (together "sponsor"), a company under the same management, have entered into a sponsorship agreement dated September 18, 2010 with DB Hotels (India) Private Limited (earlier known as Heaven Star Private Limited) (DBHPL) for providing sponsor support for project/capital overrun (as determined in the future) and Non Disposal undertaking in respect of 70% of their paid up share capital in DBHPL to Yes Bank who have agreed to lend Rs. 10,820,000,000 to DBHPL for its project.	Not ascertainable	-

	As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
C. Guarantees to banks and financial institutions (in India and overseas) against credit facilities extended to:		
a) Subsidiaries		
- Neelkamal Realtors Suburban Private Limited	-	1,000,000,000
- Gokuldharm Real Estate Development Company Private Limited	1,300,000,000	960,000,000
- Neelkamal Realtors Tower Private Limited	2,004,125,000	2,004,125,000
Sub Total (A)	3,304,125,000	3,964,125,000
b) Partnership firm		
- Dynamix Realty	-	-
Sub Total (B)	4,125,000	1,084,125,000
c) Jointly Controlled Entity		
- DB (BKC) Realtors Private Limited (earlier known as M K Malls & Developers Private Limited) Sub Total (C) (Refer note i below)	-	-
d) Companies under the same management		
- Allianze Infratech Private Limited (erstwhile wholly owned subsidiary of Etisalat DB Telecom Private Limited)	-	420,000,000
- D B Hospitality Limited, Mauritius (wholly owned subsidiary of DB Hospitality Private Limited) (USD 138 Million) (Refer note 2 below)	6,161,700,000	6,229,320,000
Sub Total (D)	6,161,700,000	6,649,320,000
e) Others		
- Neelkamal Realtors and Builders Private Limited (Refer note iii below)	4,125,000	4,125,000
- Majestic Infracon Private Limited (earlier known as DBI Infracon Private Limited / Tiger Trustees Private Limited) (Refer note ii and Note 2 below)	8,530,000,000	8,530,000,000
Sub Total (E)	8,534,125,000	8,534,125,000
Grand Total (A+B+C+D+E)	18,004,075,000	20,231,695,000

Notes:

- (i) No amount has been utilized towards a total corporate guarantee provided of Rs. 2,448,000,000 (Previous year: Rs. 2,448,000,000).
- (ii) 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.
- (iii) Towards vehicle loan.

	As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
D. Claim made against the Company not acknowledged as debt relating to service tax on lease rentals in respect of an office premises	2,448,609	858,991
E. Arrears of Dividend on 0.001 % compulsorily Convertible Cumulative Preference shares (CCPS), during the previous year converted in to equity shares.	185	185

	As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
F. (a) The Company has filed a writ petition (1230 of 2010) in the High Court of Judicature at Bombay (the 'High Court'), contesting the constitutional validity of Section 65 (30) read with Section 65(105)(zzp) and Section 65(105)(zzh) read with Section 66 of the Finance Act, 1994, as amended by the Finance Act, 2010 and the matter is pending final hearing. Further, the Company has also applied for membership of Maharashtra Chambers of Housing Industry (MCHI). MCHI, on behalf of its Members, has filed a writ petition in the High Court of Bombay challenging the levy of service tax by them on Sale of Residential Flats, which has not reached its finality. Meanwhile, the High Court of Bombay has passed a Notice of Motion dated 18th February, 2011, whereby the Members are permitted to deposit the service tax with the Prothonotary & Senior Master/ Registrar (O.S.) of the Court, with a direction that the same will be refunded with interest in the event Members succeed in the said writ petition. In view of the same, the Company has demanded the amount of service tax from each of the purchasers after 31st March 2011 and the amount of such service tax as upto 31st March 2011 is Rs. 656,012. The Company is of the view that the same is required to be deposited as and when collected from the purchasers. The Management of the Company has taken adequate steps for the recovery of such service tax dues and are of the opinion that the same shall be collected and deposited in due course of time and does not believe it is unreasonable to expect of ultimate collection.	Amount unascertainable	-
and		
(b) service tax matter as above in case of joint ventures (amount of service tax of Company's share as up to 31st March 2011 Rs. 2,618,769)	Amount unascertainable	-
G. 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

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.

- 2) 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:
- 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).
 - In respect of facilities availed by DB Hospitality Limited, Mauritius ('DBH, Mauritius') from ICICI Bank - United Kingdom PLC of USD 138 millions - Rs. 6,161,700,000 as at the year end March 31, 2011 (Previous Year Rs. 6,229,320,000) .

The outstanding balances as at March 31, 2011 in respect of aforesaid guarantees aggregate Rs. 14,691,700,000. For the purpose of the said corporate guarantees, the Company has received in its favour irrevocable and unconditional personal guarantees from the two interested directors (one being Managing Director until February 9, 2011 and the other, Managing Director) covering the entire amount of such guarantees issued by the Company.

The aforesaid facilities are secured as under:

- 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.
- DBH Mauritius: by (a) mortgage of its property consisting of Milan Mall in Milan Theatres Private Limited and Dynamix Mall in YJ Realty Private 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.

- 3) Share of profit (net) from investments in partnership firms (“the firms”) and investments in the firms is based on financial statements of the firms as audited by other auditors. The audited financial statements/the auditors’ report on the financial statements of one of the partnership firms viz. Dynamix Realty (“Dynamix”) in which the Company is a partner has reported certain significant matters as under:
 - a) Notes to financial statements relating to outstanding receivables of Rs. 5,798,640,429 (including dues aggregating Rs. 4,476,974,912 as at March 31, 2011 from companies in which directors of the Company are interested) as at March 31, 2011 as follows:
 - i) the other partner (being an entity in which a director of the Company is interested) viz. Eversmile Construction Company Private Limited (ECC) has a debit balance of Rs. 3,428,974,912 which includes Rs. 1,500,000,000 placed as interest free deposit. The said deposit as per the deed of partnership was to be adjusted against ECC’s share of profit which remains unadjusted. The balance is confirmed by ECC and as represented by both partners of Dynamix, the said balance after considering the share of profit of ECC shall be recovered in due course of time. In view of the same, debit balance of ECC is considered good of recovery;
 - ii) Dynamix 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 Dynamix, the outstanding amount as of the year end of loans and interest there on of Rs. 1,218,431,620 (including Rs. 1,048,000,000 from a Company in which a director of the Company is interested) is considered good of recovery;
 - iii) sundry debtors include Rs. 1,151,233,897 inclusive of overdue of Rs. 307,055,381 out of which Rs. 51,233,897 is outstanding for more than six months. In the opinion of the partners of Dynamix, the said outstanding is good for recovery.
 - b) Notes to financial statements relating to treatment of income tax:

No provision for income tax has been recognized in respect of profits of Dynamix from the project being executed as per agreement with the Slum Rehabilitation Authority, accounted as per percentage of completion method amounting Rs. 2,921,254,886 (Previous year Rs. 2,541,011,748). The profits are eligible for 100% deduction u/s 80 IB (10) of the Income Tax Act, 1961 read with the clarification issued by the CBDT that deduction can be claimed on a year to year basis. In the event Dynamix does not satisfy the enumerated conditions – more particularly of completing the project within the specified time limit of 5 years i.e. by March 31, 2012, the deduction shall stand withdrawn for all the years and Dynamix would be called upon to pay income tax and interest.
 - c) Notes to financial statements and reference in Auditors’ report regarding a matter which is sub-judice:

Dynamix had granted loans to Kusegaon Realty Pvt Ltd. (‘Kusegaon’) aggregating Rs. 2,092,425,485 (the said loans) as upto March 31, 2010. As of March 31, 2011, 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 (CBI) in the Supplementary (First) charge sheet RC.DAI.2009.A.0045 (2G Spectrum Case) has alleged that the Key Management Personnel of DB 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 (‘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 in the 2G Spectrum Case. The CBI has alternatively alleged in the said chargesheet that even if the said transaction of Rs. 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 Dynamix, these are preliminary charges based on the 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 Dynamix.
- 4) During the year, the Company acquired 1/3rd stake in another company by paying Rs. 892,225,001 (Refer Schedule 6). 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 favourable 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.
- 5) One of the Company’s wholly owned subsidiaries has plans to construct / develop/market project/s on its land, which are delayed due to title dispute concerning the previous landlords. The Company has filed a special leave petition before the Supreme Court of India. The Company considers its investment in the said subsidiary as long term and strategic in nature. As of March 31, 2011, the Company’s investment in and Loans to this subsidiary aggregate Rs. 312,018,720 and Rs. 1,351,977,945 respectively. The management, based on in-house legal advice, about the outcome of the matter does not believe that there is any diminution in the value of its investments and considers the loan given as good of recovery.

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- 6) The Company has incurred a sum of Rs. 123,779,659 towards acquisition of tenancy rights pertaining to a redevelopment project, which is the subject matter of litigation. Based on legal advice and certain judicial precedents, the Company believes that it has better chances of getting the project awarded to itself and is confident of commencement of start redevelopment activities shortly in near future and accordingly the said amount is considered as good of recovery (Refer Schedule 9).
- 7) The Company has incurred losses during the year excluding share of profit / (loss) of investment in partnership firms (net) and hence no provision for current tax has been made. It has not recognized any deferred tax asset and will account for the same when there is a reasonable/ virtual certainty as regards availability of taxable income in accordance with Accounting Standard - 22 "Accounting for taxes on income".
- 8) The Company has equity investments in certain subsidiaries, jointly controlled entities and associates aggregating Rs. 148,933,200 (Previous year Rs. 385,188,120) and loans and advances outstanding aggregating Rs. 5,843,995,961 (Previous year Rs. 4,650,180,925) as at March 31, 2011. The Company considers its investments in such entities as long term and strategic in nature. 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. 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.
- 9) Payment to Auditors (included in Legal and Professional charges)

	Particulars	For the year ended March 31, 2011 (Rupees)	For the year ended March 31, 2010 (Rupees)
a)	Statutory Audit (including limited review)	5,500,000	2,500,000
b)	Certification, IPO related work and others	1,920,000	5,470,000
c)	Out of pocket expenses	3,135	11,832
d)	Service tax on above	764,583	822,129
	Total	8,187,718	8,803,961

10) Managerial remuneration:

	Particulars	For the year ended March 31, 2011 (Rupees)	For the year ended March 31, 2010 (Rupees)
a)	Salaries and allowances	22,321,429	29,329,745
b)	Contribution to provident and other funds	-	4,264
c)	Perquisites	4,638,742	-
d)	Directors' sitting fees	1,080,000	800,000
	Remuneration paid by one of the subsidiary company (refer note 'a' below)	9,000,000	-
	Total	37,040,171	30,134,009

Notes:

- a) During the year, one of the subsidiary company appointed one of the managing directors of the Company as its managing director for overall responsibilities and functions of the said subsidiary company w.e.f. October 1, 2010 and up to March 31, 2011, it paid aggregate Rs. 9,000,000 as remuneration. This additional disclosure has been made as required by Schedule VI of the Companies Act, 1956.
- b) The above remuneration excludes;
- Contributions to provident and other funds as per declarations of non deduction received from the respective directors.
 - Provision for gratuity and leave encashment (amount unascertained) payable to the managing directors is waived by them.

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

11) Foreign Currency Transactions :

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2011 which is as follows:-

Particulars	As at March 31, 2011		As at March 31, 2010	
	INR Equivalent	USD Equivalent	INR Equivalent	USD Equivalent
Payable for Professional fees	468,227	9,298	6,902,585	153,288

- 12) (i) The Company has taken commercial premises on Non Cancellable Operating Lease and lease rent of Rs. 9,653,496 (Previous Year Rs. 8,863,935) has been debited to Profit and Loss Account. The future minimum lease payments are as under:

Particulars	As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
Not later than one year	9,573,901	7,796,357
Later than one year but not later than five year	6,289,694	8,169,455
Later than five year	Nil	Nil

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

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

Particulars	As at March 31, 2011	As at March 31, 2010
A		
Net Profit after tax as per profit and loss account (Rs.)	2,556,950,566	2,273,900,041
Less: Preference Dividend in arrears	-	(185)
Net Profit after tax available to equity shareholders(Rs.)	2,556,950,566	2,273,899,856
B		
Weighted average number of equity shares outstanding		
- for Basic EPS (Nos.)	243,258,782	214,238,161
- for Diluted EPS (Nos.)	243,258,782	214,624,298
C		
Earnings per equity shares of face value of Rs 10 each		
- Basic EPS (Rs.)	10.51	10.61
- Diluted EPS (Rs.)	10.51	10.59
D		
Reconciliation between number of shares used for calculating basic and diluted EPS:		
Number of shares used for calculating Basic EPS	243,258,782	214,238,161
Add : Potential Equity Shares (Refer note below)	-	386,137
Number of shares used for calculating Diluted EPS	243,258,782	214,624,298

Note: In calculating diluted earnings per share for the year ended March 31, 2010 the effect of convertible preference shares till the date of actual conversion is considered whereas the effect of dilution of debentures converted into equity shares is ignored as the same are considered to be anti-dilutive.

- 14) During previous year, the Company came out with Initial Public Offer (IPO) of its Equity Shares aggregating Rs. 15,000,000,000.

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

(Rs. in lacs)

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

Notes:

- a) The Management of the Company has taken approval in the Annual General Meeting held on September 29, 2010 to vary and / or revise the 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. As regards, end use of funds utilised by the DB Realty Group entities, the same is based on information compiled by those entities from their books of account and as certified by their respective auditors.
- b) The Monitoring agency viz. Punjab National Bank Capital Market Service Branch, Mumbai has submitted it's Report for the six month ended September 30, 2010 and is yet to review the utilisation of IPO proceeds for the period October 2010 to March 2011.

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

(Rs. in lacs)

	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

15) Value of Imports on CIF Basis in respect of:

Particulars	For the year ended March 31, 2011 (Rupees)	For the year ended March 31, 2010 (Rupees)
Capital Goods	2,982,632	3,107,476

16) Expenditure in foreign currency:

Description	For the year ended March 31, 2011 (Rupees)	For the year ended March 31, 2010 (Rupees)
Professional Fees	938,242	9,277,917
Interest	-	163,325,375
Other Expenses	3,530,034	11,319,392

17) Additional information pursuant to the paragraphs 3(ii) and 4C of Part II of Schedule VI to the Companies Act, 1956 are not applicable.

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

19) The disclosures under the Accounting Standard 15

A) Defined Contribution Plan:

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

Description	For the year ended	
	March 31, 2011 (Rupees)	March 31, 2010 (Rupees)
Employers' contribution to Provident fund	1,436,639	540,370

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, 2011:

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

Description	March 31, 2011 (Rupees)	March 31, 2010 (Rupees)
Liability at the beginning of the year	3,768,438	1,949,197
Interest cost	461,131	247,097
Current Service cost	1,995,695	1,239,147
Actuarial (gain)/loss on obligations	195,453	
Benefit paid	4,044,344	332,997
Liability at the end of the year	10,465,061	3,768,438

b) Reconciliation of fair value of plan assets and obligations

Description	March 31, 2011 (Rupees)	March 31, 2010 (Rupees)
Liability at the end of the year	10,465,061	3,768,438
Fair value of Plan Assets at the end of the year	-	-
Difference	(10,465,061)	(3,768,438)
Amount Recognized in the Balance Sheet	(10,465,061)	(3,768,438)

c) Expense recognized during the year:

Description	March 31, 2011 (Rupees)	March 31, 2010 (Rupees)
Current service cost	1,995,695	1,239,147
Interest cost	461,131	247,097
Expected Return on Plan Assets	-	-
Actuarial Gain or Loss	4,044,344	332,997
Past Service Cost – Vested Benefit	195,453	-
Expense recognized in profit and loss	6,696,623	1,819,241

d) Actuarial Assumptions:

Mortality Table	LIC (1994-96)	LIC (1994-96)
Discount rate (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	10%	10%

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

Particulars	For the Year Ended 31st March 2011	For the Year Ended 31st March 2010
Experience adjustments on actuarial (Gain)/ loss:	4,370,588	*
Plan assets (gain) loss	Nil	*

The present value of defined benefit obligation was Rs 1,949,197 as on March 31, 2009 and Rs 885,621 on March 31, 2008.

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

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

C) Other Long Term Employee Benefit:

The compensated absences charge for the year ended March 31, 2011, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting Rs.8,142,820 (for Previous Year Rs. 2,694,831) has been recognized in the Profit and Loss Account.

20) Segment Reporting:

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

21) 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 (all parties where control exists and others based on transactions with them)
Subsidiaries: (where control exists)
Gokuldharm Real Estate Development Company Private Limited
Neelkamal Realtors Suburban Private Limited
Neelkamal Shanti Nagar Properties Private Limited
Neelkamal Realtors Tower Private Limited

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Name of the Related Party (all parties where control exists and others based on transactions with them)
Esteem Properties Private Limited
D. B. 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 Salts Works Company
DB Chandak Realtors Private Limited
N.A Estate Private Limited (w.e.f April 20, 2010)
Royal Netra Constructions Private Limited.(w.e.f May 18, 2010)
Nine Paradise Erectors Private Limited (formerly known as Nine Paradise Hotels Private Limited) (w.e.f April 8, 2010)
DB MIG Realtors and Builders Private Limited (formerly known as L & T Bombay Developers Private Limited) (w.e.f. September 13, 2010)
DB Spacecon Private Limited (formerly known as DB Airport Infra Private Limited) (w.e.f. September 30, 2010)
Vanita Infrastructure Private Limited (w.e.f. October 1, 2010)
DB View Infracon Private Limited (subsidiary w.e.f. January 31, 2011)
DB Contractors & Builders Private Limited (w.e.f. March 7, 2011)
A G Infraconstructions Private Limited (100% subsidiary of Royal Netra constructions Private Limited w.e.f February 24, 2011)
Associates:
Sangam City Township Private Limited
Dynamix Building Materials Private Limited
Crossway Realtors Private Limited
D.B. Hi-Sky Constructions Private Limited
DB Hotels (India) Private Limited (formerly known as Heaven Star Realty Private Limited)
Mahal Pictures Private Limited (w.e.f. August 11, 2010)
DB View Infracon Private Limited(Associate till January 30, 2011)
Nine Paradise Erectors Private Limited (Formerly known as Nine Paradise Hotels Private Limited (Associate till April 7, 2010)
Jointly Controlled Entities:
Dynamix Realty
DBS Realty
Turf-Estate Joint Venture
Lokhandwala-Dynamix Balwas Joint Venture
DB (BKC) Realtors Private Limited (formerly known as M K Malls and Developers Private Limited)
DB Realty and Shreepati Infrastructure LLP (w.e.f. September 9, 2010)
DB Realtors & Builders LLP (w.e.f December 15, 2010)
Daund Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Baramati Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
Saswad Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
Ahmednagar Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Ratnagiri Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Solapur Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Sawantwadi Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Satara Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Kolhapur Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Latur Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Parli Vajnath Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Osmanabad Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
Nandurbar Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Jalgaon Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)

Name of the Related Party (all parties where control exists and others based on transactions with them)
Jalna Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Parbhani Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Hingoli Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
Umri Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Aurangabad Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Malkapur Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Badnera Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Washim Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Bhandara Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Chandrapur Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Wadsa Warehousing Developers & Builders LLP(w.e.f. October 22, 2010)
Shree Shantinagar Ventures (Jointly controlled entity of NeelKamal Shantinagar Properties Private Limited)
Suraksha DB Realty (Jointly controlled entity of DB Properties Private Limited)
Evergreen Industrial Estate (Jointly controlled entity of Priya Constructions Private Limited)
Entity in respect of which the Company is an Associate
Neelkamal Tower Construction Private Limited now known as Neelkamal Tower Construction LLP
Key Management Personnel (KMP)
Mr. Shahid Balwa, Managing Director (upto February 9, 2011)
Mr. Vinod Goenka, Managing Director
Relatives of KMP
Mr.Usman Balwa (upto February 9, 2011)
Mrs.Shabana Balwa (upto February 9, 2011)
Mr.Salim Balwa (upto February 9, 2011)
Mrs.Aseela V.Goenka
Mr.Pramod Goenka
Mrs.Sunita Bali
Mrs.Shanita Jain
Enterprise where individuals i.e. KMP and their relatives have significant influence
Associated Hotels Private Limited
Consort Hotels Private Limited
Conwood Construction & Developers Private Limited
Conwood Pre-fab Limited
DB Hospitality Private Limited
Pony Infrastructure and Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)
Dynamix Club and Resorts Private Limited
Eversmile Construction Company Private Limited.
Goan Hotels & Clubs Private Limited
Goan Real Estate and Construction Private Limited
K G Enterprises
Khairun Developers Private Limited
Milan Theatres Private Limited
Neelkamal Realtors and Builders Private Limited
Nihar Construction Private Limited
Neelkamal Realtors and Erectors India Private Limited (upto February 9, 2011)
Span Construction Company Private Limited
Majestic Infracon Private Limited (formely known as Tiger Trustees Private Limited and DBI Infracon Private Limited)
Y. J. Realty Private Limited
Eon Aviation Private Limited
BD and P Hotels Private Limited
DB Spacecon Private Limited (formerly known as DB Airport Infra Private Limited)
DB Contractors & Builders Private Limited
Hotel Balwas Private Limited (Formerly known as IT Square Software Solutions Private Limited) (upto February 9, 2011)

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(iii) Details of the transactions with the Related Parties

Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/ its subsidiaries	Enterprises over which KMP and their relatives have significant influence
Loans Granted by Company (Net)						
Opening Balance as on 1st April 2010	6,205,562,542	737,646,389	-	-	6,636,057,866	792,339,938
	(3,556,192,184)	(557,442,099)	(-)	(-)	(4,028,112,298)	(212,487,373)
Given during the year	10,714,913,231	66,886,103	-	-	9,396,727,794	791,887,885
	(6,908,766,749)	(180,294,290)	(-)	(-)	(8,533,739,190)	(1,387,684,088)
Returned during the year	7,597,274,024	13,500,000	-	-	15,605,932,866	263,043,967
	(4,442,896,391)	(90,000)	(-)	(-)	(5,925,793,622)	(624,331,523)
Transferred (to)/from (Refer Note 2 below)	(131,916,402)	-	-	-	-	-
	(183,500,000)	(-)	(-)	(-)	(-)	(-183,500,000)
Closing Balance as on March 31, 2011	9,191,285,347	791,032,492	-	-	426,852,794	1,321,183,856
	(6,205,562,542)	(737,646,389)	(-)	(-)	(6,636,057,866)	(792,339,938)
Inter-corporate deposits/ (loan) received/ repaid during the year						
Opening Balance as on 1st April 2010	-	-	-	-	1,277,800,000	9,090,000
	(-)	(-)	(-)	(-)	(1,348,900,000)	(1,287,682,590)
Taken during the year	170,326,027	-	-	-	132,500,000	680,200,000
	(-)	(-)	(-)	(-)	(1,310,000,000)	(3,423,867,528)
Returned during the year	280,412	-	-	-	1,038,950,000	689,290,000
	(-)	(-)	(-)	(-)	(1,381,100,000)	(4,702,460,118)
Transferred (to)/from	-	(-)	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2011	170,045,615	-	-	-	371,350,000	-
	(-)	(-)	(-)	(-)	(1,277,800,000)	(9,090,000)
Investments in Equity Shares						
Opening Balance as on 1st April 2010	595,470,913	330,000	-	-	856,825,785	-
	(745,668,572)	(306,000)	(-)	(-)	(856,825,785)	(-)
Investment purchased during the year	57,682,000	1,012,227,411	-	-	129,678,114	-
	(86,454,999)	(24,000)	(-)	(-)	(-)	(-)
Investments sold/redeemed during the year	70,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from (Refer Note 3 below)	33,000	(33,000)	-	-	-	-
	(236,652,658)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2011	653,115,913	1,012,524,411	-	-	986,503,899	-
	(595,470,913)	(330,000)	(-)	(-)	(856,825,785)	(-)
Investment in Preference Shares						
Opening Balance as on 1st April 2010	515,621,507	-	-	-	135,000,241	-
	(515,621,507)	(-)	(-)	(-)	(135,000,241)	(-)
Investment purchased during the year	-	-	-	-	1,120,098,969	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investments sold/redeemed during the year	300,750,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2011	214,871,507	-	-	-	1,255,099,210	-
	(515,621,507)	(-)	(-)	(-)	(135,000,241)	(-)

Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/ its subsidiaries	Enterprises over which KMP and their relatives have significant influence
Investment in Debentures						
Opening Balance as on 1st April 2010	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investment purchased during the year	25,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investments sold/redeemed during the year	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Transferred (to)/from	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2011	25,000,000	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Investment in Joint Ventures, Partnership firms and LLPs						
Opening Balance as on 1st April 2010	1,638,159,639	-	-	-	5,055,008,961	-
	(1,204,613,768)	(-)	(-)	(-)	(3,098,709,698)	(-)
Contribution during the year	126,250,000	-	-	-	8,471,645,210	-
	(451,229,587)	(-)	(-)	(-)	(2,636,701,656)	(-)
Contribution refunded during the year	405,853,013	-	-	-	7,195,115,883	-
	(17,683,716)	(-)	(-)	(-)	(680,402,393)	(-)
Transferred (to)/from (Refer Note 4 below)	-	24,117,000	-	-	(24,117,000)	-
	(-)	(-)	(-)	(-)	(-)	(-)
Closing Balance as on March 31, 2011	1,358,556,626	24,117,000	-	-	6,307,421,288	-
	(1,638,159,639)	(-)	(-)	(-)	(5,055,008,961)	(-)
Reimbursement of expenses incurred on behalf as on March 31, 2011	21,066,217	1,175,998	-	-	2,937,942	3,450,266
	(20,748,891)	(-)	(-)	(-)	(2,000,000)	(2,255,826)
Deposits for development of properties and advance for tenancy rights / flat / land	128,548,848	-	-	33,125,000	-	4,350,000,000
	(22,500,000)	(-)	(500,000)	(1,500,000)	(-)	(2,500,000)
Mobilisation Advance	-	-	-	-	-	116,710,866
	(-)	(-)	(-)	(-)	(-)	(-)
Rent paid	-	-	-	-	-	8,358,627
	(-)	(-)	(-)	(-)	(-)	(8,863,935)
Miscellaneous Expenses (water and electricity)	-	-	-	-	-	1,195,113
	(-)	(-)	(-)	(-)	(-)	(869,390)
Equity Share Capital	-	-	362,525,580	116,598,890	-	1,045,648,380
	(-)	(-)	(274,130,010)	(152,936,280)	(-)	(1,130,543,400)
Current Liabilities	-	2,410	-	-	165,244,782	77,276,371
	(-)	(-)	(-)	(-)	(378,651,515)	(55,545,949)
Managerial Remuneration	-	-	26,960,171	-	-	-
	(-)	(-)	(29,334,009)	(-)	(-)	(-)
Corporate Guarantee given by the Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies (Refer note 1 C) and 2 of Schedule 15 (B))	3,304,125,000	-	-	-	4,125,000	14,695,825,000
	(3,964,125,000)	(-)	(-)	(-)	(1,084,125,000)	(15,183,445,000)
Interest received	485,746,331	-	-	-	3,970,294	121,039,489
	(436,714,670)	(-)	(-)	(-)	(-)	(97,189,938)

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Description	Subsidiaries	Associates	Key Management Personnel	Relatives of Key Management Personnel	Entities under Joint Control of Company/ its subsidiaries	Enterprises over which KMP and their relatives have significant influence
Construction Expenses	-	-	-	-	-	103,359,971
	(-)	(-)	(-)	(-)	(-)	(-)
Advance against share purchase	-	1,476,000,000	-	-	-	-
	(-)	(20,000,000)	(-)	(-)	(-)	(-)
Travelling Expenses	-	-	-	-	-	64,338,442
	(-)	(-)	(-)	(-)	(-)	(1,250,000)
Share of loss/(profit) from partnership firms	8,356,413	-	-	-	(2,820,639,046)	-
	(4,954,128)	(-)	(-)	(-)	((2,271,072,056))	(-)
Irrevocable and unconditional personal guarantee by each Managing Director in favor of the Company against guarantees given by company to the lenders on behalf of various entities (Refer Note 2 to Schedule 15 (B))	-	-	USD 138 million plus Rs. 16,570 million	-	-	-
	(-)	(-)	(USD 138 million plus Rs. 16,570 million)	(-)	(-)	(-)

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

Notes:

- The aforesaid related parties are identified by the Company and relied upon by the Auditors.
 - The investment in subsidiary viz. DB Chandak Realtors Private Limited was sold on March 31, 2011.
 - Nine Paradise Erectors Private Limited became subsidiary of the Company w.e.f. April 8, 2010.
 - Lokhandwala Dynamix Balwas JV considered as associate in the current year as against JV in the previous year.
 - The equity share capital of Rs. 1,045,648,380 (Previous year Rs. 1,130,543,400) is held by an entity of which the Company is an associate.
- (iii) Disclosure in respect of material related party transactions during the year (including disclosures as required under Clause 32 of the Listing Agreement):

Loans and Advances	Opening Balance as on 1st April, 2010	Given during the year	Returned during the year	Closing Balance as on 31st March, 2011	Maximum Balance Outstanding during the year
Loans to Subsidiaries (no repayment schedule and repayable on demand negle) *					
D B Man Realty Limited	349,184,320	47,728,108	71,884,320	325,028,108	349,184,320
	(-)	(349,184,320)	(-)	(349,184,320)	
D B Properties Private Limited	1,704,259,783	158,131,288	300,491,071	1,561,900,000	1,852,259,783
	(1,603,836,322)	(390,423,461)	(290,000,000)	(1,704,259,783)	
DB Spacecon Private Limited	-	2,884,113,835	172,766,217	2,711,347,618	2,877,336,495
	(-)	(-)	(-)	(-)	
DB View Infracon Private Limited	-	252,126,713	250,000,000	2,126,713	250,000,000
	(-)	(-)	(-)	(-)	
Esteem Properties Private Limited	1,459,777,945	737,200,000	845,000,000	1,351,977,945	2,182,477,945
	(480,563,171)	(1,024,214,774)	(45,000,000)	(1,459,777,945)	
Gokuldharm Real Estate Development Company Private Limited	276,297,644	1,387,509,918	1,663,807,562	-	1,326,297,644
	(-)	(336,297,644)	(60,000,000)	(276,297,644)	
DB MIG Realtors and Builders Private Limited	-	1,429,286,258	129,000,000	1,300,286,258	1,300,286,258
	(-)	(-)	(-)	(-)	

Loans and Advances	Opening Balance as on 1st April, 2010	Given during the year	Returned during the year	Closing Balance as on 31st March, 2011	Maximum Balance Outstanding during the year
Mira Salt Work Company	285,458,200	53,700,000	-	339,158,200	339,158,200
	(5,300,000)	(281,000,000)	(841,800)	(285,458,200)	
N. A. Estate Private Limited	-	75,888,065	-	75,888,065	75,888,065
	(-)	(-)	(-)	(-)	
Neelkamal Realtors Tower Private Limited	-	415,095,006	407,950,058	7,144,948	40,000,000
	(231,960,000)	(688,040,000)	(920,000,000)	(-)	
Neelkamal Realtor Suburban Private Limited	945,131,585	596,399,728	1,380,000,000	161,531,313	1,394,812,981
	(816,099,469)	(1,058,524,372)	(929,492,256)	(945,131,585)	
Neelkamal Shantinagar Properties Private Limited	90,189,316	737,467,992	566,367,992	261,289,316	427,889,316
	(23,168,722)	(88,524,711)	(21,504,117)	(90,189,316)	
Nine Paradise Erectors Private Limited	-	286,050,000	174,000,000	112,050,000	251,050,000
	(-)	(-)	(-)	(-)	
Priya Construction Private Limited	213,000,000	109,060,000	106,048,848	216,011,152	216,011,152
	(183,500,000)	(215,400,000)	(185,900,000)	(213,000,000)	
Real Gem Buildtech Private Limited	875,506,282	1,049,481,326	1,527,765,958	397,221,650	1,019,226,206
	(-)	(2,245,400,000)	(1,369,893,718)	(875,506,282)	
Royal Netra Construction Private Limited	-	330,508,592	2,191,998	328,316,594	328,316,594
	(-)	(-)	(-)	(-)	
Saifee Buckets Factory Private Limited	757,467	50,000	-	807,467	807,467
	(-)	(757,467)	(-)	(757,467)	
Vanita Infrastructure Private Limited	-	39,200,000	-	39,200,000	39,200,000
	(-)	(-)	(-)	(-)	
Loans to Associates (Interest free; No repayment schedule and repayable on demand) *					
D.B. Hi-Sky Constructions Private Limited	294,000,000	42,850,000	13,500,000	323,350,000	330,500,000
	(169,700,000)	(124,300,000)	(-)	(294,000,000)	
Sangam City Township Private Limited	422,500,000	24,000,000	-	446,500,000	446,500,000
	(369,900,000)	(52,600,000)	(-)	(422,500,000)	
Dynamix Building Materials Private Limited	21,146,389	36,103	-	21,182,492	21,182,492
	(17,842,099)	(3,394,290)	(90,000)	(21,146,389)	
Loans given to KMP Significant Entities *					
Goan Hotels & Clubs Private Limited	-	503,963,329	-	503,963,329	503,963,329
	(-)	(-)	(-)	(-)	
Y. J. Realty Private Limited (No repayment schedule and repayable on demand)	494,700,735	98,986,086	88,880,495	504,806,326	504,806,326
	(-)	(537,300,735)	(42,600,000)	(494,700,735)	
Milan Theatres Private Limited (No repayment schedule and repayable on demand)	297,639,203	90,938,470	76,163,472	312,414,201	312,414,201
	(-)	(397,539,203)	(99,900,000)	(297,639,203)	

* includes disclosures as required under Clause 32 of the Listing Agreement

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Particulars	Opening Balance as on 1st April, 2010	Taken during the year	Repaid during the year	Closing Balance as on 31st March, 2011
Loan taken from Subsidiary:				
Gokuldharm Real Estate Development Company Private Limited	-	170,326,027	280,412	170,045,615
	(-)	(-)	(-)	(-)
Loans taken from Jointly Controlled Entity				
M.K.Malls & Developers Private Limited	1,277,800,000	132,500,000	1,038,950,000	371,350,000
	(-)	(1,310,000,000)	(32,200,000)	(1,277,800,000)
Loans taken from KMP Significant Entity				
D B Hospitality Private Limited	180,000	1,200,000	1,380,000	-
	(-)	(1,677,479,241)	(1,677,299,241)	(180,000)
Neelkamal Realtors & Builders Private Limited	8,910,000	679,000,000	687,910,000	-
	(8,910,000)	(-)	(-)	(8,910,000)

Particulars	Opening Balance as on 1st April, 2010	Investments purchased/ made during the year	Investments sold/redeemed during the year	Closing Balance as on 31st March, 2011
Investments in Equity Shares:				
Mahal Pictures Private Limited	-	892,225,001	-	892,225,001
	(-)	(-)	(-)	(-)
Heaven Star Realty Private Limited	24,000	120,002,410	-	120,026,410
	(-)	(24,000)	(-)	(24,000)
Nine Paradise Erectors Private Limited	33,000	-	33,000	-
	(33,000)	(-)	(-)	(33,000)
DB (BKC) Realtors Private Limited	856,825,785	129,678,114	-	986,503,899
	(856,825,785)	(-)	(-)	(856,825,785)

Particulars	Opening Balance as on 1st April, 2010	Investments purchased/ made during the year	Investments sold/redeemed during the year	Closing Balance as on 31st March, 2011
Investments in Preference Shares				
Gokuldharm Real Estate Development Company Private Limited	300,750,000	-	300,750,000	-
	(300,750,000)	(-)	(-)	(300,750,000)
DB (BKC) Realtors Private Limited	135,000,241	1,120,098,969	-	1,255,099,210
	(135,000,241)	(-)	(-)	(135,000,241)

Particulars	Opening Balance as on 1st April, 2010	Contribution during the year	Repayment during the year	Closing Balance as on 31st March, 2011
Investments in Partnership firm (JCE)				
Dynamix Realty	5,042,201,343	8,447,397,002	7,187,575,599	6,302,022,746
	(2,770,579,444)	(2,584,978,818)	(313,356,919)	(5,042,201,343)

Particulars	Opening Balance as on 1st April, 2010	Given during the year	Returned during the year	Closing Balance as on 31st March, 2011
Current Liabilities				
D. B. S. Realty	354,994,782	209,750,000	20,000,000	165,244,782
	((146,350,000))	(3,604,350)	(50,494,932)	(354,994,782)
Nihar Construction Private Limited	-	37,500,000	75,000,000	37,500,000
	(-)	(-)	(-)	(-)
Eon Aviation Private Limited	22,651,438	146,205,672	123,554,234	-
	(-)	(89,639,420)	(112,290,858)	(22,651,438)
DBI Infracon Private Limited (now known as Majestic Infracon Private Limited)	-	158,201,305	191,572,151	33,370,846
	(-)	(-)	(-)	(-)

Particulars	Opening Balance as on 1st April, 2010	Paid during the year	Reimbursed during the year	Closing Balance as on 31st March, 2011
Other Current Assets - Reimbursement of Expenses Recoverable				
DB Spacecon Private Limited	-	20,766,217	-	20,766,217
	(-)	(-)	(-)	(-)

Particulars	Opening Balance as on 1st April, 2010	Given during the year	Returned during the year	Closing Balance as on 31st March, 2011
Advance for tenancy rights / flat / land				
Neelkamal Realtors Tower Private Limited	20,000,000	21,474,834	21,474,834	20,000,000
	(20,000,000)	(-)	(-)	(20,000,000)
Priya Construction Private Limited	2,500,000	106,048,848	-	108,548,848
	(-)	(2,500,000)	(-)	(2,500,000)
Usman Balwa	500,000	32,625,000	-	33,125,000
	(-)	(1,000,000)	(500,000)	(500,000)
Neelkamal Realtors & Builders Private Limited	2,500,000	72,500,000	-	75,000,000
	(-)	(2,500,000)	(-)	(2,500,000)
Nihar Construction Private Limited	-	1,100,000,000	-	1,100,000,000
	(-)	(-)	(-)	(-)

Particulars	Opening Balance as on 1st April, 2010	Given during the year	Returned during the year	Closing Balance as on 31st March, 2011
Interest free Security Deposits for development of properties				
Dynamix Club Resorts Private Limited	-	500,000,000	-	500,000,000
	(-)	(-)	(-)	(-)
Eversmile Construction Company Private Limited	-	2,000,000,000	-	2,000,000,000
	(-)	(-)	(-)	(-)
Neelkamal Realtors & Builders Private Limited	(-)	675,000,000	-	675,000,000
	(-)	(-)	(-)	(-)

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Particulars	Opening Balance as on 1st April, 2010	Given during the year	Returned during the year	Closing Balance as on 31st March, 2011
Mobilisation Advance				
DBI Infracon Private Limited (now known as Majestic Infracon Private Limited)	-	131,000,000	14,289,134	116,710,866
	(-)	(-)	(-)	(-)

Particulars	Opening Balance as on 1st April, 2010	Given during the year	Returned during the year	Closing Balance as on 31st March, 2011
Advance against share purchase				
Heaven Star Realty Private Limited (now known as DB Hotels (India) Private Limited) (Share application money)	20,000,000	1,576,000,000	120,000,000	1,476,000,000
	(-)	(-)	(-)	(-)

Interest Income	Amount (Rs.)
Gokuldharm Real Estate Development Company Private Limited	91,011,677
	(3,108,493)
Neelkamal Realtor Suburban Private Limited	151,468,881
	(163,098,970)
Real Gem Buildtech Private Limited	122,166,843
	(-)
YJ Realty Private Limited	72,758,362
	(60,100,735)

Equity Share Capital	Face Value of Shares as on March 31, 2011	Face Value of Shares as on March 31, 2010
Vinod K Goenka	361,782,180	272,642,160
NeelKamal Tower Construction Company Private Limited	1,045,648,380	1,045,648,380

Managerial remuneration includes remuneration (including perquisite) to Mr. Shahid Balwa, the Managing director (resigned on February 9, 2011) of Rs. 12,214,445 (Previous year Rs. 13,000,000); Mr. Vinod Goenka, Managing Director of Rs. 14,745,726 (Previous year Rs. 13,000,000).

22) Particulars of Investments:

(i) Investments in Joint Ventures:

Sr. No.	Name of Joint Venture	Country of Residence	Principal Activities	Ownership Interest
1.	Conwood-DB Joint Venture	India	Development and Construction of Property	90% (90%)
2.	ECC-DB Joint Venture	India	Development and Construction of property	75% (75%)
3.	Turf-Estate Joint Venture	India	Development and Construction of Property	66.67% (66.67%)
4.	Lokhandwala Dynamix – Balwas Joint Venture *	India	Development and Construction of Property	50% (50%)
5.	DB (BKC) Realtors Private Limited. (formerly known as M. K. Malls & Developers Private Limited)	India	Development and Construction of Property	40.80% (36.23%)

* considered as an associate during the current year.

(Previous year disclosures are given in bracket)

ii) Disclosure of financial interest in Joint Ventures:

Company's share of interest in the assets, liabilities, income and expenses with respect to JCEs (each without elimination of the effects of transactions between the Company and the JCEs, if any) on the basis of audited financial statements of the JCEs as at and for the period ended 31st March, 2011 are as under:

Sr. No	Name of Joint Venture	Company's Share of				
		Assets	Liabilities	Incomes	Expenses	Tax
		As at 31-03-2011		For the Period April-10 to March-11		
1	Turf Estate Joint Venture	994,167,881	999,224,846	-	59,317,121	-
		(517,258,582)	(652,784,070)	-	(12,246,101)	-
2	Conwood DB Joint Venture	138,719,136	347,320	-	1,126,532	-
		(213,550,985)	(275,290)	-	(521,888)	-
3	ECC - DB Joint Venture	223,781,993	106,359,443	16,868	8,147,405	-
		(275,178,804)	(7,174,980)	(-)	(958,552)	(-)
4	Lokhandwala Dynamix Balwas Joint Venture*	-	-	-	-	-
		(7,329,350)	(5,515)	(-)	(-)	(-)
5	DB (BKC) Realtors Private Limited (formerly known as M. K. Malls & Developers Private Limited)	1,781,128,471	11,978,059	26,162	18,792,805	-
		(1,597,980,457)	(18,068,930)	-	(5,973,488)	-

* considered as an associate during the current year.

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

(iii) Disclosure of financial interest in Partnership Firms:

(I) M/s. Dynamix Realty#	Partners Capital in the firm as on March 31, 2011 Rs.	Share in Profit / Loss %
<u>Name of the Partners</u>		
(a) Relating to Land Component Transferrable Development Rights (TDRs) Eversmile Construction Company Private Limited	250,000	99%
	(250,000)	(99%)
Conwood Construction & Developers Private Limited	125,000	1%
	(125,000)	(1%)
Total	375,000	100%
	(375,000)	(100%)
(b) Relating to Construction Component TDR		
D B Realty Limited	250,000	99%
	(250,000)	(99%)
Conwood Construction & Developers Private Limited	125,000	1%
	(125,000)	(1%)
Total	375,000	100%
	(375,000)	(100%)

(Previous year figures are given in bracket)

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(I) M/s. Dynamix Realty#	Partners Capital in the firm as on March 31, 2011 Rs.	Share in Profit / Loss %
<u>Name of the Partners</u>		
Sumer Group	3,300,000	33.33%
	(3,300,000)	(33.33%)
D B Realty Limited (Fixed Capital)	3,300,000	33.33%
	(3,300,000)	(33.33%)
Vision Finstock Private Limited	3,300,000	33.33%
	(3,300,000)	(33.33%)
Total	9,900,000	100%
	(9,900,000)	(100%)

(Previous year figures are given in bracket)

(III) M/s. Mira Salt Works Company#	Partners Capital in the firm as on March 31, 2011 Rs.	Share in Profit / Loss %
<u>Name of the Partners</u>		
D B Realty Limited (Fixed Capital)	1,050,000,000	99%
	(1,050,000,000)	(99%)
Mr. Vinod Goenka**(Fixed Capital)	-	0.50%
	(-)	(0.50%)
Mr. Shahid Balwa**(Fixed Capital)	-	0.50%
	(-)	(0.50%)
Total	1,050,000,000	100%
	(1,050,000,000)	(100%)

(Previous year figures are given in bracket)

on the basis of audited accounts of the partnership firms audited by other auditors

**The fixed capital held as nominee of DB Realty Limited

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

Sr. No	Name of Partnership firms	Company's Share of				
		Assets	Liabilities	Incomes	Expenses	Tax
		As at 31-03-2011		For the Period April-10 to March-11		
1	Dynamix Realty (JCE)	3,697,627,154	589,652,376	5,157,627,606	2,292,696,682	43,164,000
		(13,297,608,107)	(1,713,311,765)	(4,794,355,666)	(2,482,143,767)	(40,590,000)
2	DBS Realty (JCE)	415,770,163	555,910,691	12,340	1,140,214	-
		(499,004,288)	(495,704,618)	(-)	(549,842)	(-)
3	Mira Salt Works Company	1,376,879,109	1,473,010	417,000	8,773,413	-
		(1,328,057,060)	(1,578,192)	(383,454)	(5,337,582)	-

(Previous year figures are given in bracket)

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

Name of Fund	Face Value	Purchased and Sold during the year	
		Units	Amount
Birla Sun Life Dynamic Bond Fund - Retail Plan-Monthly Dividend	10	3,341,326	660,366,358
Birla Sun Life Floating Rate Fund –Long Term – INSTL – Weekly Dividend	10	31,465	954,931
Birla Sun Life Savings Fund – INSTL – Daily Dividend –Reinvestment	10	73,538,971	503,435,323
Birla Sun Life Ultra Short Term Fund- Institutional Daily Dividend	10	80,882,341	809,268,259
NIQ2ID Canara Robeco Interval Series 2- Quarterly Plan 2- Institutional Dividend Fund	10	647,221	6,472,211
NLPSSD Canara Robeco Treasury Advantage Super Institutional Daily Dividend Reinvestment Fund	10	422	30,053
DWS Fixed Term Fund - Series 71- Growth Plan	10	25,676,000	256,760,000
DWS Treasury Fund Investment - Institutional Plan -Daily Dividend	10	10,139,644	101,819,264
DWS Ultra Short Term Fund- Institutional Daily Dividend- Reinvest	10	116,149	1,163,568
Fidelity FMP Series 2- Plan A- Dividend	10	10,000,000	100,000,000
Fidelity Ultra Short Term Debt Fund Super Institutional-Daily Dividend	10	10,032,397	100,378,956
Franklin Templeton Mutual Fund – Short Term Income Plan Institutional-Weekly Dividend Reinvestment	1000	100,552	101,989,875
HDFC High Interest Fund- Short Term Plan-Dividend	10	23,886,622	252,653,732
ICICI Prudential Banking & PSU Debt Fund Premium Plus Daily Dividend	10	243,106	2,442,667
ICICI Prudential Flexible Income Plan Premium- Daily Dividend	100	3,039	321,290
ICICI Prudential Ultra Short Term Plan Super Premium Daily Dividend	10	5,641,058	56,529,048
G680 IDFC Fixed Maturity Plan- Quarterly Series 55- Plan A- Dividend	10	303,028	3,030,275
IDFC Fixed Maturity Plan A - Quarterly Series 58 – Dividend	10	25,305,299	253,052,985
IDFC Fixed Maturity Plan - Quarterly Services 60- Dividend	10	20,000,000	203,286,000
GFCD IDFC Money Manager Fund-TP-Super Institutional Plan C- Daily Dividend	10	25,312,732	253,165,285
JSIWI- JPMORGAN INDIA SHORT TERM INCOME FUND- Weekly Dividend-Reinvest	10	459,615	4,603,481
Kotak Quarterly Interval Plan Series 8 – Dividend	10	418,550	4,813,191
LIC Nomura MF Saving Plus Fund - Daily Dividend Plan	10	692,535	6,925,353
C227 L & T Select Income Fund- Flexi Debt Institutional - Dividend	10	143,776	1,443,358
Principal Floating Rate Fund FMP- Institutional Option - Dividend Reinvestment Daily	10	15,013,846	150,323,131
Principal Income Fund Short Term Plan-Institutional Plan	10	9,364,481	101,442,731
Principal Money Manager Fund- Institutional Dividend Reinvestment Daily	10	32,727	328,082
Reliance Fixed Horizon Fund-XV Series 1 - Dividend Payout Option	10	4,829,948	48,299,484
Reliance Interval Fund-Quarterly Plan-Series I - Institutional Dividend Plan	10	15,350,052	153,614,387
Reliance Liquidity Fund- Daily Dividend Reinvestment Option	10	20,155,575	201,658,543
Reliance Medium Term Fund Daily Dividend Plan (Dividend Reinvestment)	10	58,995,551	1,008,616,423
Reliance Money Manager Fund- Institutional Option-Daily Dividend Plan	1000	353,804	354,289,489

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Reliance Monthly Interval Fund- Series I- Institutional Dividend Plan	10	199,670	1,962,169
Reliance Monthly Interval Fund -Series -II- Institutional Dividend Plan	10	20,371,178	203,701,664
Reliance Quarterly Interval Fund-Series-III- Institutional Dividend Plan	10	619,161	676,116
Reliance Short Term Fund - Retail Plan -Dividend Plan	10	19,070,248	203,319,613
Religare Liquid Fund- Super Institutional Daily Dividend	10	268,186	2,426,254
Religare Active Income Fund Institutional- Monthly Dividend	10	20,673,286	206,826,453
L147ID SBI-SHF-Ultra Short Term Fund-Institutional Plan- Daily Dividend	10	277,381	2,775,478
TFLD Tata Floater Fund- Daily Dividend	10	10,987,965	110,270,823
TLSD01 TATA Liquid Super High Investment Fund- Daily Dividend	1000	98,709	110,013,502
Taurus Ultra Short Term Bond Fund- Super Institutional Daily Dividend Plan	1000	101,409	1,419,473

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

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

R. D. Kamat
Partner

K.M.Goenka
Chairman

Mahesh Gandhi
Director

N.Shridhar
Group Director (Strategy & Finance)

For and on behalf of Board

Vinod Goenka
Managing Director
Place: Delhi

Janak Desai
Director

K.N.Gupta
Joint Chief Financial Officer

Usman Balwa
Director

N M Rafique
Director

S A K Narayanan
Company Secretary

Mumbai Dated : June 8, 2011

Names of Subsidiary Companies	No of Shares in the Subsidiary Company held by D B Realty Limited at the Financial year ending date	Equity (No)	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			
				Extent of Holding (%)	For the Current Financial Year	For the Previous Financial Years	
				Dealt with in the accounts of D B Realty Limited for the year ended 31st March, 2011	Not Dealt with in the accounts of D B Realty Limited for the year ended 31st March, 2011	Dealt with in the accounts of D B Realty Limited for the year ended 31st March, 2011	Not Dealt with in the accounts of D B Realty Limited for the year ended 31st March, 2011
Gokuldhara Real Estate Development Company Pvt. Ltd.	3,74,990		75	NIL	36,95,11,626	NIL	21,68,44,957
Neelkamal Realtors Suburban Pvt. Ltd.	4,35,600		66	NIL	2,75,46,101	NIL	27,29,70,525
D B Properties Pvt. Ltd.	10,000		100	NIL	4,47,42,836	NIL	(18,31,02,031)
Neelkamal Shantinagar Properties Pvt. Ltd.	16,000		100	NIL	(35,22,789)	NIL	(30,01,727)
Esteem Properties Pvt. Ltd.	10,000		100	NIL	(72,04,256)	NIL	(2,30,25,076)
Real Gem Buildtech Pvt. Ltd.	8,500		85	NIL	(9,47,99,431)	NIL	(23,11,507)
Neelkamal Realtors Tower Pvt. Ltd.	10,10,807		50.72	NIL	(4,08,47,721)	NIL	(3,18,99,205)
Saifee Bucket Factory Pvt. Ltd.	248		100	NIL	(1,02,144)	NIL	(22,24,685)
Priya Constructions Pvt. Ltd.	10,000		100	NIL	(39,97,068)	NIL	(9,69,793)
DB Man Realty Limited	5,10,000		51	NIL	(20,29,915)	NIL	(19,79,195)
Royal Netra Constructions Pvt. Ltd.	75,600		50.4	NIL	(27,05,054)	NIL	(36,127)
A.G. Infraconstruction Pvt. Ltd. (100% Subsidiary of Royal Netra Constructions Pvt. Ltd.)	NIL		NIL	NIL	(71,43,684)	NIL	(74,784)
N A Estates Pvt. Ltd.	1,000		100	NIL	(1,14,342)	NIL	NIL
Nine Paradise Erectors Pvt. Ltd.	10,000		100	NIL	(1,74,570)	NIL	(93,011)
D B MIG Realtors & Builders Pvt. Ltd.	10,000		100	NIL	(64,46,084)	NIL	(22,53,437)
D B Spacecon Pvt. Ltd.	10,000		74	NIL	(3,08,69,555)	NIL	(10,36,822)
Vanita Infrastructure Pvt. Ltd.	10,000		100	NIL	38,83,562	NIL	NIL
D B View Infracon Pvt. Ltd.	10,000		100	NIL	(24,76,028)	NIL	(25,434)
D B Contractors & Builders Pvt. Ltd.	10,000		100	NIL	(20,885)	NIL	(62,010)

For and on behalf of Board

K.M.Goenka
ChairmanVinod Goenka
Managing Director
Place: DelhiUsman Balwa
DirectorMahesh Gandhi
DirectorJanak Desai
DirectorN M Rafique
DirectorN.Shridhar
Group Director (Strategy & Finance)K.N.Gupta
Joint Chief Financial OfficerS A K Narayanan
Company Secretary

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To The Board of Directors of DB Realty Limited

1. We have audited the attached Consolidated Balance Sheet of **DB Realty Limited** (the 'Company') its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute the 'Group') as at March 31, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include investments in associates accounted on the equity method in accordance with Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of (i) certain subsidiaries and joint ventures, whose financial statements reflect total assets of Rs.31,820,095,206 as at March 31, 2011, total revenues of Rs.12,940,197,839 and net cash inflows amounting to Rs.3,331,577,354 for the year ended on that date and (ii) associates whose financial statements reflect the Group's share of loss (net) of Rs.3,565,589 for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts included in respect of these subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), Accounting Standard 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. We draw your attention to the following matters more fully described in notes to Schedule 17 (B) to the financial statements:
 - a) Note 6 (A) (i) regarding outstanding receivables which include dues aggregating Rs. 4,476,974,912 as at March 31, 2011, from companies in which directors of the Company are interested, considered as good and recoverable as stated in the said note;
 - b) Note 6 (A) (ii) regarding allegations made by the Central Bureau of Investigation of India ('CBI') relating to the 2G Spectrum Case. The matter is sub-judice and the impact, if any, of the outcome is unascertainable at this stage;
 - c) Note 3 (C) (iv) regarding guarantees aggregating Rs. 14,691,700,000, issued by the Company to banks and financial institutions on behalf of two entities (in which some of the directors of the Company are interested), which are significant in relation to the net worth of the Company as at the year end. In the opinion of the Company, these are not expected to result into any financial liability to the Company;
 - d) Notes 4, 5 and 6 (B) (v) regarding matters under litigation. As these matters are sub-judice, based on the Company's assessment of the outcome, no adjustments are considered necessary in respect of recoverability of balances as at March 31, 2011 for such loans and advances aggregating Rs. 1,875,757,604 and investments of Rs. 312,018,720.
 - e) Note 6 (B) (iv) regarding revision of estimated project construction cost in two subsidiary companies resulting in reversal of profit of Rs.705,200,457 (net of tax Rs. 470,909,023) recognised up to March 31, 2010 for the reasons detailed in the said note;
 - f) Note 6 (B) (ix) regarding expenditure incurred by subsidiary company recoverable from the land owner towards his proportionate share of project costs, mobilisation advance and other incidental costs of Rs. 989,923,841 is partially accepted and the balance claim of Rs. 318,205,147 is under negotiation. The management of the said subsidiary company considers the same to be good of recovery.
6. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiaries, jointly controlled entities and associates and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011;
 - ii. in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
 - iii. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

R. D. Kamat
Partner

(Membership No. 36822)

Mumbai, June 8, 2011

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	SCHEDULE	As at March 31, 2011		As at March 31, 2010	
		Rs.	Rs.	Rs.	Rs.
I. Sources of Funds :					
Shareholders' Funds					
Share Capital	1		2,432,587,820		2,432,587,820
Reserves and Surplus	2		30,549,266,002		28,053,891,544
Minority Interest			786,025,769		744,829,009
Loan Funds					
Secured Loans	3		3,595,757,713		4,558,803,903
Unsecured Loans	4		1,059,741,796		1,389,631,921
Total			38,423,379,100		37,179,744,197
II. Application of Funds :					
Fixed Assets (At Cost)					
Gross Block	5		453,717,425		310,107,827
Less: Depreciation/ Amortization			199,444,087		128,616,338
Net Block			254,273,338		181,491,489
Capital Work in Progress			426,660,776		37,266,510
Goodwill on Consolidation	6		992,004,095		-
Investments	7		2,212,810,075		8,940,715,777
Deferred Tax Assets (Refer note 19 of Schedule 17 (B))			3,842,913		2,474,460
Current Assets, Loans & Advances					
Inventories	8		19,780,609,044		13,194,948,707
Sundry Debtors (Unsecured - Considered good)			4,604,474,683		3,057,851,306
Cash and Bank Balances	9		615,055,205		860,233,820
Other Current Assets - Interest accrued but not due			102,806,539		1,597,929
Loans and Advances	10		22,419,786,935		18,551,988,979
			47,522,732,406		35,666,620,741
Less : Current Liabilities & Provision					
Current Liabilities	11		12,863,783,333		7,387,374,776
Provisions			125,161,170		261,450,004
			12,988,944,503		7,648,824,780
Net Current Assets			34,533,787,903		28,017,795,961
Total			38,423,379,100		37,179,744,197
Significant accounting policies and notes to accounts	17				

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of Board

R. D. Kamat
Partner

K.M.Goenka
Chairman

Vinod Goenka
Managing Director
Place: Delhi

Usman Balwa
Director

Mahesh Gandhi
Director

Janak Desai
Director

N M Rafique
Director

N.Shridhar
Group Director (Strategy & Finance)

K.N.Gupta
Joint Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai Dated : June 8, 2011

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	SCHEDULE	March 31, 2011 Rs.	March 31, 2010 Rs.
I. Income			
Sale and Income from operations	12	12,686,935,553	9,512,077,252
Other income	13	585,463,116	291,310,024
Total		13,272,398,669	9,803,387,276
II. Expenditure			
Project Expenses incurred during the year	14	14,425,201,487	7,803,640,315
Increase in Inventories	15	(6,437,503,801)	(2,333,827,275)
Establishment Expenses	16	1,154,327,583	386,976,960
Interest and Finance Charges		654,264,214	726,113,259
Depreciation / Amortisation		69,797,453	95,535,595
Total		9,866,086,936	6,678,438,854
Profit before Tax		3,406,311,733	3,124,948,422
Provision for Tax			
- Current tax (including Rs.9,383,118 (Previous Year Rs. Nil) for earlier years)		(386,745,799)	(419,274,760)
- Deferred tax		1,368,453	6,016,401
Profit after Tax and before Minority Interest and Share of Loss in Associates		3,020,934,387	2,711,690,063
Minority Interest		(30,357,527)	(191,856,961)
Share of Loss in Associates, net		(3,565,589)	(63,061)
Net Profit for the year		2,987,011,271	2,519,770,041
Surplus brought forward from earlier years		3,718,964,539	1,199,194,498
Amount Available for Appropriation		6,705,975,810	3,718,964,539
Appropriations:			
Capital Redemption Reserve (in subsidiary)		(400,000,000)	-
Balance carried forward to balance sheet		6,305,975,810	3,718,964,539
Earnings per Share : (face value of Rs.10 per equity share)			
Basic (Rs.)		12.28	11.76
Diluted (Rs.)		12.28	11.74
(Refer note 18 of Schedule 17 (B))			
Significant accounting policies and notes to accounts	17		

In terms of our report attached
For Deloitte Haskins & Sells
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Director

N.Shridhar
Group Director (Strategy & Finance)

K.N.Gupta
Joint Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai Dated : June 8, 2011

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities:				
Net Profit before Taxation	3,406,311,733		3,124,948,422	
Adjusted for:				
Depreciation	69,797,453		95,535,595	
Exchange Loss / (Gain) , net	98,090		(131,582)	
Interest and Finance Charges	654,264,214		726,113,259	
(Profit) / Loss on Sale of Fixed Assets	1,284,981		(1,148,835)	
Dividend Income	(178,362,695)		(40,118,031)	
Profit on sale of Current Investments	(28,552,234)		-	
Interest Income	(36,417,899)		(141,563,621)	
Operating Profit before Working Capital Changes	3,888,423,643		3,763,635,207	
(Increase) / Decrease in:				
Loans and Advances	(1,373,094,357)		(5,914,704,483)	
Inventories	(6,584,064,745)		(2,616,337,751)	
Debtors	(1,546,623,377)		(2,631,677,696)	
Current Liabilities	5,470,773,683		3,923,511,112	
Provisions	28,670,516		12,644,694	
Changes in Deposit under lien	(1,000,000)		(10,700,000)	
Cash used in operations	(116,914,637)		(3,473,628,917)	
Direct Taxes Paid	(551,705,149)		(225,558,089)	
Net cash used in operating activities	A	(668,619,786)		(3,699,187,006)
Cash flows from investing activities:				
Purchase of Fixed Assets (including CWIP)	(530,811,613)		(103,374,673)	
Sale of Fixed Assets	1,648,660		11,289,144	
Acquisition of Subsidiaries / Joint Ventures	(1,616,834,165)		(804,723)	
(Contribution) / Proceeds from Joint Venture	(2,314,167)		219,600	
Investment in Associate	(1,036,299,093)		(24,000)	
Dividend Received	178,362,695		1,517,546	
Purchase of Current Investments	(56,009,900)		(40,404,645,214)	
Sale of Current Investments	7,853,507,818		31,564,625,537	
Advance for Share Purchase	(2,456,000,000)		(20,000,000)	
Interest Received	32,755,190		139,965,692	
Net Cash from / (used in) Investing Activities	B	2,368,005,425		(8,811,231,092)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011 (Contd....)

Particulars	For the year ended March 31, 2011		For the year ended March 31, 2010	
	Rs.	Rs.	Rs.	Rs.
Cash flows from financing activities:				
Proceeds on issue of Equity Shares	-		14,999,999,976	
Issuance of Preference Shares by Joint Venture	708,020		-	
Proceeds from Secured Borrowings	617,812,669			
Repayment of Secured Borrowings	(1,573,770,822)		(649,262,286)	
Inter-corporate Deposits, net	(197,184,831)		(2,511,912,309)	
Repayment of Loan from Directors	(27,331,095)		-	
Loan taken from Directors	-		27,331,095	
Proceeds from Debenture Application Money	-		1,975,000,000	
Redemption of Preference Shares	(100,000,000)		-	
Repayment of Unsecured Borrowings	(6,082,220)		-	
Interest and Finance Charges	(661,352,251)		(741,857,183)	
Share Issue Expenses	-		(530,140,425)	
Net Cash (used in) / from Financing Activities C		(1,947,200,530)		12,569,158,868
Net Increase in Cash and Cash Equivalents (A+B+C)		(247,814,891)		58,740,771
Add : Cash and Cash Equivalents (Opening)		817,033,820		736,230,732
Add : Opening Cash and Cash Equivalents of subsidiaries/joint ventures acquired during the year		1,636,276		22,062,317
Cash and Cash Equivalents (Closing)		570,855,205		817,033,820
Notes to Cash Flow:				
1 Reconciliation of cash and cash equivalents:				
Cash and Bank Balances (as per Schedule 9)		615,055,205		860,233,820
Less: Fixed deposits under lien		44,200,000		43,200,000
Cash and Cash Equivalents (Closing)		570,855,205		817,033,820
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.				

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of Board

R. D. Kamat
Partner

K.M.Goenka
Chairman

Vinod Goenka
Managing Director
Place: Delhi

Usman Balwa
Director

Mahesh Gandhi
Director

Janak Desai
Director

N M Rafique
Director

N.Shridhar
Group Director (Strategy & Finance)

K.N.Gupta
Joint Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai Dated : June 8, 2011

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
Schedule 1 : Share Capital		
Authorized :		
298,500,000 (Previous year 298,500,000) Equity Shares of Rs. 10/- each	2,985,000,000	2,985,000,000
1,500,000 Preference Shares of Rs. 10/- each	15,000,000	15,000,000
Total	3,000,000,000	3,000,000,000
Issued, Subscribed & Paid Up :		
Equity Shares		
243,258,782 (Previous year 243,258,782) Equity Shares of Rs. 10/- each fully paid up Of the above	2,432,587,820	2,432,587,820
201,150,000 (Previous year : 201,150,000) equity shares issued as bonus		
810,000 (Previous year : 810,000) equity shares issued on conversion of preference shares		
937,500 (Previous year : 937,500) equity shares issued on conversion of debentures		
Total	2,432,587,820	2,432,587,820
Schedule 2 : Reserves & Surplus		
Capital Redemption Reserve		
(Transferred from Profit & Loss Appropriation during the year) (Refer note 6 (B) (i) of Schedule 17 (B))	400,000,000	-
Capital Reserve on Consolidation		
As per last Balance Sheet	491,636,813	235,330,267
Add : Consequent to change in Group's Interest	-	256,306,546
Less: Adjusted against Goodwill on Consolidation (Refer Schedule 6)	491,636,813	-
Closing Balance [Previous Year net of Goodwill Rs. 406,319,823]	-	491,636,813
Securities Premium Account		
As per last Balance Sheet	23,843,290,192	6,588,200,879
Received on Conversion of Debentures	-	5,240,625,000
Received on issue of Equity Shares (IPO)	-	14,679,487,156
Adjusted for issue of Bonus Shares	-	(2,011,500,000)
Adjusted for Share Issue Expenses	-	(653,522,843)
Closing Balance	23,843,290,192	23,843,290,192
Balance in Profit and Loss Account	6,305,975,810	3,718,964,539
Total	30,549,266,002	28,053,891,544
Schedule 3 : Secured Loans		
From Banks & Financial Institutions - Term Loans (Includes interest accrued and due Rs. 10,488,182 (Previous Year Rs. 17,576,219))	3,257,388,362	2,647,927,319
From LIC Housing Finance Limited	306,229,178	1,880,000,000
From Banks -Vehicle loan	32,140,173	30,876,584
Total	3,595,757,713	4,558,803,903

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 (Condt...)

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
Schedule 4 : Unsecured Loans		
Preference Shares issued by Subsidiary Companies :		
635,000 -0.001% Cumulative Redeemable Optionally Convertible Preference Shares of Rs. 10/- each fully paid up (The Preference Shares are convertible in equity shares in the ratio of 1:1 at any time at the option of the shareholders of the subsidiary company, till the redemption date of shares i.e. 6 years from the date of issues viz. January 22, 2007 and February 16, 2007).	6,350,000	6,350,000
1,000,000 0.1% Redeemable Cumulative Preference Shares of Rs. 100/- each, fully paid up (Redeemable Cumulative Preference Shares are, at the discretion of the Board of Directors of the subsidiary company redeemable at par fully or partially, after expiry of 12 years from the date of issue November 21, 2006, but not later than 20 years from the date of issue). (Refer note 6 (B) (i) of Schedule 17 (B))	-	100,000,000
Preference Shares issued by Joint Venture :		
200,570 (192,532) Compulsoruly Convertible Preference Shares (CCPS) Series 'C' of Rs. 10/- each fully paid	2,005,740	1,925,320
62,760 (Nil) Redeemable Optionally Convertible Cumulative Preference Shares (ROCCPS) Series 'A' and Series 'B' of Rs. 10/- each fully paid (The CCPS/ROCCPS carry minimum coupon rate of 0.001% p.a. or such rate as may be decided by the Board of Directors of the Company, provided in the event the Company declares dividend to the Equity Shares, then the same shall be entitled to the same rate of equity dividend. Tenure of CCPS/ROCCPS is four/five years, subject to earlier redemption at the discretion of the Board of Directors in the event the holders of the series express their desire for redemption to the Company. Compulsory conversion in Equity Shares of part of the CCPS/ROCCPS upon happening of agreed event.)	627,600	-
Others :		
From Directors (Interest free)	-	27,331,095
Inter-corporate Deposits (Interest free)	698,201,071	895,385,902
From Shareholders of Subsidiary Companies	352,557,385	358,639,605
Total	1,059,741,796	1,389,631,921

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 (Contd....)

Schedule 5 : Fixed Assets

Particulars	Gross Block (At Cost)			Depreciation / Amortisation			Net Block			
	As at 01.04.2010	Additions	Adjustment for the year (Refer Note 1 below)	Deductions	As at 31.03.2011	As at 01.04.2010	For the year (Refer Note 2 below)	On Deductions	As at 31.03.2011	As at 31.03.2010
Tangible Assets										
Buildings										
- Temporary Structure	38,542	-	-	-	38,542	31,607	694	-	32,301	6,241
- Others	46,224,054	58,799,200	710,275	70,346	105,663,183	35,398,683	1,265,431	70,346	37,252,292	68,410,891
Computers	11,570,488	7,470,023	24,821	52,800	19,012,532	5,062,526	3,813,825	21,537	8,864,595	10,147,937
Furniture & Fixtures	42,497,474	7,640,815	77,196	-	50,215,485	10,884,830	6,840,115	-	17,761,440	32,454,045
Office Equipments	10,093,745	8,285,652	90,157	-	18,469,554	2,057,167	2,056,201	-	4,156,614	14,312,940
Plant & Machinery	17,569,155	4,255,394	-	3,496,595	18,327,954	2,317,014	2,419,833	824,162	3,912,685	14,415,269
Vehicles	55,542,533	59,840,123	-	627,242	114,755,414	16,227,852	16,723,593	397,297	32,554,148	82,201,266
Improvement on Leasehold Property	118,149,012	-	-	-	118,149,012	51,157,824	35,343,871	-	86,501,695	31,647,317
Intangible Assets										
Software	8,422,824	662,925	-	-	9,085,749	5,478,835	2,929,482	-	8,408,317	677,432
Total	310,107,827	146,954,132	902,449	4,246,983	453,717,425	128,616,338	71,393,045	1,313,342	199,444,087	254,273,338
Previous Year	300,850,693	71,176,580	(1,481,313)	60,438,133	310,107,827	92,366,031	95,667,643	59,539,628	128,616,438	
Capital work -in-progress (Including advance of Rs. 56,001,830 (Previous Year Rs. 6,710,503))										426,660,776
Total										680,934,114
										218,757,999

Note :

1. The adjustments includes assets of subsidiaries acquired during the year.
2. Depreciation inventorised during the year Rs.8,938,587 (Previous Year Rs. 10,087,918).

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
Schedule 6 : Goodwill on Consolidation		
Goodwill (net of Capital Reserve Rs. 285,037,589) consequent to change in group's interest in current year	1,483,640,908	-
Capital Reserve on consolidation as per last Balance Sheet	(491,636,813)	-
Net Goodwill on Consolidation Total	<u>992,004,095</u>	<u>-</u>
Schedule 7 : Investments (At cost, unless otherwise specified)		
I) Long Term Investment (Unquoted) (Non Trade)		
a) In Equity Shares of Associates Companies, fully paid up		
Cost of investment in Associates (Refer Note Below)	1,039,566,265	840,450
[Including Rs. 886,249,507 (Previous Year : Rs. 23,583) of Goodwill and net of Rs. 2,026,208 (Previous Year : Rs. 2,026,208) of Capital Reserve arising on the acquisition of associates]		
Sub Total (a)	<u>1,039,566,265</u>	<u>840,450</u>
b) Other Investments		
Investment in Equity Shares of The Kapol Co-operative Bank Limited [5,000 (Previous Year 5,000) Equity Shares of Rs. 10/- each, fully paid up]	50,000	50,000
Investment in Equity Shares of Saraf Chemicals limited [310,000 (Previous Year NIL) Equity Shares of Rs. 10/- each, fully paid up]	49,600,000	-
Investment made in Partnership Firm "Evergreen Industrial Estate" by one of the Joint Venture namely "Turf Estate JV".	3,784,240	1,470,073
Investment made in Partnership Firm "Sneh Developers" by one of the subsidiary namely "DB Properties Private Limited".	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	-
Investment in Unsecured Debentures of The Estate Investment Company Private Limited [10,000 (Previous Year NIL) Interst free fully and compulsory convertible unsecured debentures of Rs. 100/- each]	1,000,000	-
Sub Total (b)	<u>59,844,140</u>	<u>1,520,073</u>
II) Current Investments (At lower of cost or fair value) (Unquoted) (Non Trade)		
Investments in Mutual Fund	1,113,399,670	8,938,595,485
Less : Provision for Dimunition in Investment	-	240,231
Sub Total (c)	<u>1,113,399,670</u>	<u>8,938,355,254</u>
Total (a+b+c)	<u>2,212,810,075</u>	<u>8,940,715,777</u>

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

Notes :

The particulars of investment in associate companies as of March 31, 2011 are as follows :

Sr No	Name of the Associate	Country of Incorporation	Ownership Interest	Original Cost of Investment	Amount of Goodwill / (Capital Reserve) in the Original Cost	Share of post acquisition Reserves & Surplus	Carrying Cost of Investments
1	Sangam City Township Private Limited	India	31.67%	95,000	(1,725,827)	890,655	985,655
	Previous Year		(31.67%)	(95,000)	(-1,725,827)	(605,131)	(700,131)
	(formerly known as Dharadhar Developers Private Limited)						
2	Dynamix Building Materials Private Limited	India	50%	100,000	(300,381)	(38,894)	61,106
	Previous Year		(50%)	(100,000)	(-300,381)	(18,218)	(81,782)
3	DB Hi-Sky Private Limited	India	50%	50,000	12,481	(50,000)	-
	Previous Year		(50%)	(50,000)	(12,481)*	(50,000)	(--)
4	Nine Paradise Erectors Private Limited #	India	-	-	-	-	-
	Previous Year		(33%)	(45,318)	(3,236)*	(-27,458)	(17,860)
	(Formerly known as Nine Paradise Hotels Private Limited)						
5	Crossway Realtors Private Limited	India	28%	28,000	2,111	(6,712)	21,288
	Previous Year		(28%)	(28,000)	(2,111)*	(-2,943)	(25,057)
6	DB Hotels (India) Private Limited	India	24%	120,026,410	5,755	(115,296)	119,911,114
	Previous Year		24%	(24,000)	(5,755)	(-8,380)	(15,620)
	(Formerly known as Heaven Star Realty Private Limited)						
7	Mahal Pictures Private Limited	India	33.33%	892,225,001	886,229,160	2,245,101	894,470,102
	Previous Year		(--)	(--)	(--)	(--)	(--)
8	Lokhandwala Dynamix JV # #	India	50%	24,117,000	-	-	24,117,000
	Previous Year		(--)	(--)	(--)	(--)	(--)
	Total			1,036,641,411	884,223,299	2,924,854	1,039,566,265
	Previous Year Total			(342,318)	(-2,002,624)	(498,132)	(840,450)

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

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

During the year the Holding Company has acquired remaining 67% Equity Shares on April 8, 2010 and thereby said company has become wholly owned subsidiary company as against an associate earlier and accounted under AS-21 from the said date.

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

During the year one of the subsidiary made an investment in the entity as an associate, subsequently the said entity became the wholly owned subsidiary. The loss of the said entity as an associate amounts to Rs. 5,964,851 is reflected in Profit and Loss Account as share of loss in Associates

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 (Condt....)

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
Schedule 8 : Inventories		
Project Work in Progress (Refer Notes below)		
Opening Balance	12,680,117,109	9,566,659,272
Add : Inventories taken over on acquisition of subsidiaries & joint ventures (also including adjustments to opening balance)	292,826,010	284,110,928
Add : Construction cost incurred during the year	8,424,006,531	5,551,375,161
Add : Depreciation during the year	8,938,587	10,087,918
Add : Interest inventorised during the year	276,289,318	139,217,511
Less: Transferred to profit and loss account / capitalised during the year	5,901,485,351	2,871,333,681
Less: Transferred to Advance recoverable in cash or kind	10,257,000	-
Less: Adjustment on account of dispose / sale of investment	56,888,780	-
Sub Total (a)	15,713,546,424	12,680,117,109
Transferable Development Rights		
Opening Balance	514,831,598	1,011,819,736
Add : Purchased during the year	3,834,884,898	-
Add : Construction cost incurred during the year	2,103,562,145	2,117,674,397
Less: Transferred to profit and loss account / capitalised during the year	2,386,216,021	2,614,662,535
Sub Total (b)	4,067,062,620	514,831,598
Total (a+b)	19,780,609,044	13,194,948,707
Notes:		
(i) Refer foot note (ii) to note 3 of Schedule 17 (B)		
(ii) Includes Rs. 218,000,000 (Previous Year Rs. 21,072,000) paid for leasehold land pending execution of title deeds.		
Schedule 9 : Cash and Bank Balances		
Cash on Hand (Refer note (i) below)	4,436,641	1,559,416
Balance with Schedule Banks -		
In Current Accounts	421,814,024	805,461,094
In Fixed Deposits Accounts (Refer note (ii) below)	188,804,540	53,213,310
Total	615,055,205	860,233,820
Notes		
(i) Includes cheques on hand Rs. 2,887,500 (Previous Year Rs. 300,000)		
(ii) Includes for margin money deposit Rs. 31,200,000 and deposit under lien for Rs. 13,000,000 (Previous Year margin money deposit Rs. 31,200,000 and deposit under lien for Rs. 12,000,000)		

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011 (Condt...)

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
Schedule 10 : Loans & Advances		
(Unsecured, unless stated otherwise)		
Loans to associates companies (Interest Free)	791,032,492	737,646,389
Loans to others	4,557,926,918	7,701,145,827
Dues from members of partnership firms/ joint ventures (Refer note 6(A)(i) of Schedule 17(B))	3,544,001,897	4,919,332,598
Advances recoverable in cash or in kind or for value to be received	5,529,647,057	3,291,506,820
Deposits :		
Security Deposits (Refer note 10 of Schedule 17 (B))	5,588,931,744	1,806,138,057
Other	99,804,155	93,776,616
Advance against Share Purchase	2,476,000,000	20,000,000
	<u>22,587,344,263</u>	<u>18,569,546,307</u>
Less: Provision for doubtful advances	167,557,328	17,557,328
	<u>22,419,786,935</u>	<u>18,551,988,979</u>
Loans & Advances		
Considered Good	22,419,786,935	18,551,988,979
Considered Doubtful	167,557,328	17,557,328
Total	<u>22,587,344,263</u>	<u>18,569,546,307</u>
Schedule 11 : Current Liabilities and Provisions		
Current Liabilities:		
Sundry Creditors	1,932,261,706	1,402,391,748
Advance towards sale of flats/car parking	7,965,396,740	3,100,815,746
Amount received on sale of Land TDR	511,173,533	490,349,969
Due to partnership firm towards capital contribution	31,119,796	174,093,662
Deposit received against sale of TDR	-	79,200,000
Temporary overdrawn current account balance as per books of subsidiaries / jointly controlled entities	67,211,644	-
Other Current Liabilities	2,356,619,914	2,140,523,651
Sub Total (a)	<u>12,863,783,333</u>	<u>7,387,374,776</u>
Provisions:		
For Fringe Benefit Tax payable (net of taxes paid)	632	212,093
For Gratuity	22,193,148	9,752,654
For Compensated Absences	29,103,495	12,873,473
Provision for tax (net of taxes paid)	73,863,895	238,611,784
Sub Total (b)	<u>125,161,170</u>	<u>261,450,004</u>
Total (a)+(b)	<u>12,988,944,503</u>	<u>7,648,824,780</u>

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
Schedule 12 : Sale and Income from operations		
Sale of Properties	5,544,916,260	4,145,032,477
Sale of Transferable Development Rights	5,632,490,741	5,367,044,775
Trading Sales - Transferable Development Rights	1,506,702,200	-
Amount forfeited on cancellation of allotment of property and assignment of development rights	2,826,352	-
Total	12,686,935,553	9,512,077,252
Schedule 13 : Other Income		
Dividend Income on Mutual Fund - Current	178,362,695	40,118,031
Interest Received on Loans - Others	339,564,327	107,337,984
[Tax Deducted at source Rs. 29,417,284 (Previous Year Rs. 4,022,468)]		
Interest on Bank Fixed Deposit	10,165,729	129,865,754
[Tax Deducted at source Rs. 1,737,949 (Previous Year Rs. 489,029)]		
Interest Received - Other	26,252,170	11,697,867
[Tax Deducted at source Rs. Nil (Previous Year Rs. Nil)]		
Exchange Gain, net	-	131,582
Profit on sale of Fixed Assets	-	1,148,835
Profit on sale of Current Investments	28,552,234	-
Profit on sale of Investments in Subsidiaries	440,821	-
Miscellaneous Income	2,125,140	1,009,971
Total	585,463,116	291,310,024
Schedule 14 : Project Expenses incurred		
Land acquisition and purchase of tenancy rights	2,260,171,034	2,929,035,521
Purchase of Transferable Development Rights (TDR)	3,834,884,898	67,509,650
Construction Expenses	8,129,554,840	4,696,590,854
Project Salaries, wages and bonus (including managerial remuneration)	199,100,928	109,423,894
Contribution to provident fund and others	1,489,787	1,080,396
Total	14,425,201,487	7,803,640,315
Schedule 15 : (Increase)/Decrease In Inventories		
Project Work in progress:		
Opening balance	12,680,117,109	9,566,659,272
Taken over on acquisition	309,233,130	282,642,425
Transferred to profit and loss account / capitalised during the year	(91,691,816)	-
Transferred to Advance recoverable in cash or kind	(10,257,000)	-
Adjustment on account of disposal / sale of investment	(59,127,779)	-
Closing balance	(17,199,516,620)	(12,680,117,109)
(Increase)/Decrease in Project Work in Progress	(4,371,242,976)	(2,830,815,412)
Transferable Development Rights		
Opening balance	514,831,599	1,011,819,736
Closing balance	(2,581,092,424)	(514,831,599)
(Increase)/Decrease in Transferable Development Rights	(2,066,260,825)	496,988,137
Total (a+b)	(6,437,503,801)	(2,333,827,275)

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011 (Cond....)

	For the year ended March 31, 2011	For the year ended March 31, 2010
	Rs.	Rs.
Schedule 16 : Establishment Expenses		
Payment to and Provision for employees:		
a) Salaries, wages and bonus (including managerial remuneration)	144,567,576	41,560,475
b) Contribution to provident fund and others	1,738,327	815,897
c) Staff Welfare and other amenities	27,384,562	10,694,718
Rent, rates and taxes (including lease rents - Refer note 17 of Schedule 17 (B))	48,663,338	34,676,069
Repairs and Maintenance	11,407,390	3,309,582
Legal and Professional Charges	100,081,775	72,483,324
Donations	25,567,719	11,174,635
Directors Sitting Fees	1,080,000	800,000
Advertisement and Publicity (Including Rs. 14,081,309 of prior period)	271,485,012	103,860,757
Books, Periodicals, Subscription and Membership Fees	3,460,698	4,850,476
Printing, Stationery, Postage, Telegram and Telephone Charges	7,289,008	3,244,528
Travelling and Conveyance Expenses (Including Aircraft Hire Charges Rs.165,769,518)	183,842,875	7,300,636
Commission and Brokerage	87,797,643	36,307,784
Compensation Charges	12,582,120	24,000,000
Loss on Sale of Assets	1,284,981	-
Loss on redemption of Preference Shares	750,000	-
Exchange Loss, Net	98,090	-
Provision for Diminution in Investment	-	240,231
Provision for Doubtful Advances	150,000,000	-
Miscellaneous Expenses	75,246,469	31,657,848
Total	1,154,327,583	386,976,960

SCHEDULE 17:

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

A) SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF PREPARATION:

- i) These consolidated financial statements pertain to DB Realty Limited (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 B (1) hereunder.
- ii) The financial statements of the subsidiaries / joint ventures / associates (including partnership firms and LLPs), except in case of Lokhandwala Dynamix Balwas JV are drawn up to the same reporting date as that of the Holding Company i.e. year ended March 31, 2011.
- iii) These financial statements are prepared under historical cost convention and on accrual basis of accounting, in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.

b) PRINCIPLES OF CONSOLIDATION:

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

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

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

c) **USE OF ESTIMATES**

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

d) **FIXED ASSETS**

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

e) **DEPRECIATION / AMORTISATION**

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

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

f) **IMPAIRMENT OF ASSETS**

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

g) **INVENTORIES**

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

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

h) **REVENUE RECOGNITION**

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

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

i) INVESTMENTS

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

j) EMPLOYEE BENEFITS

(i) Defined Contribution Plan:

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

(ii) Defined Benefit Plan and other long term benefit:

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

iii) Short term employee benefits:

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

k) OPERATING LEASE:

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

l) FOREIGN CURRENCY TRANSACTIONS

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

In case of monetary items which are covered by forward contracts, the difference between the year end/period end rate and the rate on the date of the contract is recognised 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 costs are charged to revenue.

n) TAXES ON INCOME

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

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

o) PROVISIONS AND CONTINGENT LIABILITY

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

B) NOTES TO THE ACCOUNTS:

- 1) Entities included in the consolidated financial statements with details of the holdings therein are as under.
a) Subsidiary companies consolidated on 'line by line' basis as per AS 21:

Name	Country of Incorporation	Percentage of Ownership Interest as at March 31, 2011	Percentage of Ownership Interest as at March 31, 2010
Neelkamal Realtors Suburban Private Limited	India	66.00%	66.00%
Gokuldham Real Estate Development Company Private Limited	India	75.00%	75.00%
Neelkamal Realtors Towers Private Limited	India	50.72%	50.72%
Neelkamal Shantinagar Properties Private Limited (refer note i below)	India	100.00%	100.00%
Esteem Properties Private Limited.	India	100.00%	100.00%
D B Properties Private Limited (refer note ii below)	India	100.00%	100.00%
Saifee Bucket Factory Private Limited (w.e.f. September 23, 2009)	India	100.00%	100.00%
Real Gem Buildtech Private Limited (w.e.f. August 31, 2009)	India	85.00%	85.00%
DB Man Realty Limited (w.e.f. September 22, 2009) (refer note iii below)	India	51.00%	51.00%
Priya Constructions Private Limited (w.e.f. November 18, 2009) (refer note iv below)	India	100.00%	100.00%
DB Chandak Realtors Private Limited (till March 30, 2011)	India	NA	70.00%
Royal Netra Construction Private Limited (w.e.f. May 18, 2010) (refer note iii below)	India	50.40%	NA
Nine Paradise Erectors Private Limited (formerly Nine Paradise Hotels Private Limited) (w.e.f. April 8, 2010) (refer note v below)	India	100.00%	NA
N.A. Estate Private Limited (w.e.f. April 20, 2010)	India	100.00%	NA
DB MIG Realtors and Builders Private Limited (formerly L&T Bombay Developers Private Limited) (w.e.f. September 13, 2010)	India	100.00%	NA
DB Spacecon Private Limited (w.e.f. October 1, 2010) (refer note vi below)	India	74.00%	NA
Vanita Infrastructure Private Limited (w.e.f. October 1, 2010)	India	100.00%	NA
DB View Infracon Private Limited (w.e.f. January 31, 2011) (refer note vii below)	India	100.00%	NA
DB Contractors and Builders Private Limited (w.e.f. March 7, 2011)	India	100.00%	NA

- (i) The subsidiary company has a Joint Venture agreement with Shankala Realtors Private Limited having profit sharing ratio of 50% for development and construction of a residential complex in the name and style of M/s. Shree Shantinagar Venture. The said Joint Venture is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.
- (ii) The subsidiary company has an investment in the capital of a partnership firm, viz. M/s. Suraksha DB Realty, having profit sharing ratio of 50% for construction and development of the immovable Properties. The said partnership firm is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.
- (iii) The subsidiary company held 70% stake in a company namely Royal Netra Constructions private Limited till May 17, 2010. The said company is consolidated as per AS-21 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for consolidation of the company till the respective period. W.e.f. May 18, 2010 the said entity has become the subsidiary company of the Holding Company with the ownership of 50.40%

Further, Royal Netra Constructions Private Limited holds 100% stake in AG Infraconstructions Private Limited. The said company is considered as per AS-21 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 an investment in the capital of a partnership firm, viz. M/S. Evergreen Industrial Estate having profit sharing ratio of 66% for construction and development of the immovable Properties. The said partnership firm is consolidated as per AS-27 in the accounts of this subsidiary company and consolidated financial statements of the subsidiary have been considered for preparation of consolidated financial statements of the Company.
- (v) On April 8, 2010 the Holding Company acquired balance 67% stake and thereby it became wholly owned subsidiary company as against an associate earlier and is accounted under AS-21 from the said date.
- (vi) During the year the Holding Company has acquired 100% stake in the Equity Shares of the said company on October 1, 2010 and subsequently diluted its stake to 74% on January 1, 2011. The said company is consolidated as per AS – 21 in consolidated financial statements.
- (vii) During the year the Holding Company acquired 50% stake in the company, DB View Infracon Private Limited, on June 18, 2010 and balance remaining 50% on January 31, 2011. Thereby, the said company became wholly owned subsidiary from January 31, 2011 and is considered in the consolidated financial statements from the said date.

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, 2011	Percentage of ownership interest as at March 31, 2010
Conwood DB Joint Venture	India	90.00%	90.00%
ECC DB Joint Venture	India	75.00%	75.00%
Mira Salt Works Company @	India	100.00%	100.00%

@ 100% includes share of nominees of DB Realty Limited acting as partners on behalf of the 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, 2011	Percentage of Ownership Interest as at March 31, 2010
Turf Estate JV (Refer note i below)	66.67%	66.67%
Dynamix Realty (Partnership Firm) (in construction TDR (Refer note ii below)	99.00%	99.00%
D.B.S. Realty (Partnership Firm)	33.33%	33.33%
Lokhandwala Dynamix Balwas JV (Refer note 2 (ii) below)	NA	50.00%

Name	Percentage of Ownership Interest as at March 31, 2011	Percentage of Ownership Interest as at March 31, 2010
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	40.80%	36.23%
DB Realty and Shreepati Infrastructures LLP (formed on September 9, 2010)	60.00%	NA
DB Realtors & Builders LLP (formed on October 26, 2010)	70.00%	NA
Daund Warehousing Developers & Builders LLP	50.00%	NA
Baramati Warehousing Developers & Builders LLP	50.00%	NA
Saswad Warehousing Developers & Builders LLP	50.00%	NA
Ahmednagar Warehousing Developers & Builders LLP	50.00%	NA
Ratnagiri Warehousing Developers & Builders LLP	50.00%	NA
Solapur Warehousing Developers & Builders LLP	50.00%	NA
Sawantwadi Warehousing Developers & Builders LLP	50.00%	NA
Satara Warehousing Developers & Builders LLP	50.00%	NA
Kolhapur Warehousing Developers & Builders LLP	50.00%	NA
Latur Warehousing Developers & Builders LLP	50.00%	NA
ParliVajinath Warehousing Developers & Builders LLP	50.00%	NA
Osmanabad Warehousing Developers & Builders LLP	50.00%	NA
Nandurbar Warehousing Developers & Builders LLP	50.00%	NA
Jalgaon Warehousing Developers & Builders LLP	50.00%	NA
Jalna Warehousing Developers & Builders LLP	50.00%	NA
Parbhani Warehousing Developers & Builders LLP	50.00%	NA
Hingoli Warehousing Developers & Builders LLP	50.00%	NA
Umri Warehousing Developers & Builders LLP	50.00%	NA
Aurangabad Warehousing Developers & Builders LLP	50.00%	NA
Malkapur Warehousing Developers & Builders LLP	50.00%	NA
Badnera Warehousing Developers & Builders LLP	50.00%	NA
Washim Warehousing Developers & Builders LLP	50.00%	NA
Bhandara Warehousing Developers & Builders LLP	50.00%	NA
Chandrapur Warehousing Developers & Builders LLP	50.00%	NA
Wadsa Warehousing Developers & Builders LLP	50.00%	NA

- (i) The Joint Venture has investment of Rs. 2,600,000/- in a partnership firm viz. M/s. Evergreen Industrial Estate towards 1% share in profit/ (loss) and is accounted under AS-13 in the books of said joint venture.
- (ii) The said partnership firm has a SRA project by which it is entitled for two components of TDR viz. Land Component TDR and Construction Component of TDR. Since the partners and their sharing of profit / (loss) are different in each component, the said project is divided into two projects viz. a) Project I- Land component of TDR (Partners – Eversmile Construction Company Private Limited – profit / (loss) sharing ratio of 99% and Conwood Construction and Developers Private Limited – profit/ (loss) sharing ratio of 1%) and b) Project II – Construction component of TDR (Partners – DB Realty Limited – profit/ (loss) sharing ratio of 99% and Conwood Construction and Developers Private Limited – profit/ (loss) sharing ratio of 1%). Since, the Holding Company has share only in the profit / loss in the Project II, the profit/ (loss) has been considered for the same on the basis of project wise break-up of audited accounts.
- (iii) The above warehousing LLPs were formed on October 22, 2010

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

Name	Percentage of equity interest as at March 31, 2011	Percentage of equity interest as at March 31, 2010
Dynamix Building Materials Private Limited	50.00%	50.00%
Sangam City Township Private Limited	31.67%	31.67%
DB Hi-Sky Construction Private Limited	50.00%	50.00%
Nine Paradise Erectors Private Limited (formerly known as Nine Paradise Hotels Private Limited) (Refer note i below)	NA	33.00%
Crossway Realtors Private Limited	28.00%	28.00%
DB Hotels (India) Private Limited (Formerly known as Heaven Star Realty Private Limited)	24.00%	24.00%
Mahal Pictures Private Limited	33.33%	NA
Lokhandwala Dynamix Balwas JV (refer note (ii) below)	50.00%	NA

(i) On April 8, 2010 the Holding Company has acquired remaining 67% Equity Shares and thereby said company has become wholly owned subsidiary company as against an associate earlier and accounted under AS-21 from the said date.

(ii) Considered as an associate in the current year as against Joint Venture in the previous year.

3) Contingent Liabilities and Commitments:

	As at March 31 2011 Rs.	As at March 31, 2010 Rs.
A. Estimated amount of contracts remaining to be executed on the capital account (net of advances) and not provided for	40,204,211	24,270,666
B. The Company and DB Hospitality Private Limited (together "sponsor"), a company under the same management, have entered into a sponsorship agreement dated September 18, 2010 with DB Hotels (India) Private Limited (earlier known as Heaven Star Private Limited) (DBHPL) for providing sponsor support for project / capital overrun (as determined in the future) and Non Disposal undertaking in respect of 70% of their paid up share capital in DBHPL to Yes Bank who have agreed to lend Rs.10,820,000,000 to DBHPL for its project.	Amount unascertainable	-
C. Guarantees to banks and financial institutions (in India and overseas) against credit facilities extended to		
i) Jointly Controlled Entity DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited) (refer note i below)		
Sub Total (a)	-	-
ii) Companies under the same management	-	420,000,000
• Allianz Infratech Private Limited (erstwhile wholly owned subsidiary of Etisalat DB Telecom Private Limited)		
• D B Hospitality Limited, Mauritius (wholly owned subsidiary of DB Hospitality Private Limited) (USD 138 Million) (refer note iv below)	6,161,700,000	6,229,320,000
Sub Total (b)	6,161,700,000	6,649,320,000

	As at March 31 2011 Rs.	As at March 31, 2010 Rs.
iii) Others		
• Neelkamal Realtors and Builders Private Ltd. (refer note iii below)	4,125,000	4,125,000
• Majestic Infracon Private Limited (earlier known as DBI Infracon Private Limited / Tiger Trustees Private Limited) (refer notes ii and iv below)	8,530,000,000	8,530,000,000
Sub Total (c)	8,534,125,000	8,534,125,000
Grand Total (a + b + c)	14,695,825,000	15,183,445,000
D. Arrears of Dividend on 0.001% compulsorily Convertible Cumulative Preference Shares (CCPS)	144	185
E. 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
F. Related to Service Tax on Lease Rentals in respect of Office Premises	6,995,632	-
G. Some of the Group entities are members of Maharashtra Chambers of Housing Industry (MCHI), MCHI on behest of its members has filed a writ petition in the High Court of Bombay Challenging the levy of service tax by them on sale of Residential Flats, which has not reached its finality. Meanwhile, the High Court of Bombay have passed a Notice of Motion dated 18th February, 2011, where by the members are permitted to deposit the service tax with the Prothonotary & senior Master / Registrar (O.S) of the Court, with a direction that the same will be refunded with interest in the event members succeed in the said writ petition. In view of the same, the said entities have demanded the amount of service tax from each of the purchasers after 31st March 2011 and the aggregate amount of such service tax as up to 31st March 2011 is Rs. 205,849,902. The Group is of the view that the same is required to be deposited as and when collected from the purchasers. The management of the group has taken adequate steps for recovering of such service tax dues and is of the opinion that the same shall be collected and deposited in due course of time and does not believe it is unreasonable to expect of ultimate collection.	Amount unascertainable	-
H. 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
I. The company is a party to various legal proceedings in the normal course of business and does not expect the outcome of these proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.		

Notes:

- (i) No amount has been utilized towards a total corporate guarantee provided of Rs. 2,448,000,000 (Previous year Rs. 2,448,000,000)
- (ii) 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.

- (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 Rs.8,530,000,000 (Previous Year Rs. 8,530,000,000).
- b) In respect of facilities availed by DB Hospitality Limited, Mauritius ('DBH, Mauritius') from ICICI Bank - United Kingdom PLC of USD 138 million - Rs.6,161,700,000 as at the year end March 31, 2011 (Previous Year Rs.6,229,320,000)

The outstanding balances as at March 31, 2011 in respect of aforesaid guarantees aggregate Rs.14,691,700,000. For the purpose of the said corporate guarantees, the Company has received in its favour, irrevocable and unconditional personal guarantees from the two interested directors (being the then directors in this Company) (one being Managing Director until February 9, 2011 and the other, Managing Director) 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 *pari passu* charge on its property consisting of Hotel Hilton, Mumbai.
- b) DB Hospitality Private Limited: by (i) mortgage of its property consisting of Milan Mall in Milan Theatres Private Limited and Dynamix Mall in YJ Realty Private Limited (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.

- 4) During the year, the Company acquired 1/3rd stake in another company by paying Rs.892,225,001 (Refer Schedule 7). 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 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 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.
- 5) The Company has incurred a sum of Rs.123,779,659 towards acquisition of tenancy rights pertaining to a redevelopment project, which is the subject matter of litigation. Based on legal advice and certain judicial precedents, the Company believes that it has very good chances of getting the project awarded to itself and is confident of commencement of start redevelopment activities shortly in near future and accordingly the said amount is considered as good of recovery (Refer Schedule 10).
- 6) 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 Rs. 5,798,640,429 (including dues aggregating Rs. 4,476,974,912 as at March 31, 2011 from companies in which directors of the Holding Company are interested) as at March 31, 2011 as follows:
 - a) The other partner (being an entity in which a director of the Holding Company is interested) of Dynamix viz. Eversmile Construction Company Private Limited (ECC) has a debit balance of Rs.3,428,974,912 which includes Rs.1,500,000,000 placed as interest free deposit. The said deposit as per the deed of partnership was to be adjusted against ECC's share of profit which remains unadjusted. The balance is confirmed by ECC and as represented by both partners of Dynamix, the said balance after considering the share of profit of ECC shall be recovered in due course of time. In view of the same, debit balance of ECC is considered good of recovery;
 - b) Dynamix 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 Dynamix, the outstanding amount as of the year end of loan and interest thereon of Rs. 1,218,431,620 (including Rs. 1,048,000,000 from a Company in which a director of the Holding Company is interested) is considered good of recovery;
 - c) Sundry Debtors include Rs.1,151,233,897 inclusive of overdue amount of Rs.307,055,381, out of which Rs.51,233,897 is outstanding for more than six months. In the opinion of the Partners of Dynamix, the said outstanding is considered good of recovery.

- ii) Notes to financial statements and reference in auditors' report of Dynamix relating to matter which is sub-judice:

Dynamix has granted loans to Kusegaon Realty Private Limited (Kusegaon) (formerly known as Kusegaon Fruits & Vegetables Pvt. Ltd.) aggregating Rs.2,092,425,485 (the said loans) as upto 31.03.2010. As of 31.03.2011, 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 (CBI), in the supplementary (First) charge sheet RC.DAI. 2009.A.0045 (2G Spectrum Case) has alleged that the Key Management Personnel of DB 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 (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 in 2G Spectrum case. The CBI has alternatively alleged in the said chargesheet that even if the said transaction of Rs.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 Dynamix, these are preliminary charges based on the 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 Dynamix.

- iii) No provision for income tax has been recognized in respect of profits of the firm of Rs.2,921,254,886 (Previous Year Rs.2,541,011,748) from the project being executed as per agreement with the Slum Rehabilitation Authority (SRA), accounted as per percentage of completion method. The profits are eligible for 100% deduction u/s 80 IB (10) of the Income Tax Act, 1961 read with the clarification issued by the CBDT that deduction can be claimed on a year to year basis. In the event the Firm does not satisfy the enumerated conditions – more particularly of completing the project within the specified time limit of 5 years i.e. by March 31, 2012, the deduction shall stand withdrawn for all the years and Dynamix would be called upon to pay income tax and interest thereon.
- iv) The High-Court of Mumbai has dismissed the writ petition filed by Bharat Petroleum Corporation Limited (BPCL), *inter-alia* praying for passing appropriate order for stoppage of the construction work, demolition of construction carried out and declaration of land as "Non-Development" in relation to development and construction of the project by the firm on various grounds inclusive of affecting security of assets of BPCL being national assets. The Special Leave Petition filed by BPCL against the said dismissed writ petition is pending disposition before the Supreme Court of India. In the opinion of the firm, the litigation initiated by BPCL will not have material adverse impact on the project revenue realized and expected to be realized in relation to project work pending completion, as of March 31, 2011.
- v) In accordance with the terms and conditions of term loans from IL&FS Financial Services Limited (IFIN), The firm, over and above the designated interest and other incidental charges, had to extend incentive to IFIN of a minimum of Rs.53,000,000 in case the average sale realisation of TDR does not exceed Rs.1,500 per sq. ft. In the event, the sale realisation exceeds Rs.1,500 per sq. ft., then, such excess had to be shared equally between the Firm and IFIN, subject to an upper cap of Rs. 240,000,000, which was to accrue to IFIN at the end of the tenure of term loans. Based on the average price on which project revenue was recognised as upto 31st March, 2010, the firm had estimated that it will have to pay incentive of Rs. 24,000,000 and accordingly, provision therefore was made in the accounts based on the percentage of sq. ft. of TDR for which revenue was recognised in the Profit & Loss Account to the total sq. ft. of TDR Entitlement. In the current financial year, the firm has pre-paid the term loans obtained from IFIN and IFIN has raised debit note for incentive of Rs. 280,000,000 (being the agreed amount as per term loan sanctioned vide letter dated 27th April, 2007, which was repaid in the year ended 31st March, 2010) as against Rs. 240,000,000. The Partners of the Firm confirm the acceptance of such enhanced incentive and consequently, has accounted for the balance amount of incentive in these accounts.

B) Subsidiaries (Consolidated as per AS 21):

- i) In the previous year, one of the subsidiary companies had issued 4,000,000, 0.1% Redeemable Cumulative Preference Shares of Rs.100 each fully paid up amounting to Rs. 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. 21st November 2006, but not later than 20 years from the date of allotment.

The said subsidiary in its Extraordinary General Meeting held on 25th October, 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 3rd November 2010 decided to redeem the said Preference Shares without declaring any dividend thereon including the unprovided cumulative dividend as upto 31st March 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

Rs.400,000,000 has been transferred from the balance standing to the credit of Profit and Loss account to Capital redemption Reserve account in compliance of the provisions of Section 80(1)(d) of the Companies Act, 1956.

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

(Amount in Rs.)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to 31.03.2011	Outstanding Amount of Provision as of 31.03.2011
Estimated construction cost referable to the saleable area to be provided by the Company free of cost to the respective party	443,107,138	191,080,141	252,026,996

Notes:

- a) Further, as per the terms of a Joint Venture Agreement, the Company had to pay compensation of Rs.2,000,000 per month if there was delay in completing and giving possession of the agreed Saleable Area. In the accounts, on happening of such event, the Company has paid such compensation of Rs.36,000,000 as up to 31st March.2011, being the liability which the Company estimates it would have to pay towards its said obligation in terms of Joint Venture Agreement.
- b) Further, notwithstanding that the Company has paid such compensation for the Month of April 11 and May 11 aggregating to Rs.4,000,000, no provision therefore as well as for the estimated amount that the Company would have to pay towards its said obligation has been provided for in these accounts as the Company expects to settle the said obligation not exceeding Rs.36,000,000 which has been paid and charged off to the Profit and Loss Account up to 31st March 2011.

The Company has entered into an arrangement with the Mumbai Metropolitan Region Development Authority (MMRDA), wherein it has agreed to construct residential complex of self-contained tenements and provide land, in view of the Rental Housing Scheme framed by MMRDA. In consideration thereof, MMRDA has provided additional Floor Space Index on the land on which the Company is developing and constructing its Project. Accordingly, the cost of construction thereof represents land cost in the hands of the Company. Pending incurrance of such cost, in these accounts, provision thereof has been made on the following basis:

(Amount in Rs.)

Particulars	Amount Provided	Amount Paid/Cost of Construction allocated as up to 31.03.2011	Outstanding Amount of Provision as of 31.03.2011
Estimated construction cost referable to the residential complex	909,883,000	149,700,258	760,182,242

The Company, keeping in view the maximum potential of the land on which the Project is being constructed, has to acquire Transferrable Development Right(s) for the purpose of completion of Project. Similarly, for the part of the land on which Project is being constructed the purchase price has not been finalised with the vendor. Pending such acquisition / finalisation, in these accounts, provision has been made for the estimated cost of purchase of TDR Land. The details of provisions made are as under:

(Amount in Rs.)

Particulars	Amount Provided	Amount Adjusted on Purchase of TDR	Outstanding Amount of Provision as of 31.03.2011
Estimated Monetary Price to be paid by the Company for Land	104,132,500	-	104,132,500
Estimated cost of Transferrable Development Right(s)	60,867,000	-	60,867,000
Total	164,999,500	-	164,999,500

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

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

- iii) During the year the managements of two of its subsidiary companies have revised the aggregate estimated construction cost from Rs.13,436,057,000 to Rs.15,728,925,667 which includes the impact on account of the revised terms of compensation payable for obtaining sub-development rights of the land undertaken for development and construction for one of the subsidiaries. On account of such revision, the profit before tax for the current year includes the reversal of profit recognised upto March 31, 2010 aggregating to Rs.705,200,457 (net of tax Rs.470,909,023). Provision for income tax is made after considering the impact of reversals of such estimated profits. Consequently the consolidated profits stands adjusted to this effect for the year ended March 31, 2011.
- iv) One of the Group's project is delayed due to title dispute concerning the previous landlords. The subsidiary has filed a special leave petition before the Supreme Court of India. The management, based on legal advice about the outcome of the matter believes that there is no impairment in the project cost carried in inventory at Rs.1,078,048,644.
- v) In respect of a public private partnership (PPP) project in one of the subsidiaries, no construction activity has commenced, pending execution of a Development Agreement with concerned authorities. This event in the opinion of its Management, cannot be equated with active suspension of construction activity in relation to the project. Therefore, interest cost (Rs.70,512,009) incurred during the year on borrowings utilised for the project continues to be allocated to Project Work in Progress. Further, the subsidiary has received letter dated 19.03.2011 from the said authorities for renewal of Bank Guarantee, which has been extended upto 7th October, 2011.

In a press report it is reported that the State Government has decided to cancel the additional floor space index (FSI) to be granted to the subsidiary upon execution of the Development Agreement for the purpose of developing and constructing an Eco Friendly Affordable Township.

Regardless of the foregoing, the subsidiary expects execution of Development Agreement in due course of time and the auditors of the subsidiary have relied upon the opinion of the subsidiary in this regard considering that these aspects are commercial in nature.

- vi) The Partners of the Firm in which a subsidiary Company is also one of the Partner, are of the opinion that profits as may be derived from development and construction of a Residential Project in the firm pending completion as of date are eligible for deduction U/s 80IB(10) of the Act. Pending completion of the Residential Project, net profits derived from it is recognised on the basis of percentage of completion method, in accordance with the accounting policy followed by the subsidiary which is a partner of the Firm. Keeping in view the applicable provisions of the Act, providing for compliance of enumerated conditions, inclusive of completion of the Residential Project, within the prescribed time limit, i.e. by 31st March 2012, the finality in the matter, of "compliance" can be reached in the year of completion of the Residential Project. Under the circumstances, the issue of eligibility of deduction admissible U/s 80IB(10) of the Act of the profits as may be finally quantified as derived from the Residential Project and need provision for income tax if any there against, can reach finality only in the year of completion of the Residential Project.

In view of the aforesaid opinion of the partners of the Firm in which the subsidiary is also one of the Partner, no provision for income tax is made in the accounts for the year ended 31st March 2011, in which the profits have been so recognised.

- vii) One of the subsidiary, along with another party, in the capacity as Assignee, has executed a Deed of Assignment dated 5th April 2010, with third party (Assignor), whereby the Assignor has assigned to Assignee the right to participate and contest a suit relating to assets of a partnership firm, which is pending before the Bombay High Court, for an agreed consideration of Rs.725,000,000. As upto year end, the Company has advanced Rs.675,000,000, out of which Assignee has contributed its share of Rs.337,500,000. In the event, suit is decided in the Assignee's favour, then, it shall become entitle to assets of the partnership firm. The assets of the firm, *inter-alia* includes land situated at one of the prime locations in Mumbai. Pending reaching finality in the matter, the amount advanced to the Assignor and stamp duty paid aggregating to Rs.347,625,000 is carried forward in the accounts as an advance for purchase of land and the same shall be allocated to Project Work-in-Progress / Written off to the Profit & Loss Account as period cost, based on the outcome of the matter.
- i viii) As per the terms of the Development Agreement and Supplementary Agreement entered into by the one of the subsidiary company with the land owner, proportionate expenditure incurred towards the project by the subsidiary company has to be recovered from the said land owner. Accordingly, the Company has raised a total debit notes of Rs.989,923,841 towards his share of project costs, mobilisation advance etc.,. However, the land owner has not accepted the said debit notes in its entirety and has raised certain objections to the extent of Rs.318,205,147. The subsidiary company is in negotiations with the land owner for recovery / reaching a settlement of the same.
- 7) Group Share in Inventories (Schedule 8 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.
- 8) Group Share in Inventories (Schedule 8 of the Balance Sheet) includes an opening balance of Rs.1,050,000,000 which the management believes the same needs to be considered as land under development and grouped under inventories, hence accordingly reclassified from fixed assets to Inventories for consolidation purpose. Further, the management believes that the said land is considered to be under deemed perpetual lease though under dispute.
- 9) Group share in Loans to others under loans and advances (Schedule 10 of Balance Sheet)
- (i) Includes Rs.253,869,236 relating to advance paid to various parties including associates facilitate the jointly controlled entity (entity) for acquiring the occupancy rights in connection with the project and as such, these parties are acting in fiduciary capacity for and on behalf of the entity. For the said purpose, the entity has executed Memorandum of Understanding with each of the party. The management of the said entity has decided to appropriate the advances so paid to each party to the account of compensation in the year in which the occupancy rights shall get transferred to the said entity. Further the entity is in the process of quantifying the amount of stamp duty liability, if any, payable by each of the party in execution of the agreement for acquiring occupancy rights from the occupants and shall account the same upon such ascertainment. However, as regards, the capital gain tax liability, if any, the entity does not expect the same to arise having regard to the market value of the entity as per the stamp duty ready reckoner and the value as per the agreement. The above classification of monies so advanced to parties to acquire occupancy rights at the behest of the entity and accounting as compensation payments in the year of transfer of such occupancy rights of the entity has no adverse impact in determination of loss for the year of the said associate as the amount of compensation, including the stamp duty, if any, and other costs shall stand allocated to the value of project work in progress as and when paid.
- (ii) Limited Liability Partnership firms (LLPs) on the behest of a jointly controlled entity (entity) of the Group has advanced Rs.31,832,000 towards acquisition of occupancy rights of the occupants situated in the said land of the entity. As per the Memorandum of Understanding entered into by the LLP(s) with the entity, the LLP(s) have been appointed under a fiduciary capacity to acquire the said rights and to retransfer the same to the Entity as and when so directed. In the accounts of LLP(s) the amount received from the entity has been disclosed as current liability and the amount so advanced have been classified as advances. The necessary adjustment entries will be passed in the year in which the occupancy rights are transferred back to the entity. Further, as per the Memorandum of Understanding liability for stamp duty on acquiring occupancy rights which is yet to be ascertained as also any other costs including capital gains tax liability, if any, is on account of the entity.
- (iii) Includes Rs.256,883,561 outstanding from two parties against LOI for carrying out civil work at the project. Further, during the year, the subsidiary company has paid Rs.1,100,000,000 to 5 different parties where the LOI's have been terminated and the amount paid has been recalled. Of the above amount the Company has recovered Rs.850,000,000. The subsidiary has charged interest on the amounts that have been refunded after the stipulated time limit as well as on the amounts that have remained outstanding. In the opinion of the management of the subsidiary company the above outstanding amount and the interest charged is good of recovery.
- (iv) Includes Rs.575,813,268 paid as mobilisation advance and Rs.685,000,000 paid as machinery advance by a subsidiary company to one of the related parties in which directors of the holding company are interested. The mobilisation advance

has been given under a construction contract with the related party for construction of the project in a subsidiary company. However, before awarding the contract to the said related party the subsidiary company has cancelled an LOI previously given to a third party. In view of the directors of the Company the said contract has been awarded at arm's length and the outstanding amount is considered good of recovery.

10) Security deposits under Loans and Advances include:

- a) An interest free deposit of Rs. 218,000,000 (Previous year Rs. 261,000,000) placed by the Holding Company with the owners of land towards development of IT/ ITES Park as per the agreement.
- b) The Subsidiary Company had acquired sub-development rights from the developer vide agreement dated 11th July, 2005, whereby it had to pay in aggregate 10% of the proceeds received on sale of flats / car parking as compensation and accordingly, had accounted for such compensation of Rs. 481,151,925 (Previous year Rs. 298,803,346) as upto 30th September, 2010.

In the quarter ended 31st Decemebr, 2010, both the parties to the agreement have vide letter dated 4th January, 2011 agreed to crystallise the consideration at Rs. 500,000,000, as full and final consideration, for granting of sub-development rights by the developer to the Company.

Further to the same, as agreed the consideration payable by the Company stands adjusted against the interest free security deposit of Rs.450,000,000 placed with the developers in terms of the agreement and as of year end, the Company has to pay Rs.20,000,000 to the developer towards compensation.

- c) An interest free performance refundable deposit of Rs. 29,000,000 (Previous year Rs. 29,000,000) placed by one of the subsidiary company with individuals and other company for development of a residential / commercial project.
- d) An interest free deposit of Rs.17,381,934 (Previous year Rs.17,993,934) (Maximum outstanding balance during the year Rs.17,993,934 (Previous year Rs.18,605,934)) placed by one of the subsidiary joint venture with a company being another venturer of the said joint venture for acquiring development rights of the land, settling claims of the claimant and other costs and expenses.
- e) An interest free adjustable refundable security deposit of Rs.900,000,000 (Previous year Rs.1,000,000,000) placed by one of the subsidiary company with other company towards development rights.
- f) Interest free deposit of Rs.1,100,000,000 with one of the developers under a Memorandum of Understanding dated 27th December 2009 for having a first right of refusal / opportunity for purchase of land situated in Pune. The statutory auditor of the said subsidiary has reported in its notes that till date the subsidiary company has not exercised the rights due to non-fulfilment of certain conditions by the developer. Accordingly the Company has requested for refund of the said deposit.

- 11) Sundry Debtors includes Rs.1,886,017,613 (Previous year Rs.1,195,809,851) represents accrued revenue in accordance with policy followed for recognition of revenue from sale of flats and does not represent progressive payments due from Allottees as per the terms and conditions of sale, this is purely on account of change in estimated cost of the project.

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

(Rs. In lacs)

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

Notes:

- a) The Management of the Company has taken approval in the Annual General Meeting held on September 29, 2010 to vary and / or revise the 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. As regards, end use of funds utilised by the DB Realty Group entities, the same is based on information compiled by those entities from their books of accounts and as certified by their respective auditors.
- b) The Monitoring agency viz. Punjab National Bank Capital Market Service Branch, Mumbai has submitted its report for the six months ended September 30, 2010 and is yet to review the utilisation of IPO proceeds for the period October 2010 to March 2011.
- c) Pending utilisation, the funds are temporarily invested / held in:

(Rs. In lacs)

	March 2011	March 2010
a. Bank Balances (including Rs.Nil (Rs.84 Lacs upto 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

- 13) Managerial Remuneration (pertaining to the Holding Company and one of the subsidiary):

Amount in Rs.

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
a) Salaries and Allowances	31,321,429	29,329,745
b) Contribution to Provident and other funds	-	4,264
c) Perquisites	4,638,742	-
d) Directors' sitting fees	1,080,000	800,000
Total	37,040,171	30,134,009

- a) The above remuneration for the current year is of two managing directors of the Company of Rs.26,960,171 and one of the subsidiary company of Rs.9,000,000, whereas previous year it was for two managing directors of the Company.
- 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.

- 14) Payment to Auditors of the Group (included in Legal and Professional charges) :

Amount in Rs.

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Statutory Audits	9,045,868	5,808,308
Consolidation audit, certification, IPO related work and other matters	3,172,772	11,145,815
Out of Pocket	75,970	81,964
Service Tax on above	1,246,802	149,370
Total	13,541,412	17,185,457

- 15) 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 Rs.

	For the Year Ended	
	March 31, 2011	March 31, 2010
Employers contribution to Provident fund	3,786,013	1,896,294

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, 2011:

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

Amount in Rs.

Particulars	March 31, 2011	March 31, 2010
Liability at the beginning of the year	9,752,654	5,235,486
Interest cost	1,236,384	660,177
Current Service cost	5,797,466	3,859,590
Liability transfer in	-	4,640
Actuarial (gain)/loss on obligations	1,340,802	(7,239)
Benefit Paid	4,065,842	-
Liability at the end of the period	22,193,148	9,752,654

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

Amount in Rs.

Particulars	March 31, 2011	March 31, 2010
Liability at the end of the period	22,193,148	9,752,654
Fair value of Plan Assets at the end of the period	-	-
Difference	(22,193,148)	(9,752,654)
Amount Recognised in the Balance Sheet	(22,193,148)	(9,752,654)

- c) Expense recognized during the period:

Amount in Rs.

Particulars	March 31, 2011	March 31, 2010
Current service cost	5,797,466	3,859,590
Interest cost	1,236,384	660,177
Expected Return on Plan Assets	-	-
Actuarial (Gain) or Loss	(1,340,801)	(7,239)
Expense Recognised in Profit and loss account	5,693,049	4,512,528

- d) Actuarial Assumptions:

Mortality Table	March 31, 2011	March 31, 2010
Discount rate (per annum)	8%	8%
Rate of escalation in salary (per annum)	10%	10%

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

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

The compensated absences charge for the year ended 31st March, 2011, based on actuarial valuation carried out using the Projected Unit Credit Method, amounting Rs.16,180,865 (for Previous Year Rs.2,694,831) has been recognized in the Profit and Loss Account.

16) **Segment Reporting:**

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

17) The Group has taken commercial premises on Non-Cancellable Operating Lease and lease rent of Rs.38,680,976 (Previous Year Rs.33,937,669) has been debited to Profit and Loss Account. The future minimum lease payments are as under:

Amount in Rs.

Particulars	As at March 31, 2011	As at March 31, 2010
Not later than one year	35,044,730	38,085,108
Later than one year but not later than five year	13,109,086	38,761,514
Later than five year	-	-
Total	48,153,816	76,846,622

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

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

	Particulars	March 31, 2011	March 31, 2010
A	Net Profit after tax as per Profit and Loss Account (Rs.)	2,987,011,271	2,519,770,041
	Less: Preference Dividend in arrears	144	185
	Net Profit after tax available to equity shareholders	2,987,011,415	2,519,769,856
B	Weighted average number of equity shares outstanding		
	- for Basic EPS (Nos)	243,258,782	214,238,161
	- for Diluted EPS (Nos)	243,258,782	214,624,298
C	Earning per equity shares of face value of Rs 10 each		
	- for Basic EPS (Rs.)	12.28	11.76
	- for Diluted EPS (Rs.)	12.28	11.74
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	214,238,161
	Add : Potential Equity Shares (Refer note 1 below)	-	386,137
	Number of shares used for calculating Diluted EPS	243,258,782	214,624,298

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.

19) The components of deferred tax recognised as on March 31, 2011 are as follows:

Amount in Rs.

	Particulars	March 31, 2011	March 31, 2010
A	Deferred Tax Liabilities		
	- Related to Depreciation	52,238	80,514
	Total (A)	52,238	80,514
B	Deferred Tax Assets		
	- Deduction u/s 35D of the Act	8,682	30,950
	- Disallowance under the Income Tax Act	3,886,469	2,524,024
	Total (B)	3,895,151	2,554,974
	Closing Deferred Tax Assets / (Liability)	(B-A)	3,842,913

20) Related Party Disclosure:

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

Sr. No.	Name of the Related Party
Associates:	
1.	Sangam City Township Private Limited
2.	Dynamix Building Materials Private Limited
3.	DB Hi Sky Constructions Private Limited
4.	DB Hotels (India) Private Limited (Formerly known as Heaven star Realty Private Limited)
Key Management Personnel (KMP)	
5.	Mr. Shahid Balwa, Managing Director (upto February 9, 2011)
6.	Mr. Vinod Goenka, Managing Director
Relatives of KMP	
7.	Mr. Usman Balwa (upto February 9, 2011)
8.	Mrs. Shabana Balwa (upto February 9, 2011)
9.	Mr. Salim Balwa (upto February 9, 2011)
10.	Mrs. Aseela V. Goenka
11.	Mr. Pramod Goenka
12.	Mrs. Sunita Bali
13.	Mrs. Shanita Jain
Enterprise where control / significant influence exists	
14.	Aim Properties & Investments Private Limited
15.	Associated Hotels Limited
16.	BD & P Hotels (India) Private Limited
17.	Consort Hotels Private Limited
18.	Conwood Agencies Private Limited.
19.	Conwood Construction & Developers Private Limited
20.	Conwood Construction Company Private Limited
21.	Conwood Pre-fab Limited
22.	D B Hospitality Private Limited
23.	Dynamix Balwas Realty Ventures Private Limited
24.	Dynamix Club Resorts Private Limited
25.	Eon Aviation Private Limited

Sr. No.	Name of the Related Party
26.	Eversmile Construction Company Private Limited
27.	Goan Hotels & Clubs Private Limited
28.	Goenka & Associates Educational Trust
29.	Hotel Balwas Private Limited (Formerly known as IT Square Software Solutions Private Limited) (upto February 9 , 2011)
30.	K.G.Enterprises
31.	Majestic Infracon Private Limited (Formerly known as Tiger Trustees Private Limited and DBI Infracon Private Limited)
32.	Milan Theatres Private Limited
33.	Neelkamal Realtors and Builders Private Limited
34.	Neelkamal Relators & Erectors (India) Private Limited (upto February 9, 2011)
35.	Nihar Construction Private Limited
36.	Pony Infrastructure & Contractors Ltd (Formerly known as Dynamix Balwas Infrastructure Limited)
37.	Siddhivinayak Realtors Private Limited
38.	Y. J. Realty Private Limited
Jointly Control Entities	
39.	DB (BKC) Realtors Private Limited (formerly known as MK Malls & Developers Private Limited)
40.	Dynamix Realty (Partnership Firm under joint control)
41.	DBS Realty (Partnership Firm)
42.	Turf Estate Joint Venture
43.	DB Realty and Shreepati Infrastructures LLP (w.e.f. September 9, 2010)
44.	Ahmednagar Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
45.	Aurangabad Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
46.	Badnera Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
47.	Baramati Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
48.	Bhandara Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
49.	Chandrapur Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
50.	Daund Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
51.	Hingoli Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
52.	Jalgaon Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
53.	Jalna Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
54.	Kolhapur Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
55.	Latur Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
56.	Malkapur Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
57.	Nandurbar Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
58.	Osmanabad Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
59.	Parbhani Warehousing Developer & Builders LLP (w.e.f. October 22, 2010)
60.	Parli Vaijnath Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
61.	Ratnagiri Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
62.	Saswad Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
63.	Satara Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
64.	Sawantwadi Warehousing Developers and Builder LLP (w.e.f. October 22, 2010)
65.	Solapur Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)

Sr. No.	Name of the Related Party
66.	Umri Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
67.	Wadsa Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
68.	Washim Warehousing Developers & Builders LLP (w.e.f. October 22, 2010)
Entities in respect of which the Holding Company is an Associate	
69.	Neelkamal Tower Construction LLP (formerly known as Neelkamal Tower Construction Private Limited)

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

Description	(Amount in Rs.)				
	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	737,646,389	-	-	66,360,579	8,166,593,957
	(557,442,099)	(594,000)	(-)	(38,764,363)	(7,586,443,357)
Given during the year / on acquisition	66,886,103	-	-	345,392,347	11,319,271,452
	(180,294,290)	(-)	(-)	(85,331,606)	(16,983,872,502)
Returned during the year	13,500,000	-	-	224,181,479	14,453,418,078
	(90,000)	(594,000)	(-)	(57,735,390)	(14,029,192,290)
Adjustments (Refer Note (ii) below)	-	-	-	-	-
	(-)	(-)	(-)	(-)	((2,374,529,612))
Closing Balance	791,032,492	-	-	187,571,447	5,032,447,331
	(737,646,389)	(-)	(-)	(66,360,579)	(8,166,593,957)
b) Deposits placed					
Opening Balance	-	-	-	-	1,952,993,934
	(-)	(-)	(-)	(-)	(1,953,605,934)
Placed during the year	-	-	-	-	3,175,000,000
	(-)	(-)	(-)	(-)	(-)
Repaid / adjusted during the year	-	-	-	-	450,612,000
	(-)	(-)	(-)	(-)	(612,000)
Closing Balance	-	-	-	-	4,677,381,934
	(-)	(-)	(-)	(-)	(1,952,993,934)
c) Inter-corporate deposits / Loans received/ repaid during the year					
Opening Balance				814,853,060	72,802,047
	(-)	(-)	(-)	(860,193,530)	(1,470,182,590)
Taken / adjusted during the year				93,093,767	3,532,864,852
	(-)	(-)	(-)	(835,387,000)	(2,464,071,288)
Repaid / adjusted during the year				652,580,054	3,551,802,047
	(-)	(-)	(-)	(880,727,470)	(3,861,451,831)
Adjustments, net (Refer Note (iii) below)	-	-	-	(19,419,824)	1,500,000
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	235,946,949	55,364,852
	(-)	(-)	(-)	(814,853,060)	(72,802,047)

(Amount in Rs.)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
d) Advance received against sale of Land TDR					
Opening Balance	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Received during the year	-	-	-	-	2,913,546
	(-)	(-)	(-)	(-)	(-)
Repaid / adjusted during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	2,913,546
	(-)	(-)	(-)	(-)	(-)
e) Sundry Creditors					
Opening Balance	-	-	-	-	399,331,291
	(-)	(-)	(-)	(-)	(217,460,686)
Payable during the year	-	-	300,000	-	2,110,419,594
	(-)	(-)	(-)	(-)	(317,439,609)
Paid / adjusted during the year	-	-	300,000	-	1,946,241,948
	(-)	(-)	(-)	(-)	(135,569,004)
Closing Balance	-	-	-	-	563,508,937
	(-)	(-)	(-)	(-)	(399,331,291)
f) Other Current Liabilities					
Opening Balance	-	-	-	244,559,810	-
	(-)	(-)	(-)	(-)	(-)
Payable during the year	-	-	-	13,334,000	-
	(-)	(-)	(-)	(253,409,941)	(-)
Paid during the year	-	-	-	147,725,114	-
	(-)	(-)	(-)	(8,850,131)	(-)
Closing Balance	-	-	-	110,168,696	-
	(-)	(-)	(-)	(244,559,810)	(-)
g) Sundry Debtors					
Opening Balance	-	-	377,437	-	255,753
	(-)	(-)	(-)	(-)	(20,124,536)
Receivable during the year	-	-	286,549	-	-
	(-)	(-)	(847,437)	(-)	(201,220,082)
Received during the year	-	-	-	-	-
	(-)	(-)	(470,000)	(-)	(221,088,865)
Closing Balance	-	-	663,986	-	255,753
	(-)	(-)	(377,437)	(-)	(255,753)
h) Advances Recoverable in cash or kind					
Opening Balance	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Recoverable during the year	-	-	-	-	1,931,980,482
	(-)	(-)	(-)	(-)	(-)
Recovered during the year	-	-	-	-	357,616,370
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	1,574,364,112
	(-)	(-)	(-)	(-)	(-)
i) Advance against purchase of shares					
Opening Balance	-	-	-	-	20,000,000
	(-)	(-)	(-)	(-)	(-)

(Amount in Rs.)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
Given during the year	-	-	-	-	1,576,000,000
	(-)	(-)	(-)	(-)	(20,000,000)
Adjusted during the year	-	-	-	-	120,000,000
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	-	-	1,476,000,000
	(-)	(-)	(-)	(-)	(20,000,000)
j) Advance for tenancy rights / flat / land					
Opening Balance	-	-	500,000	-	2,500,000
	(-)	(-)	(-)	(-)	(-)
Given during the year	-	-	32,625,000	-	1,187,249,200
	(-)	(-)	(500,000)	(-)	(2,500,000)
Returned / Adjusted during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Closing Balance	-	-	33,125,000	-	1,189,749,200
	(-)	(-)	(500,000)	(-)	(2,500,000)
k) Equity Share Capital	-	362,525,580	116,598,890	-	1,045,648,380 (Refer Note (iv) below)
	(-)	(274,130,010)	(152,936,280)	(-)	(1,130,543,400)
l) Purchase of fixed assets	-	-	-	-	83,250
	(-)	(-)	(-)	(-)	(-)
m) Corporate Guarantee given by the Holding Company towards Financial and Performance Guarantees extended by the Banks/ Financial Institutions to various companies (Refer Note 3 (c) and footnote (iv) of Schedule 17 (B))	-	-	-	4,083,750	14,695,825,000
	(-)	(-)	(-)	(1,073,283,750)	(15,183,445,000)
n) 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 foot note (iv) to note 4 of Schedule 17(B))	-	USD 138 million plus Rs. 16,570 million	-	-	-
	(-)	(USD 138 million plus Rs. 16,570 million)	(-)	(-)	(-)
o) Managerial Remuneration / Remuneration to relatives of KMP	-	35,960,171	3,000,000	-	-
	(-)	(29,334,009)	(3,000,000)	(-)	(-)
p) Interest paid on loans taken	-	-	-	-	6,405,391
	(-)	(-)	(-)	(-)	(4,124,497)

(Amount in Rs.)

Description	Associates	Key Management Personnel	Relatives of Key Management Personnel	Jointly controlled entities	Other related party where control / significant influence exists
q) Travelling expenses / Hire charges	-	-	-	-	165,769,518
	(-)	(-)	(-)	(-)	(1,250,000)
r) Rent paid	-	-	300,000	-	36,447,696
	(-)	(-)	(-)	(-)	(16,707,550)
s) Miscellaneous Expenses paid	-	-	-	-	2,786,493
	(-)	(-)	(-)	(-)	(2,315,581)
t) Contractor Charges	-	-	-	-	1,437,074,484
	(-)	(-)	(-)	(-)	(-)
u) Interest received on loans given	-	-	-	-	121,697,023
	(-)	(-)	(-)	(-)	(97,189,938)
v) Sale of TDR	-	-	-	-	-
	(-)	(-)	(-)	(-)	(1,506,960)

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

Notes :

- i) The aforesaid related parties are identified by the Holding Company and relied upon by the Auditors.
- ii) The adjustment is on account of
 - a) Rs.183,500,000 of Priya Constructions Private Limited which became a subsidiary w.e.f. September 26, 2009.
 - b) Rs.2,191,029,612 of Kusegaon Fruits & Vegetables Private Limited, which is no more related party from September 15, 2009.
- iii) The adjustment is on account of
 - a) Rs.24,540,339 of DB (BKC) Realtors Private Limited (formerly known as MK Malls and Developers Private Limited) in which Holding Company has increased its stake by 4.57%.
 - b) Rs.5,120,514 of Vanita Infrastructure Private Limited which became subsidiary w.e.f. October 1, 2010.
 - c) Rs.1,500,000 is of transactions done by the some of subsidiary companies acquired during the year.
- iv) The equity share capital of Rs.1,045,648,380 (Previous Year Rs.1,130,543,400) is held by an entity of which the Holding Company is an associate.
- v) Disclosure in respect of material related party transaction:

(Amount in Rs.)

Loans Given	Opening Balance as on April 1, 2010	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2011
DB Hi-Sky Construction Private Limited	294,000,000	42,85,0,000	13,500,000	323,350,000
	(169,700,000)	(124,300,000)	(-)	(294,000,000)
Sangam City Township Private Limited	422,500,000	24,000,000	-	446,500,000
	(369,900,000)	(52,600,000)	(-)	(422,500,000)
Dynamix Building Materials Private Limited	21,146,389	36,103	-	21,182,492
	(17,842,099)	(3,394,290)	(90,000)	(21,146,389)
Goan Hotels & Clubs Private Limited	-	503,963,329	-	503,963,329
	(-)	(-)	(-)	(-)

(Amount in Rs.)

Loans Given	Opening Balance as on April 1, 2010	Given / adjusted during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2011
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	- (-)	289,261,644 (-)	257,586,164 (-)	31,675,480 (-)
Nihar Construction Private Limited	3,948,639,750 (33,709,798)	8,051,846,781 (4,627,658,750)	10,162,374,750 (712,728,798)	1,838,111,781 (3,948,639,750)
Y. J. Realty Private Limited	494,700,735 (-)	98,986,086 (537,300,735)	88,880,495 (42,600,000)	504,806,326 (494,700,735)
Eversmile Construction Company Private Limited	5,794,472,582 (-)	1,768,635,000 (5,910,243,182)	2,980,395,000 (115,770,600)	4,582,712,582 (5,794,472,582)
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	- (3,626,964,000)	515,633,151 (6,774,174,000)	390,599,315 (4,304,381,400)	125,033,836 (-)
Milan Theatres Private Limited	297,639,203 (-)	90,938,470 (397,539,203)	76,163,472 (99,900,000)	312,414,201 (297,639,203)
Conwood Construction Company Private Limited	85,000,000 (85,000,000)	- (-)	85,000,000 (-)	- (85,000,000)
Dynamix Balwas Realty Ventures Private Limited	50,000,000 (60,000,000)	- (-)	- (10,000,000)	50,000,000 (50,000,000)
Dynamix Realty	66,360,579 (38,764,363)	87,805,000 (85,331,606)	154,165,579 (57,735,390)	- (66,360,579)
Turf Estate JV	- (-)	152,987,200 (-)	49,328,400 (-)	103,658,800 (-)

(Figures in bracket denote previous year balances / transactions)

(Amount in Rs.)

Deposits Placed	Opening Balance as on April 1, 2010	Placed during the year	Refunded during the year	Closing Balance as on March 31, 2011
Conwood Constructions and Developers Private Limited	317,993,934 (318,605,934)	- (-)	300,612,000 (612,000)	17,381,934 (317,993,934)
Conwood Construction Company Private Limited	150,000,000 (150,000,000)	- (-)	150,000,000 (-)	- (150,000,000)
Eversmile Construction Company Private Limited	1,485,000,000 (1,485,000,000)	2,000,000,000 (-)	- (-)	3,485,000,000 (1,485,000,000)
Dynamix Club Resorts Private Limited	- (-)	500,000,000 (-)	- (-)	500,000,000 (-)
Neelkamal Realtors & Builders Private Limited	- (-)	675,000,000 (-)	- (-)	675,000,000 (-)

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

(Amount in Rs.)

Inter-corporate Deposits / Loans received/repaid during the year	Opening Balance as on April 1, 2010	Taken during the year	Repaid during the year	Closing Balance as on March 31, 2011
D.B. Hospitality Private Limited	180,000	1,200,000	1,380,000	-
	(864,221,518)	(2,034,979,241)	(2,899,020,759)	(180,000)
Dynamix Club Resorts Private Limited	-	-	-	-
	(414,470,000)	(477,250,000)	(62,780,000)	(-)
Nihar Constructions Private Limited	-	-	-	-
	(-)	(185,900,000)	(185,900,000)	(-)
Neelkamal Realtors & Builders Private Limited	8,910,000	679,000,000	687,910,000	-
	(8,910,000)	(-)	(-)	(8,910,000)
DB (BKC) Realtors Private Limited (formerly known as M. K. Malls and Developers Private Limited)	8,910,000	679,000,000	687,910,000	-
	(8,910,000)	(-)	(-)	(8,910,000)
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	-	2,547,775,000	2,547,775,000	-
	(-)	(-)	(-)	(-)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	-	300,000,000	300,000,000	-
	(-)	(-)	(-)	(-)

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

(Amount in Rs.)

Advance received against sale of Land TDR	Opening Balance as on April 1, 2010	Received during the year	Repaid / adjusted during the year	Closing Balance as on March 31, 2011
K.G.Enterprises	-	2,913,546	-	2,913,546
	(-)	(-)	(-)	(-)

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

(Amount in Rs.)

Sundry Creditors	Opening Balance as on April 1, 2010	Payable during the year	Paid during the year	Closing Balance as on March 31, 2011
Eon Aviation Private Limited	22,651,438	207,591,692	230,243,130	-
	(-)	(112,290,858)	(89,639,420)	(22,651,438)
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	-	1,159,884,138	722,982,682	436,901,456
	(-)	(-)	(-)	(-)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	-	417,025,403	351,558,341	27,333,171
	(-)	(-)	(-)	(-)
Conwood Construction and Developers Private Limited	200,301,909	135,009,232	320,120,741	15,190,400
	(107,120,366)	(93,181,543)	(-)	(200,301,909)
K.G.Enterprises	2,962,755	41,941,276	42,081,371	2,822,661
	(3,765,054)	(43,289,299)	(44,091,598)	(2,962,755)
Conwood Construction Company Private Limited	98,509,753	66,394,929	159,900,000	5,004,682
	(52,614,366)	(45,895,387)	(-)	(98,509,753)

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

(Amount in Rs.)

Other Current Liabilities	Opening Balance as on April 1, 2010	Payable during the year	Paid during the year	Closing Balance as on March 31, 2011
Turf Estate JV	7,884,789	-	7,884,789	-
	(-)	(14,331,900)	(6,447,111)	(7,884,789)
DBS Realty (Partnership Firm)	236,675,021	13,334,000	139,840,325	110,168,696
	(-)	(239,078,041)	(2,403,020)	(236,675,021)

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

(Amount in Rs.)

Sundry Debtors	Opening Balance as on April 1, 2010	Receivable during the year	Received during the year	Closing Balance as on March 31, 2011
Eversmile Construction Company Private Limited	-	-	-	-
	(10,357,982)	(201,220,082)	(211,578,064)	(-)
Salim Balwa	377,437	285,549	-	663,986
	(-)	(847,437)	(470,000)	(377,437)

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

(Amount in Rs.)

Advance recoverable in cash or kind	Opening Balance as on April 1, 2010	Recoverable during the year	Recovered during the year	March 31, 2011
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	-	1,724,516,667	287,246,718	1,437,269,949
	(-)	(-)	(-)	(-)

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

(Amount in Rs.)

Advance against share purchase	Opening Balance as on April 1, 2010	Payable during the year	Paid during the year	Closing Balance as on March 31, 2011
Heaven Star Realty Private Limited (now known as DB Hotels (India) Private Limited (Share application money)	20,000,000	1,576,000,000	120,000,000	1,476,000,000
	(20,000,000)	(-)	(-)	(20,000,000)

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

(Amount in Rs.)

Advance for development rights	Opening Balance as on April 1, 2010	Paid during the year	Returned / adjusted during the year	Closing Balance as on March 31, 2011
Usman Balwa	500,000	32,625,000	-	33,125,000
	(-)	(500,000)	(-)	(500,000)
Nihar Construction Private Limited	-	1,104,080,000	-	1,104,080,000
	(-)	(-)	(-)	(-)

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

Equity Share Capital	Amount (Rs.)
NeelKamal Tower Construction LLP (formerly known as Neelkamal Tower Construction Company Private Limited)	1,045,648,380 (1,045,648,380)
Mr. Vinod Goenka	361,782,180 (272,642,160)

Purchase of Fixed Assets	Amount (Rs.)
Eversmile Construction Company Private Limited	83,250 (-)

Managerial Remuneration paid	Amount (Rs.)
Mr. Shahid Balwa (upto February 9, 2011)	12,214,445 (8,500,000)
Mr. Vinod Goenka	23,745,726 (8,500,000)

Interest paid on loans taken	Amount (Rs.)
Conwood Agencies Private Limited	6,405,391 (4,124,497)

Travelling expenses / hire charges	Amount (Rs.)
Eon Aviation Private Limited	165,769,518 (1,250,000)

Rent paid	Amount (Rs.)
K.G.Enterprises	36,185,704 (16,707,550)

Expenses paid	Amount (Rs.)
K.G.Enterprises	2,666,167 (2,315,581)

Contractor Charges	Amount (Rs.)
Majestic Infracon Private Limited (formerly known as DBI Infracon Private Limited)	314,363,475 (-)
Pony Infrastructure & Contractors Limited (formerly known as Dynamix Balwas Infrastructure Limited)	1,122,711,009 (-)

Interest received on loans given	Amount (Rs.)
Y. J. Realty Private Limited	72,758,362 (60,100,735)
Milan Theatres Private Limited	43,877,428 (37,089,203)

Sale of TDR	Amount (Rs.)
Goenka & Associates Educational Trust	- (1,506,960)

(21) FINANCIAL INFORMATION OF THE SUBSIDIARY COMPANIES AS ON 31.3.2011

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	Gokuldharm Real Estate Development Company Private Limited	50,000,000	781,808,777	1,533,984,004	1,533,984,004	5,902,380	2,984,798,196	797,248,971	304,566,803	492,682,168	-
2	Neekamal Realtors Suburban Private Limited	111,600,000	455,328,221	2,047,545,952	2,047,545,952	-	1,659,773,976	76,469,683	34,733,167	41,736,516	-
3	Esteem Properties Private Limited	1,000,000	-	1,155,439,068	1,155,439,068	-	6,883,561	(7,204,256)	-	(7,204,256)	-
4	Neekamal Shantinagar Properties Private Limited	160,000	-	261,449,316	261,449,316	254,145,061	798	(3,522,789)	-	(3,522,789)	-
5	D B Properties Private Limited	100,000	-	1,562,000,000	1,562,000,000	958,536,439	124,070,034	44,742,836	-	44,742,836	-
6	Saifee Bucket Factory Private Limited	248,000	47,600	1,103,067	1,103,067	-	-	(102,144)	-	(102,144)	-
7	Real Gems Build Tech Private Limited	100,000	-	564,821,650	564,821,650	49,600,000	-	(97,447,433)	-	(97,447,433)	-
8	Priya Constructions Private Limited	100,000	-	216,111,152	216,111,152	168,533,366	11,444,647	(4,023,835)	26,767	(3,997,068)	-
9	Neekamal Realtors Tower Private Limited	32,887,250	1,066,012,033	1,520,121,249	1,520,121,249	-	5,970,688	(80,536,440)	711	(80,535,729)	-
10	D B Man Realty Limited	10,000,000	-	637,585,493	637,585,493	-	1,844,384	(3,980,225)	-	(3,980,225)	-
11	Royal Netra Constructions Private Limited	15,000,000	-	470,415,175	470,415,175	368,997,243	210,925,985	(5,365,453)	1,718	(5,367,171)	-
12	N. A. Estates Private Limited	100,000	-	82,988,065	82,988,065	-	-	(114,342)	-	(114,342)	-
13	Nine Paradise Erectors Private Limited	100,000	-	912,741,781	912,741,781	700	657,534	(174,570)	-	(174,570)	-
14	DB MIG Realtors & Builders Private Limited	100,000	-	1,300,386,258	1,300,386,258	-	1,439,226,196	(6,446,084)	-	(6,446,084)	-
15	DB Spacecon Private Limited	135,140	-	2,732,848,975	2,732,848,975	-	20,732,004	(41,715,615)	-	(41,715,615)	-
16	Vanita Infrastructure Private Limited	100,000	3,883,562	51,833,562	51,833,562	-	8,363,835	6,483,562	2,600,000	3,883,562	-
17	DB View Infracon Private Limited	100,000	-	2,526,712	2,526,712	-	-	(2,476,028)	-	(2,476,028)	-
18	DB Contractors & Builders Private Limited	100,000	-	600,000	600,000	-	-	(20,885)	-	(20,885)	-
19	A. G. Infraconstruction Private Limited	3,500,000	13,500,000	17,000,000	17,000,000	-	50,000,000	(14,173,977)	-	(14,173,977)	-

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

Signatures to Schedules 1 to 17

For and on behalf of Board

K.M.Goenka
Chairman

Vinod Goenka
Managing Director
Place: Delhi

Usman Balwa
Director

Mahesh Gandhi
Director

Janak Desai
Director

N M Rafique
Director

N. Shridhar
Group Director (Strategy & Finance)

K.N. Gupta
Joint Chief Financial Officer

S A K Narayanan
Company Secretary

Mumbai, Dated : June 8, 2011

Notes

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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 5th Annual General Meeting of the Company held on Wednesday, the 21st day of September, 2011 at 03.00 p.m. at Exchange Plaza, National Stock Exchange Auditorium, NSE Building, Ground Floor, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

SIGNATURE OF THE MEMBER(s) OR PROXY

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

D B REALTY LIMITED

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

PROXY FORM

DP ID : _____ Client ID : _____

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

I/We _____ of _____ in the district of _____ being a Member(s) of D B REALTY LIMITED. hereby appoint _____ of _____ in the District of _____ or failing him _____ of _____ in the District of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 5th Annual General Meeting of the Company to be held on the 21st day of September, 2011 and at any adjournment thereof.

Signed this _____ day of _____ 2011.

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.







D B REALTY LTD.

DB House, General A. K. Vaidya Marg,
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